



DGB ASIA BERHAD
(Registration No.: 200601001857 (721605-K))
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2022
(UNAUDITED)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022

	Quarter Ended		Year-To-Date Ended	
	Unaudited 30-Jun-2022 RM'000	Unaudited 30-Jun-2021 RM'000	Unaudited 30-Jun-2022 RM'000	Unaudited 30-Jun-2021 RM'000
Revenue	7,198	3,935	12,700	10,722
Cost of sales	(3,245)	(1,460)	(4,727)	(2,717)
Gross profit	3,953	2,475	7,973	8,005
Other operating income	1,369	1,020	2,006	2,024
Administrative expenses	(5,798)	(5,355)	(11,130)	(10,666)
Selling and distribution expenses	(852)	(47)	(992)	(64)
Other operating expenses	(6,986)	(10,655)	(13,804)	(19,732)
Loss from operations	(8,314)	(12,562)	(15,947)	(20,433)
Finance costs	(5)	(6)	(120)	(11)
Loss before tax	(8,319)	(12,568)	(16,067)	(20,444)
Tax expenses	-	-	-	-
Loss after tax	(8,319)	(12,568)	(16,067)	(20,444)
Other comprehensive loss, net of tax				
- Currency translation difference	(50)	(9)	(914)	(125)
Total comprehensive loss for the financial period	(8,369)	(12,577)	(16,981)	(20,569)
Loss net of tax attributable to :				
Owners of the Company	(6,548)	(10,428)	(12,541)	(16,580)
Non-controlling interests	(1,771)	(2,140)	(3,526)	(3,864)
	(8,319)	(12,568)	(16,067)	(20,444)
Total comprehensive loss attributable to :				
Owners of the Company	(5,583)	(10,515)	(12,004)	(16,646)
Non-controlling interests	(2,786)	(2,062)	(4,977)	(3,923)
	(8,369)	(12,577)	(16,981)	(20,569)
Loss per share attributable to owners of the Company:				
Basic loss per share (cent per share)	(0.40)	(0.92)	(0.76)	(1.46)
Diluted loss per share (cent per share)	(0.37)	(0.92)	(0.70)	(1.46)

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes to the interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Unaudited As At 30-Jun-2022 RM'000	Audited As At 31-Dec-2021 RM'000
<u>Assets</u>		
Non-current assets		
Property, plant and equipment	43,107	44,032
Right-of-use assets	137,610	154,759
Investment property	5,592	-
Intangible assets	13,117	13,636
Total non-current assets	199,426	212,427
Current assets		
Inventories	2,402	2,320
Trade receivables	994	2,357
Other receivables, deposits and prepayments	21,336	17,990
Other investments	8,396	11,477
Current tax assets	37	36
Deposits with financial institution	81,598	91,859
Cash and bank balances	11,314	19,843
Total current assets	126,077	145,882
Total assets	325,503	358,309
<u>Equity and Liabilities</u>		
Equity		
Share capital	218,322	216,334
Reserves	(50,096)	(38,093)
	168,226	178,241
Non-controlling interests	(11,594)	(6,617)
Total equity	156,632	171,624
Liabilities		
Non-current liabilities		
Finance lease liability	153	153
Lease liabilities	133,586	142,594
Total non-current liabilities	133,739	142,747
Current liabilities		
Trade payables	970	1,846
Other payables and accruals	17,313	19,262
Amount due to directors	7,967	7,613
Amount due to related party	2,285	1,205
Finance lease liability	32	79
Lease liabilities	6,565	13,933
Total current liabilities	35,132	43,938
Total liabilities	168,871	186,685
Total equity and liabilities	325,503	358,309
Net assets per shares attributable to Owners of the Company (cent per share)	0.20	0.22

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes to the interim financial report.

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

	<----- Attributable to owners of the Company ----->						Total equity RM'000	
	<----- Non-distributable ----->			Distributable		Sub-total RM'000		Non controlling interests RM'000
	Share capital RM'000	Translation reserve RM'000	Warrants reserve RM'000	Accumulated losses RM'000				
Audited								
Balance at 1 January 2021	83,499	(1,529)	-	(20,076)	61,894	(3,714)	58,180	
Transaction with owners:								
Issuance of ordinary shares pursuant to:								
- right issues with warrants	102,507	-	12,259	-	114,766	-	114,766	
- exercise of shares issuance scheme	20,029	-	-	-	20,029	-	20,029	
- private placement	10,299	-	-	-	10,299	-	10,299	
Total transaction with owners	132,835	-	12,259	-	145,094	-	145,094	
Acquisition of subsidiary company	-	-	-	-	-	4,500	4,500	
Loss for the financial year	-	-	-	(29,181)	(29,181)	(7,478)	(36,659)	
Other comprehensive loss:								
Currency translation differences	-	434	-	-	434	75	509	
Total comprehensive loss for the financial year	-	434	-	(29,181)	(28,747)	(7,403)	(36,150)	
Balance at 31 December 2021	216,334	(1,095)	12,259	(49,257)	178,241	(6,617)	171,624	
Unaudited								
Balance at 1 January 2022	216,334	(1,095)	12,259	(49,257)	178,241	(6,617)	171,624	
Transaction with owners:								
Issuance of ordinary shares pursuant to:								
- exercise of shares issuance scheme	1,988	-	-	-	1,988	-	1,988	
Total transaction with owners	1,988	-	-	-	1,988	-	1,988	
Loss for the financial year	-	-	-	(12,539)	(12,539)	(3,526)	(16,065)	
Other comprehensive loss:								
Currency translation differences	-	536	-	-	536	(1,451)	(915)	
Total comprehensive loss for the financial year	-	536	-	(12,539)	(12,003)	(4,977)	(16,980)	
Balance at 30 June 2022	218,322	(559)	12,259	(61,796)	168,226	(11,594)	156,632	

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

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

	Year-To-Date Ended	
	Unaudited 30-Jun-22 RM'000	Unaudited 30-Jun-21 RM'000
Cash flows from operating activities		
Loss before tax	(16,065)	(20,443)
Adjustments for:		
Amortisation of intangible assets	628	39
Amortisation of investment property	8	-
Depreciation of property, plant and equipment	2,621	2,050
Depreciation of right of use assets	6,685	7,095
Employee benefit expenses	588	2,554
Fair value adjustment of other investments	3,268	6,919
Fair value adjustment of investment in money market fund	(1,069)	199
Interest expense	120	286
Interest income	(76)	(690)
Rental concessions	(483)	-
Operating (loss) before working capital changes	(3,775)	(1,991)
Changes in working capital:		
Inventories	(82)	(249)
Receivables	(1,375)	3,268
Payables	(2,826)	(8,959)
Cash used in operations	(8,058)	(7,931)
Tax paid	11	-
Tax refunded	(12)	(8)
Net cash used in operating activities	(8,059)	(7,939)
Cash flow from investing activities		
Acquisition of intangible asset	(109)	(123)
Acquisition of investment property	(5,600)	-
Acquisition of property, plant and equipment	(2,305)	(3,154)
Acquisition of quoted shares	-	(7,169)
Acquisition of right of use assets	(15)	-
Withdrawal of money market fund	11,000	-
Placement of money market fund	-	(100,000)
Proceeds from disposal of investment in quoted shares	-	511
Net cash from/(used in) investing activities	2,971	(109,935)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022 (CONT'D)

	Year-To-Date Ended	
	Unaudited 30-Jun-22 RM'000	Unaudited 30-Jun-21 RM'000
Cash flows from financing activities		
Interest paid	(120)	(286)
Financing from related party	1,079	-
Proceeds from issuance of shares	1,400	132,240
Repayment of finance lease liability	(46)	(37)
Repayment of lease liabilities	(5,994)	(3,752)
Net cash (used in)/from financing activities	<u>(3,681)</u>	<u>128,165</u>
Net (decrease)/increase in cash and bank balances	(8,769)	10,291
Effects of exchange rate changes	239	(3,984)
Cash and bank balances at the beginning of financial year	19,844	16,625
Cash and bank balances at the end of financial year	<u>11,314</u>	<u>22,932</u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes to the interim financial report.

A NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”) and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial report should be read in conjunction with the latest audited financial statements of the Company and its subsidiaries (“Group”) for the financial year ended 31 December 2021 (“Audited Financial Statements”). The selected explanatory notes attached to these interim financial reports 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 previous financial year.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the latest Audited Financial Statements except for the adoption of the following new MFRS, amendments/improvements to MFRSs and new IC Interpretation (“IC Int”) which are effective for the financial year beginning 1 January 2022:

Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRSs 2018 - 2020 Cycle)
Amendments to MFRS 3	Business Combination - Reference to the Conceptual Framework
Amendments to MFRS 9	Financial Instruments (Annual Improvements to MFRSs 2018 - 2020 Cycle)
Amendments to MFRS 116	Property, plant and equipment - Proceeds before Intended Use
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts – Cost of Fulfilling a Contract
Amendments to MFRS 141	Agriculture (Annual Improvements to MFRSs 2018 - 2020 Cycle)

The adoption of the above MFRS, amendments/improvements to MFRSs and IC Int did not have any material financial impact to the Group.

The standards and interpretations that are issued but not yet effective up to the date of issuance of these condensed consolidated interim financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
Amendments to MFRS 101	Presentation of Financial Statements - Disclosure of Accounting Policies

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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A2. Seasonal or cyclical factors

There were no significant seasonal or cyclical factors affecting the operations of the Group in the current financial quarter under review.

A3. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group during the current financial quarter under review.

A4. Material changes in estimates

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

A5. Debts and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current financial quarter and year, except for:

	3 Months Ended		12 Months Ended	
	30-Jun-22		30-Jun-22	
	No. of shares	RM'000	No. of shares	RM'000
(i) Share Issuance Scheme (SIS)	<u>77,777,778</u>	<u>1,400,000</u>	<u>77,777,778</u>	<u>1,400,000</u>

A6. Dividend

There were no dividends declared or paid during the current financial quarter under review.

A7. Segmental information

(a) Analysis of revenue by geographical area were as follows:

	Quarter Ended		Year-To-Date Ended	
	Unaudited	Unaudited	Unaudited	Unaudited
	30-Jun-22	30-Jun-21	30-Jun-22	30-Jun-21
	RM'000	RM'000	RM'000	RM'000
Malaysia	2,774	1,091	2,947	2,816
Taiwan	4,425	2,844	9,754	7,906
	<u>7,199</u>	<u>3,935</u>	<u>12,701</u>	<u>10,722</u>

A7. Segmental information (cont'd)

(b) Analysis of revenue, results, assets, and liabilities by operating segments were as follows:

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

	Quarter Ended		Year-To-Date Ended	
	Unaudited	Unaudited	Unaudited	Unaudited
	30-Jun-22	30-Jun-21	30-Jun-22	30-Jun-21
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
Leisure and hospitality	4,425	2,844	9,754	7,906
Logistics services	107	107	223	232
Value added products and services	2,666	984	2,723	1,751
Others	-	-	-	833
Total	7,198	3,935	12,700	10,722
Segment result				
Leisure and hospitality	(3,487)	(5,575)	(7,204)	(9,166)
Logistics services	(664)	(220)	(1,449)	(303)
Value added products and services	(1,520)	(361)	(2,606)	(613)
Others	(2,648)	(6,412)	(4,808)	(10,362)
Total	(8,319)	(12,568)	(16,067)	(20,444)
Segment assets				
Leisure and hospitality			191,663	209,338
Logistics services			4,743	1,854
Value added products and services			19,813	18,077
Others			109,284	161,143
Total			325,503	390,412
Segment liabilities				
Leisure and hospitality			163,295	214,597
Logistics services			908	127
Value added products and services			3,465	957
Others			1,203	2,204
Total			168,871	217,885

A8. Valuation of property, plant and equipment

There were no valuation of the property, plant and equipment during the current quarter and year-to-date ended 30 June 2022.

A9. Events after the reporting period

There was no material event after the current quarter and year-to-date ended 30 June 2022.

A10. Changes in composition of the Group

There were no changes in the composition of the Group during the current financial quarter and year-to-date ended 30 June 2022.

A11. Contingent assets or liabilities

There were no contingent assets and contingent liabilities as at 30 June 2022.

A12. Capital commitments

Capital expenditure contracted for as at 30 June 2022 and 31 December 2021 but not recognised in the financial statements were as follow:

	Unaudited	Audited
	As At	As At
	30-Jun-22	31-Dec-21
	RM'000	RM'000
Contracted but not provided for		
Investment property	3,600	5,432
Intangible assets	80	113
	<u>3,680</u>	<u>5,545</u>

A13. Related party transactions

The related party transactions between the Group and the related party were as follows:

	Quarter Ended		Year-To-Date Ended	
	Unaudited	Unaudited	Unaudited	Unaudited
	30-Jun-22	30-Jun-21	30-Jun-22	30-Jun-21
	RM'000	RM'000	RM'000	RM'000
Sales of vending machine:				
Related Party	<u>2,159</u>	<u>-</u>	<u>2,159</u>	<u>-</u>
Purchases of networks subscription:				
Related Party	<u>6</u>	<u>-</u>	<u>11</u>	<u>-</u>

A14. Cash and cash equivalents

Total cash and cash equivalents as at 30 June 2022 and 31 December 2021 were as follows:

	Unaudited	Audited
	As At	As At
	30-Jun-22	31-Dec-21
	RM'000	RM'000
Deposits with financial institution	81,598	91,859
Cash and bank balances	11,314	19,843
	<u>92,912</u>	<u>111,702</u>

A15. Fair value measurements

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Total financial instruments measured at Level 1 as at 30 June 2022 and 31 December 2021 were as follows:

	Unaudited	Audited
	As At	As At
	30-Jun-22	31-Dec-21
	RM'000	RM'000
<u>Financial Assets</u>		
<u>Level 1</u>		
Other investments	8,396	11,477
Deposits with financial institution	81,598	91,859
	<u>89,994</u>	<u>103,336</u>

The Group does not have any financial instruments measured at Level 2 and Level 3 as at 30 June 2022 and 31 December 2021.

B ADDITIONAL NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

	Quarter Ended			Year-To-Date Ended		
	Unaudited	Unaudited	Changes	Unaudited	Unaudited	Changes
	30-Jun-22	30-Jun-21		30-Jun-22	30-Jun-21	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	7,198	3,935	3,263	12,700	10,722	1,978
Gross profit	3,953	2,475	1,478	7,973	8,005	(32)
Loss from operations	(8,314)	(12,562)	4,248	(15,947)	(20,433)	4,486
Loss before tax	(8,319)	(12,568)	4,249	(16,067)	(20,444)	4,377
Loss after tax	(8,319)	(12,568)	4,249	(16,067)	(20,444)	4,377
Loss attributable to owners of the Company	(6,548)	(10,428)	3,880	(12,541)	(16,580)	4,039

Current Year Quarter ended 30 June 2022 versus Previous Year Quarter ended 30 June 2021

For the current financial quarter under review, the Group generated a higher revenue of RM7.1 million and a lower loss before tax (“LBT”) of RM8.3 million, compared with revenue of RM3.9 million and LBT of RM12.5 million in the preceding corresponding financial quarter.

The increase in revenue and gross profit for the current financial quarter were due to higher revenue contribution from hotel rooms, value-added products and machines sold as compared to preceding corresponding financial quarter. The average hotel occupancy rates increased from 26% to 42% occupancy.

The current financial quarter’s LBT is lower than the preceding corresponding financial quarter due to lower fair value loss on other investments.

B2. Comparison with preceding quarter’s results

	Quarter Ended		
	Unaudited	Unaudited	Changes
	30-Jun-22	31-Mar-22	
	RM'000	RM'000	RM'000
Revenue	7,198	5,502	1,696
Gross profit	3,953	4,020	(67)
Loss from operations	(8,314)	(7,633)	(681)
Loss before tax	(8,319)	(7,748)	(571)
Loss after tax	(8,319)	(7,748)	(571)
Loss attributable to owners of the Company	(6,548)	(5,993)	(555)

For the current financial quarter under review, the Group generated a higher revenue of RM7.1 million and LBT of RM8.3 million, compared with revenue of RM5.5 million and LBT of RM7.7 million in the preceding financial quarter. The increase in revenue for the current financial quarter was due to higher revenue in value-added products and machines sold.

B3. Prospects

The Group is of the view that the business environment remains challenging due to the worsening global supply chain disruptions, ongoing geopolitical conflicts and Covid-19 related developments. Moving forward, the Group's performance may be affected by the cascading effects of economic uncertainties, supply chain disruptions and higher inflation rates.

The Group has embarked on several forward-looking initiatives to accommodate the challenging economic headwinds. These include: -

- i. Expanding the logistics businesses by pushing for greater adoption of digitalisation in e-fulfillment and warehousing services;
- ii. Expediting the deployment of our smart vending machines to boost digital advertisement placements and data analytics proceeds; and
- iii. Widening the range of amenities and services in Kimpton Da An Hotel to include premium F&B outlets, private club lounge and gallery space.

The above initiatives are intended to diversify the Group's business risks by reducing dependence on any single business in the Group. The Group is cautiously optimistic, with a focus on strengthening the Group's core ecosystems by adopting a proactive stance.

The financial performance of the Group for FYE 2022 will depend on the results of our business plans and initiatives stated above. Where necessary adjustments will be made to suit the operating environment when required to improve the Group financial position. The availability of adequate working capital, minimal gearing and the implementation of the business initiatives stated above will help to sustain the Group in the year ahead.

B4. Income tax expenses

There was no provision of tax for the current financial quarter and year-to-date ended 30 June 2022.

B5. Profit forecast and profit guarantee

Not applicable as the Group did not publish any profit forecast or profit guarantee.

B6. Status of corporate proposals

The following are the corporate proposals previously announced by the Group that remained uncompleted as at the date of this report: -

- i. The Board of Directors of DGB Asia Berhad ("Board") wishes to announce that the Company had on 5 January 2021 executed a Letter of Intent ("LOI") with Pei Lai Choon ("Vendor") for the proposed acquisition of 150,000 ordinary shares in Infostrike Sdn. Bhd. (Registration No. 201001040805 (924730-P)) ("Infostrike"), representing 30% of the issued and paid-up share capital of Infostrike, for a consideration of up to RM30.0 million, subject to the due diligence exercise to be undertaken by the Company ("Proposed Acquisition"). Infostrike was incorporated in Malaysia as a private limited company, a leading mobile technology solution provider, pioneering mobile gaming platform and Enterprise Digitalization Solutions. Infostrike's capabilities ranging from proprietary technology platforms and ready infrastructure such as Digital Asset Management System (DAMS), Infostrike Asset Management System (IAMS) and Infostrike Game Publishing Platform (IGPP) provide businesses with scalable, secure, and highly adaptable mobile solutions to their clients' needs. Please refer to announcement dated 5 January 2021 for further details.

B7. Status of utilisation of proceeds raised from previous corporate proposals

i. Renounceable Rights Issue with Warrants C

The utilisation of the proceeds of RM114,765,292 from the renounceable rights issue of 956,377,178 new ordinary shares of RM0.12 each as of the date of this report is as follows: -

Purpose	Proposed Amount RM'000	Amount Utilised RM'000	Amount Unutilised RM'000	Timeframe for Utilisation
Expansion of Ping-U, an e-commerce last mile fulfilment solutions provider in Malaysia	60,000	8,768	51,232	Within 24 months
Expansion of the smart vending machines business	15,000	4,160	10,840	Within 24 months
Marketing expenses	20,000	2,102	17,898	Within 24 months
Working capital	8,865	8,865	-	Within 24 months
Acquisition and/or investment in other complementary businesses and/or assets	10,000	10,000	-	Within 24 months
Expenses in relation to the corporate exercises	900	900	-	Immediate
Total	114,765	34,795	79,970	

ii. Private placement

The utilisation of the proceeds of RM10,299,230 from the private placement of 270,321,000 new ordinary shares of RM0.0381 each as of the date of this report is as follows: -

Purpose	Proposed Amount RM'000	Amount Utilised RM'000	Amount Unutilised RM'000	Timeframe for Utilisation
Upgrading of the Kimpton Da An Hotel	10,194	1,945	8,249	Within 24 months
Expenses in relation to the corporate exercises	105	105	-	Immediate
Total	10,299	2,050	8,249	

B8. Borrowings and debt securities

Total group borrowings and debt securities as at 30 June 2022 and 31 December 2021 were as follows:

	Unaudited As At 30-Jun-22 RM'000	Audited As At 31-Dec-21 RM'000
<u>Short Term Borrowing (Secured)</u>		
Finance lease liability	32	79
<u>Long Term Borrowings (Secured)</u>		
Finance lease liability	153	153
Total	<u>185</u>	<u>232</u>

The Group does not have any foreign borrowings and debt securities as at the date of this report.

B9. Trade receivables

	Unaudited As at 30-Jun-22 RM'000	Audited As at 31-Dec-21 RM'000
Trade receivables	5,614	6,978
Less: Accumulated impairment losses	(4,621)	(4,621)
	<u>994</u>	<u>2,357</u>

The ageing analysis of the Group's trade receivables were as follows:

	Unaudited As at 30-Jun-22 RM'000	Audited As at 31-Dec-21 RM'000
Not past due	348	1,871
Past due but not impaired		
- 0 to 30 days	585	79
- 31 to 90 days	183	-
- more than 90 days	4,499	5,028
	5,267	5,107
Allowance for impairment	(4,621)	(4,621)
	<u>994</u>	<u>2,357</u>

The Group's normal trade credit terms granted to trade receivables ranged from 1 month to 5 months (2021: 1 month to 5 months). Other credit terms are assessed and approved on a case-by-case basis. There are no trade receivables from related parties.

B10. Material litigation

There was no litigation against the Group as at the date of this report.

B11. Dividends

The Board does not recommend any dividends for the current financial quarter under review and the financial year-to-date.

B12. Loss per share

i. Basic loss per ordinary shares

Basic earnings per share amounts were calculated by dividing loss for the period attributable to Owners of the Company by the weighted average number of ordinary shares in issue during the period.

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<u>Unaudited 30-Jun-22</u>	<u>Unaudited 30-Jun-21</u>	<u>Unaudited 30-Jun-22</u>	<u>Unaudited 30-Jun-21</u>
Net loss attributable to Owners of the Company (RM'000)	(6,548)	(10,428)	(12,541)	(16,580)
Weighted average number of ordinary shares in issue ('000)	<u>1,652,885</u>	<u>1,139,374</u>	<u>1,652,885</u>	<u>1,139,374</u>
Basic loss per share (cent)	<u>(0.40)</u>	<u>(0.92)</u>	<u>(0.76)</u>	<u>(1.46)</u>

ii. Diluted Earnings per ordinary shares

The diluted earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue and issuable after the conversion of all outstanding warrants and options during the financial period ended 30 June 2022.

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<u>Unaudited 30-Jun-22</u>	<u>Unaudited 30-Jun-21</u>	<u>Unaudited 30-Jun-22</u>	<u>Unaudited 30-Jun-21</u>
Net loss attributable to Owners of the Company (RM'000)	(6,548)	(10,428)	(12,541)	(16,580)
Weighted average number of ordinary shares in issue ('000)	<u>1,652,885</u>	<u>1,139,374</u>	<u>1,652,885</u>	<u>1,139,374</u>
Effect of dilution after conversion of all outstanding Options ('000)	<u>133,609</u>	<u>-</u>	<u>133,609</u>	<u>-</u>
Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted loss per share	<u>1,786,494</u>	<u>1,139,374</u>	<u>1,786,494</u>	<u>1,139,374</u>
Diluted basic loss per share (cent)	<u>(0.37)</u>	<u>(0.92)</u>	<u>(0.70)</u>	<u>(1.46)</u>

B13. Comprehensive Income Disclosure

	Quarter Ended		Year-To-Date Ended	
	Unaudited 30-Jun-22 RM'000	Unaudited 30-Jun-21 RM'000	Unaudited 30-Jun-22 RM'000	Unaudited 30-Jun-21 RM'000
<i>Loss before tax is derived after charging:</i>				
Amortisation of intangible assets	316	21	628	39
Depreciation of investment property	6	-	8	-
Depreciation of property, plant and equipment	1,322	1,063	2,621	2,050
Depreciation of right of use assets	3,118	3,597	6,685	7,095
Fair value adjustment of other investments	1,633	1,057	3,268	6,919
Fair value adjustment of investment in money market fund	(544)	258	(1,069)	199
Interest expense	5	132	120	286
Interest income	(37)	(513)	(76)	(690)
Short-term leases or leases of low value assets	188	71	358	96

B14. Auditors' report on preceding annual financial statements

The preceding year's annual financial statements were not subject to any qualification.

By Order of the Board
Company Secretary