

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND QUARTER
 ENDED 30 JUNE 2022**
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS		
	3-MONTH PERIOD ENDED		6-MONTH PERIOD ENDED		
	Note	30 JUNE 2022	30 JUNE 2021	30 JUNE 2022	30 JUNE 2021
	RM	RM	Unaudited RM	Unaudited RM	
Revenue		43,715,751	35,772,532	80,208,038	66,606,146
Cost of sales		(17,427,540)	(14,875,189)	(32,327,999)	(25,625,252)
Gross Profit		26,288,211	20,897,344	47,880,039	40,980,894
Other income		649,662	666,118	2,376,765	1,206,763
Administrative expenses		(17,066,381)	(14,477,033)	(33,067,472)	(31,247,736)
Profit / (Loss) from operations		9,871,493	7,086,428	17,189,333	10,939,921
Share of results of associate		-	-	-	-
Profit / (Loss) before interest and taxation		9,871,493	7,086,428	17,189,333	10,939,921
Interest Expenses		(4,410,365)	(3,890,103)	(7,228,419)	(7,801,148)
Interest Income		65,777	23,908	143,880	25,929
Profit / (Loss) before taxation		5,526,905	3,220,233	10,104,793	3,164,701
Taxation		(12,040)	(676,999)	(6,856)	(703,739)
Profit / (Loss) for the period		5,514,865	2,543,234	10,097,937	2,460,963
Profit / (Loss) attributable to:					
Owners of the Company		2,963,702	1,474,161	5,849,450	507,091
Non-controlling interests		2,551,163	1,069,073	4,248,487	1,953,871
		5,514,865	2,543,234	10,097,937	2,460,963

Earnings per share attributable to
Owner of the Company

- Basic (sen)	B9	0.69	0.35	1.37	0.11
- Diluted (sen)	B9	0.69	0.35	1.37	0.11

Note:

The unaudited condensed consolidated Statement of Comprehensive Income should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2021.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND QUARTER
 ENDED 30 JUNE 2022**
CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(THE FIGURES HAVE NOT BEEN AUDITED)

Note	INDIVIDUAL QUARTER 3-MONTH PERIOD ENDED		CUMULATIVE QUARTERS 6-MONTH PERIOD ENDED	
	30 JUNE 2022	30 JUNE 2021	30 JUNE 2022	30 JUNE 2021
	RM	RM	Unaudited RM	Unaudited RM
(Loss)/Profit for the period	5,514,865	2,543,234	10,097,937	2,460,963
OTHER COMPREHENSIVE INCOME				
Exchange difference arising on translation of foreign operations	(32,044)	30,209	(125,848)	20,770
Other comprehensive (loss)/income, net of tax	(32,044)	30,208	(125,848)	20,769
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	5,482,821	2,573,443	9,972,089	2,481,731
Total comprehensive (loss)/income attributable to:				
Owners of the Company	2,931,657	1,504,370	5,723,602	527,860
Non-controlling interests	2,551,163	1,069,073	4,248,487	1,953,871
	5,482,821	2,573,443	9,972,089	2,481,732

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**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND QUARTER
 ENDED 30 JUNE 2022**
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Unaudited</i> 30 JUNE 2022	<i>Audited</i> 31 DECEMBER 2021
	RM	RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	77,365,392	78,143,727
Right-of-use assets	136,509,408	142,742,098
Investment in associate	1,661,038	1,661,038
Goodwill on consolidation	29,993,752	29,991,752
Intangible assets	95,702,482	95,952,739
Contract Cost	2,735,581	2,735,581
Deferred tax assets	7,243,061	7,280,142
	<u>351,210,713</u>	<u>358,507,076</u>
CURRENT ASSETS		
Inventories	4,608,403	2,342,620
Trade and other receivables	41,819,282	41,442,382
Contract Assets	6,298,617	6,298,617
Contract costs	4,618,567	2,665,768
Current tax assets	511,381	538,601
Deposits placed with licensed banks	14,538,196	16,411,233
Cash and bank balances	27,532,360	28,789,128
	<u>99,926,806</u>	<u>98,488,349</u>
Non-current assets held for sale	24,725,158	27,725,159
	<u>475,862,677</u>	<u>484,720,584</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	88,794,521	88,794,521
Treasury shares	(294,252)	(294,252)
Revaluation reserve	5,396,382	5,396,382
Foreign currency translation reserve	(214,485)	(88,637)
Retained earnings	24,430,753	18,506,306
	<u>118,112,918</u>	<u>112,314,320</u>
Non-controlling interests	94,289,201	91,390,712
	<u>212,402,119</u>	<u>203,705,031</u>
TOTAL EQUITY		
NON-CURRENT LIABILITIES		
Loans and borrowings	17,710,569	16,460,679
Lease liabilities	140,342,506	145,437,076
Deferred tax liabilities	29,880,012	29,880,012
	<u>187,933,087</u>	<u>191,777,767</u>
CURRENT LIABILITIES		
Trade and other payables	47,236,224	46,141,460
Loans and borrowings	-	3,223,823
Overdraft	-	61,990
Lease liabilities	12,590,889	9,821,038
Contract liabilities	15,631,961	29,926,087
Tax payables	68,397	63,387
	<u>75,527,471</u>	<u>89,237,785</u>
TOTAL LIABILITIES		
TOTAL EQUITY AND LIABILITIES		
	<u>475,862,677</u>	<u>484,720,584</u>
Number of ordinary shares (unit)	447,523,075	447,523,075
Net assets per share attributable to owners of the Company (sen)	26.4	25.1

Note:

The unaudited condensed consolidated Statement of Financial Position should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2021.

SMRT HOLDINGS BERHAD (659523-T)

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND QUARTER
ENDED 30 JUNE 2022**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(THE FIGURES HAVE NOT BEEN AUDITED)**

	Share Capital	Treasury Shares	Share Based Payment Reserve	Foreign Currency Translation Reserve	Revaluation Reserve	Statutory Reserve	Retained Profits	Sub-total	Non Controlling Interests	Total Equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Current period ended 30 JUNE 2022										
As at 01 JANUARY 2022	88,794,521	(294,252)	-	(88,637)	5,396,382	-	18,506,303	112,314,317	91,390,715	203,705,030
Total comprehensive income for the period										
(Loss)/Profit for the period	-	-	-	-	-	-	5,924,450	5,924,450	4,248,487	10,172,937
Other Comprehensive income for the period	-	-	-	(125,848)	-	-	-	(125,848)	-	(125,848)
Total comprehensive income	-	-	-	(125,848)	-	-	5,924,450	5,798,602	4,248,487	10,047,089
Transaction with owners										
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(1,350,000)	(1,350,000)
Balance as at 30 JUNE 2022	88,794,521	(294,252)	-	(214,485)	5,396,382	-	24,430,753	118,112,918	94,289,202	212,402,119
Corresponding period ended 30 JUNE 2021										
As at 01 JANUARY 2021	86,730,228	(294,252)	-	(69,390)	5,396,382	-	20,316,338	112,079,306	78,989,414	191,068,720
Total comprehensive income for the period										
Loss for the financial year	-	-	-	-	-	-	507,091	507,091	1,953,871	2,460,963
Other comprehensive income for the period	-	-	-	20,770	(0)	-	-	20,769	-	20,769
Total comprehensive income	-	-	-	20,770	(0)	-	507,091	527,860	1,953,871	2,481,732
Transaction with owners										
Issuance of shares pursuant to :-										
- Private Placement	2,134,293	-	-	-	-	-	-	2,134,293	4,850,000	6,984,293
Total transactions with owners	2,134,293	(0)	-	-	-	-	-	2,134,293	4,850,000	6,984,293
Balance as at 30 JUNE 2021	88,864,521	(294,252)	-	(48,620)	5,396,382	-	20,823,429	114,741,459	85,793,285	200,534,744

Note:

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2021.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND QUARTER
ENDED 30 JUNE 2022**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
(THE FIGURES HAVE NOT BEEN AUDITED)**

	CURRENT PERIOD ENDED 30 JUNE 2022 RM'000	CORRESPONDING PERIOD ENDED 30 JUNE 2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	10,105	3,165
Adjustments for:		
Amortisation of intangible assets	104	301
Depreciation of Property and equipment	4,352	4,179
Depreciation of Right-of-use assets	5,892	6,777
Allowance of impairment for:-		
- trade receivables	-	46
Interest income	(143)	(26)
Interest expense	7,228	7,801
Loss/(gain) on disposal of property, plant and equipment	-	(47)
Loss/(gain) on disposal of investment in subsidiary	(1,320)	-
Provision for doubtful debts	-	46
Operating profit /(loss) before working capital changes	<u>26,217</u>	<u>22,241</u>
Changes in working capital		
Inventories	(2,266)	(4,618)
Receivables	6,616	(331)
Contract cost	(1,952)	(868)
Payables	2,719	(7,218)
Lease liabilities	(5,140)	(1,002)
Contract liabilities	(11,975)	(4,492)
Cash (used in)/generated from operations	<u>14,219</u>	<u>3,712</u>
Tax paid	(14)	(84)
Tax refunded	-	31
Interest expense	(5,045)	(6,190)
Interest received	143	26
Net cash generated from/(used in) operating activities	<u>9,304</u>	<u>(2,505)</u>

CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,251)	(1,729)
Proceeds from disposal of:		
- investment in subsidiary, net of cash outflows	330	-
Net cash generated from/(used in) investing activities	(1,921)	(1,729)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of placement share	-	6,944
Fixed deposit pledged to licences bank	-	(30)
Placement of bank accounts pledged for term loan	214	-
Withdrawal of fixed deposit	944	-
- lease liabilities	(7,069)	(3,968)
- borrowings	(2,000)	-
Dividend paid to non-controlling interest	(1,350)	-
Net cash generated from/(used in) financing activities	(9,260)	2,947
Net increase/(decrease) in cash and cash equivalents	(1,878)	(1,287)
Effect of foreign exchange rate change	(35)	22
Opening balance of cash and cash equivalents	25,004	12,996
Closing balance of cash and cash equivalents	23,092	11,730
Cash and cash equivalents		
Fixed deposits with licensed bank	15,470	2,393
Cash and bank balances	26,601	23,844
Overdraft	-	(8,476)
	42,071	17,761
Less: Deposits held as security	(15,470)	(2,393)
Less: Bank accounts pledged for term loan	(3,509)	(3,638)
Closing balance of cash and cash equivalents	23,092	11,730

Note:

The unaudited condensed consolidated Statement of Cash Flow should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2021.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER
ENDED 30 JUNE 2022**

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of Preparation

- a) These interim financial statements of SMRT Holdings Berhad ("SMRT" or the "Company") and its subsidiaries (the "Group") are unaudited and have been prepared in accordance with MFRS 134 - Interim Financial Reporting issued by the Malaysian Financial Standards Board ("MASB") and Appendix 9B of the Bursa Malaysia Securities Berhad's ("Bursa Securities") ACE Market Listing Requirements ("AMLR").

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

b) Significant Accounting Policies

The significant accounting policies and presentations adopted by the Group in this quarterly report are consistent with those of the annual financial statements for the FYE 31 December 2021 except that the Group has adopted the Malaysian Financial Reporting Standards (MFRS) framework issued by Malaysian Accounting Standards Boards (MASB) which are effective for annual periods beginning on or after 1 January 2022 as disclosed below: -

- Amendments to MFRS 4	Insurance Contracts
- Amendments to MFRS 7	Financial Instruments Disclosure
- Amendments to MFRS 9	Financial Instruments
- Amendments to MFRS 139	Financial Instruments: Recognition and Measurement

*Early adopted the amendments to MFRS 16 Leases issued by the Malaysian Accounting Standards Board ("MASB") on 5 June 2020 or/and 6 April 2021.

The adoption of the abovementioned accounting standards and amendments have no material impact on the financial statements of the Group upon their initial application except for the following:

c) Standards issued but not yet effective

At the date of authorisation of the interim financial report, the Standards issued by Malaysian Accounting Standards Board ("MASB") but not yet effective are disclosed below. The Group intends to adopt these applicable standards, when they become effective.

- Amendments to MFRS 101 Presentation of Financial Statements
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to MFRS 116 Property, Plant and Equipment

A2 Audit Report of the preceding Annual Financial Statements

The audit report for the annual financial statements of the Group for the FYE 31 December 2021 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The Group's operations were not materially affected by seasonal or cyclical changes.

A4 Changes in Estimates

There were no estimates provided for the last financial quarter under review.

A5 Debt and Equity Securities

There was no issuance, cancellation or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review.

The detailed movements of the issued and paid up capital and share premium reserved for the Company for the current quarter under review are as follows:-

	No. of shares Issued and fully paid up ordinary shares of RM0.10 '000	Share Capital RM '000
As at 1 January 2022	447,523	88,794
Issuance of shares via Private Placement	-	
As at 30 JUNE 2022	447,523	88,794

A6 Valuation of Property, Plant and Equipment

The value of property, plant and equipment has been brought forward, without amendments from the previous year's annual audited financial statements.

A7 Dividend Paid

No dividend was paid during the current quarter under review.

A8 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items or events, which affected the assets, liabilities, equity, net income or cash flows of the Group since the last annual audited financial statements.

A9 Segmental Information**(a) Analysis of segmental revenue and results**

	Education RM'000	Technology RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
6 Months Ended	30 JUNE 2022				
Revenue					
External customers	55,529	24,679	-	-	80,208
Inter-company sales	-	-	-	-	-
Dividend income	-	-	2,400	(2,400)	-
	<u>55,529</u>	<u>24,679</u>	<u>2,400</u>	<u>(2,400)</u>	<u>80,208</u>
Results:					
<i>Included in the measure of segment (loss) / profit</i>					
Interest income	8	135	-	-	144
Interest expenses					
- Borrowings	(492)	-	-	-	(492)
- Right-of-use assets	(1,579)	(9)	(5,127)	-	(6,716)
Depreciation of:					
- Properties and equipment	(3,899)	(187)	(9)	-	(4,095)
- Right-of-use assets	(2,713)	(90)	(3,089)	-	(5,892)
Amortisation	(104)	-	-	-	(104)
Other non cash income	1,259	-	-	-	1,259
Share of results of associate	-	-	-	-	-
Profit before tax	<u>2,326</u>	<u>9,281</u>	<u>(1,502)</u>	<u>-</u>	<u>10,105</u>
Income tax expense	23	(30)	-	-	(7)
Segment profit/(loss)	<u>2,350</u>	<u>9,250</u>	<u>(1,502)</u>	<u>-</u>	<u>10,098</u>
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")	18,151	9,567	(294)		27,424

(b) Analysis of segmental in financial position

	Education RM'000	Technology RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Assets					
Segments assets	149,796	53,884	295,764	(31,336)	468,108
Deferred tax assets	7,032	211	-	-	7,243
Tax recoverable	509	2	-	-	511
Total assets	<u>157,337</u>	<u>54,097</u>	<u>295,764</u>	<u>(31,336)</u>	<u>475,863</u>
Liabilities					
Segmental liabilities	80,462	14,102	204,715	(65,768)	233,512
Deferred tax liabilities	29,872	-	8	-	29,880
Tax payables	(27)	33	62	-	68
Total liabilities	<u>110,308</u>	<u>14,135</u>	<u>204,785</u>	<u>(65,768)</u>	<u>263,461</u>

(c) Analysis by geographical areas

	3-months ended 30 JUNE 2022			
	Malaysia RM'000	Overseas RM'000	Elimi- nations RM'000	Conso- lidated RM'000
Revenue				
External sales	42,664	1,052	-	43,716
Inter-segment	-	-	-	-
Total	<u>42,664</u>	<u>1,052</u>	<u>-</u>	<u>43,716</u>
	6-months ended 30 JUNE 2022			
	Malaysia RM'000	Overseas RM'000	Elimi- nations RM'000	Total Operations RM'000
Revenue				
External sales	78,297	1,911	-	80,208
Inter-segment	-	-	-	-
Total	<u>78,297</u>	<u>1,911</u>	<u>-</u>	<u>80,208</u>

A10 Material Events Subsequent to the End of the Current Quarter

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

A11 Changes in the Composition of the Group

There were no material changes in the composition of the Group for the financial period ended 30 June 2022 up to the date of this report.

A12 Contingent Liabilities or Contingent Assets

As at **30 JUNE 2022**
RM'000

Corporate Guarantees issued to financial institutions in respect of
banking facilities granted to subsidiary companies

495

Save for the above, there were no changes in the contingent liabilities and contingent assets of the Group, since the last audited accounts as at 31 December 2021.

A13 Capital Commitments

There were no capital commitments for the current quarter under review.

B1 Review of Performance**Financial review for current quarter and financial year-to-date**

	Individual Period			Cumulative Period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Variance	Current Year Period	Preceding Year Corresponding Period	Variance
	30 JUNE 2022 RM'000	30 JUNE 2021 RM'000		30 JUNE 2022 RM'000	30 JUNE 2021 RM'000	
Revenue	43,716	35,773	22%	80,208	66,606	20%
Operating Profit	9,871	7,086	39%	17,189	10,940	57%
Profit /(Loss) Before Interest and Tax	9,871	7,086	39%	17,189	10,940	57%
Profit / (Loss) Before Tax	5,527	3,220	72%	10,105	3,165	219%
Profit /(Loss) After Tax	5,515	2,543	117%	10,098	2,461	310%
Profit /(Loss) Attributable to Ordinary Equity Holders of the Parent	2,964	1,474	101%	5,849	507	1054%

Current quarter compared to preceding year's corresponding quarter results

The Group recorded an increase in revenue by approximately 22% for the current quarter under review as compared to the preceding year's corresponding quarter (Q2' 2021) ("corresponding quarter"), mainly the education sector resulted from higher recruitment of new students for various programs for the period under review, especially University of Cyberjaya.

Correspondently, the Group recorded a Profit before tax ("PBT") and Profit after tax ("PAT") of approximately RM5.53 million and RM5.52 million respectively for quarter ended 30 June 2022, as compared to PBT and PAT of RM3.22 million and RM2.54 million respectively, in the preceding year quarter ended 30 June 2021, mainly resulted from the increase in overheads.

Current financial year-to-date results compared to preceding year's corresponding financial year-to-date results

The Group recorded an unaudited revenue of RM80.21 million, mainly contributed from Minda Global Berhad and its subsidiaries (RM55.53 million) and N'osairis Technology Solutios Sdn Bhd and its subsidiaries (RM24.68 million), an improvement of 20% as compared to the revenue recorded of RM66.61 million for the preceding year quarter to date ended 30 June 2021, mainly contributed from both the IOT sector and the education sector resulted from higher recruitment of new students for various programs, especially University of Cyberjaya.

Correspondently, the Group recorded a PBT and PAT of approximately RM10.11 million and RM10.10 million respectively for 6 months ended 30 June 2021, a great improvement as compared to PBT and PAT of RM3.17 million and RM2.46 million respectively, in the preceding year 6 months ended 30 June 2021.

B2 Material Change in Profit Before Tax for the Current Quarter as Compared with the Immediate Preceding Quarter**Financial review for current quarter compared with immediate preceding quarter**

	Current Year Quarter 30 JUNE 2022 RM'000	Immediate Preceding Quarter 31 MARCH 2022 RM'000	Variance
Revenue	43,716	36,492	20%
Operating Profit	9,871	7,318	35%
Profit /(Loss) Before Interest and Tax	9,871	7,318	35%
Profit /(Loss) Before Tax	5,527	4,578	21%
Profit /(Loss) After Tax	5,515	4,583	20%
Profit / (Loss) Attributable to Ordinary Equity Holders of the Parent	2,964	2,886	3%

The Group recorded an increased in revenue of RM43.72 million for the current quarter as compared to RM 36.49 million in the immediate preceding quarter, mainly resulted from higher revenue contribution from both Technology and education segment during the quarter under review. Nevertheless, the Group recorded a lower PBT and PAT of approximately RM5.53 million and RM5.52 million respectively for the current quarter under review as compared to PBT and PAT of approximately RM4.58 million for immediate preceding quarter respectively, mainly due to higher overheads recorded for the quarter under review.

B3 Prospects for the Current Financial Year

In relation to our industry, this COVID-19 pandemic do has severe impact on certain operation pattern of our businesses.

Our education group, namely Minda Global Berhad, owns and operates 2 universities, 3 colleges and 1 international school. The lockdown announcements by various countries worldwide has defers the movement of local and foreign students worldwide. Up to the date of this report, with the progressive recovery from the Covid-19 lockdown impacts, our education arms has respectively working towards recruitment of new intakes for year 2022, closely working with instructions and announcement by the relevant educational authorities, such as Ministry of higher learning, from time to time. Despite our educational teams are converting their teaching pattern into on-line learning whichever best options available, the Group however, foresees that its performance may be affected by the speed of recovery of Covid-19 pandemic in the country as well as the international borders.

Whereas for our IT divisions, the implementation of existing contracts in hand has been delayed due to the national lockdown. Nevertheless, for certain existing on-line related services are operating without major impact. We expect our IT related operations shall be back on mark gradually, subject to further instruction from government on MCO policies and our customers' revised timing on delivery of existing contracts.

B4 Variance of Actual Profit from Profit Forecast and Profit Guarantee

The Group has not announced or provided any profit forecast or profit guarantee for the current quarter under review.

B5 Income Tax Expenses

	Current Quarter Ended		Cumulative Year To Date	
	30 JUNE 2022 RM'000	30 JUNE 2021 RM'000	30 JUNE 2022 RM'000	30 JUNE 2021 RM'000
Income tax				
Current	26	192	45	116
Under/(Over) provision of tax in prior year	-	-	-	31
Deferred tax	(14)	485	(38)	(121)
	12	677	7	27

The taxation included the estimation of deferred tax arising from the recognition of lease liabilities.

B6 Status of Corporate Proposals

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

B7 Group Borrowings

	Cumulative Year To Date	
	30 JUNE 2022 RM'000	30 JUNE 2021 RM'000
<u>Secured short-term</u>		
Hire purchase payables	-	-
Lease assets payables	12,591	12,838
Term Loan	-	467
Shares Margin Loan	-	2,000
<u>Secured long-term</u>		
Hire purchase payables	321	540
Lease assets payables	140,343	146,096
Term Loan	17,390	25,655
Total borrowings	170,644	187,596

All borrowings are denominated in Ringgit Malaysia.

B8 Material Litigation

The Company and its subsidiary companies are not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against these companies as at the date of this quarterly report.

B9 Earnings Per Share ("EPS")

The basic EPS is calculated based on the Group's profit attributable to ordinary equity holders of the parent for the current quarter and cumulative year-to-date, and divided by the weighted average number of shares in issue for the current quarter and cumulative year-to-date as follows :-

(a) Basic EPS

	Current Quarter Ended		Cumulative Year To Date	
	30 JUNE 2022 RM'000	30 JUNE 2021 RM'000	30 JUNE 2022 RM'000	30 JUNE 2021 RM'000
Earnings attributable to ordinary equity holders of the parent	2,964	1,474	5,849	507
Weighted average number of ordinary shares in issue				
As At 1 JANUARY 2022	427,285	427,285	427,285	427,285
Add: Effect of issuance of shares	-	-	-	18,114
Add: Effect of conversion of warrants	-	-	-	-
Less: Effect of treasury shares held	-	-	-	-
As at 30 JUNE 2022	427,285	427,285	427,285	445,399
Basic earnings per ordinary shares (sen)	0.69	0.35	1.37	0.11

(b) Fully diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the Group's profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	Current Quarter Ended		Cumulative Year To Date	
	30 JUNE 2022	30 JUNE 2021	30 JUNE 2022	30 JUNE 2021
Earnings attributable to ordinary equity holders of the parent	2,964	1,474	5,849	507
Weighted average no. of ordinary shares in issue	427,285	427,285	427,285	445,399
Adjusted weighted average number of ordinary shares in issue and issuable	427,285	427,285	427,285	445,399
Diluted earnings per shares (sen)	0.69	0.35	1.37	0.11

B10 Proposed Dividend

There was no proposed dividend declared for the current quarter under review.

B11 Operating Profit

	Current Quarter ended		Cumulative Year-to-date	
	30 JUNE 2022	30 JUNE 2021	30 JUNE 2022	30 JUNE 2021
	RM'000	RM'000	RM'000	RM'000
Operating profit has been arrived at after charging:-				
Amortisation of intangible assets	50	143	104	301
Depreciation of property, plant and equipment	2,008	2,018	4,095	4,076
Depreciation of Right-of-use assets	3,372	3,386	5,892	6,777
Interest expense on borrowings	89	388	513	791
Interest expense on Right-of use assets	4,321	3,503	6,716	7,010
Loss on disposal of property, plant and equipment	-	-	-	(1)
Property, plant and equipment / Accounts Receivable written off	24	-	61	-
Realised loss on foreign exchange	(109)	70	(153)	70
After crediting:-				
Gain on disposal of property, plant and equipment	-	0	-	48
Interest Income	66	24	144	26
Rental Income	592	410	936	882

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.