



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

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED
31 MARCH 2023
(UNAUDITED)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	Quarter Ended		Year-To-Date Ended	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-2023	31-Mar-2022	31-Mar-2023	31-Mar-2022
	RM'000	RM'000	RM'000	RM'000
Revenue	14,849	5,502	14,849	5,502
Cost of sales	(4,495)	(1,482)	(4,495)	(1,482)
Gross profit	10,354	4,020	10,354	4,020
Other operating income	596	637	596	637
Administrative expenses	(6,382)	(5,332)	(6,382)	(5,332)
Selling and distribution expenses	(1,484)	(140)	(1,484)	(140)
Other operating expenses	(5,380)	(6,818)	(5,380)	(6,818)
Loss from operations	(2,296)	(7,633)	(2,296)	(7,633)
Finance costs	(223)	(115)	(223)	(115)
Loss before tax	(2,519)	(7,748)	(2,519)	(7,748)
Tax expenses	-	-	-	-
Loss after tax	(2,519)	(7,748)	(2,519)	(7,748)
Other comprehensive loss, net of tax				
- Currency translation difference	418	(864)	418	(864)
Total comprehensive loss for the financial period	(2,101)	(8,612)	(2,101)	(8,612)
Loss net of tax attributable to :				
Owners of the Company	(2,867)	(5,993)	(2,867)	(5,993)
Non-controlling interests	348	(1,755)	348	(1,755)
	(2,519)	(7,748)	(2,519)	(7,748)
Total comprehensive loss attributable to :				
Owners of the Company	(2,547)	(6,421)	(2,547)	(6,421)
Non-controlling interests	445	(2,191)	445	(2,191)
	(2,102)	(8,612)	(2,102)	(8,612)
Loss per share attributable to owners of the Company:				
Basic loss per share (cent per share)	(0.16)	(0.37)	(0.16)	(0.37)
Diluted loss per share (cent per share)	(0.16)	(0.33)	(0.16)	(0.33)

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 2022 and the accompanying explanatory notes to the interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Unaudited As At 31-Mar-2023 RM'000	Audited As At 31-Dec-2022 RM'000
<u>Assets</u>		
Non-current assets		
Property, plant and equipment	45,360	45,061
Right-of-use assets	123,728	126,007
Investment property	9,561	9,573
Intangible assets	12,567	12,908
Total non-current assets	191,216	193,549
Current assets		
Inventories	1,315	903
Trade receivables	2,618	2,382
Other receivables, deposits and prepayments	41,438	40,420
Other investments	11,768	6,292
Current tax assets	105	81
Deposits with financial institution	32,446	38,399
Cash and bank balances	24,782	21,846
Total current assets	114,472	110,323
Total assets	305,688	303,872
<u>Equity and Liabilities</u>		
Equity		
Share capital	220,519	220,519
Reserves	(66,214)	(63,667)
	154,305	156,852
Non-controlling interests	(11,886)	(12,331)
Total equity	142,419	144,521
Liabilities		
Non-current liabilities		
Finance lease liability	71	71
Lease liabilities	116,777	115,767
Total non-current liabilities	116,848	115,838
Current liabilities		
Trade payables	4,035	3,244
Other payables and accruals	21,903	16,651
Amount due to directors	7,416	7,464
Amount due to related party	3,210	3,210
Current tax liabilities	45	10
Finance lease liability	55	75
Lease liabilities	9,757	12,859
Total current liabilities	46,421	43,513
Total liabilities	163,269	159,351
Total equity and liabilities	305,688	303,872
Net assets per shares attributable to Owners of the Company (cent per share)	0.08	0.08

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 2022 and the accompanying explanatory notes to the interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	<----- Attributable to owners of the Company ----->						
	<----- Non-distributable ----->			Distributable			
	Share capital	Translation reserve	Warrants reserve	Accumulated losses	Sub-total	Non controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Audited</u>							
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	4,185	-	-	-	4,185	-	4,185
Total transaction with owners	4,185	-	-	-	4,185	-	4,185
Loss for the financial year	-	-	-	(24,963)	(24,963)	(3,732)	(28,695)
Other comprehensive loss:							
Currency translation differences	-	(611)	-	-	(611)	(1,982)	(2,593)
Total comprehensive loss for the financial year	-	(611)	-	(24,963)	(25,574)	(5,714)	(31,288)
Balance at 31 December 2022	220,519	(1,706)	12,259	(74,220)	156,852	(12,331)	144,521
<u>Unaudited</u>							
Balance at 1 January 2023	220,519	(1,706)	12,259	(74,220)	156,852	(12,331)	144,521
Transaction with owners:							
Loss for the financial year	-	-	-	(2,867)	(2,867)	348	(2,519)
Other comprehensive loss:							
Currency translation differences	-	320	-	-	320	97	417
Total comprehensive loss for the financial year	-	320	-	(2,867)	(2,547)	445	(2,102)
Balance at 31 March 2023	220,519	(1,386)	12,259	(77,087)	154,305	(11,886)	142,419

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 2022 and the accompanying explanatory notes to the interim report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	Year-To-Date Ended	
	Unaudited 31-Mar-23 RM'000	Unaudited 31-Mar-22 RM'000
Cash flows from operating activities		
Loss before tax	(2,519)	(7,747)
Adjustments for:		
Amortisation of intangible assets	341	312
Amortisation of investment property	13	2
Depreciation of property, plant and equipment	1,479	1,299
Depreciation of right of use assets	3,362	3,567
Fair value adjustment of other investments	172	1,635
Fair value adjustment of investment in money market fund	(334)	(526)
Interest expense	223	115
Interest income	(207)	(40)
Reversal of impairment losses on receivables	(2)	-
Operating profit/(loss) before working capital changes	2,528	(1,383)
Changes in working capital:		
Inventories	(412)	(1,268)
Receivables	(1,046)	1,760
Payables	6,078	(3,432)
Cash generated from/ (used in) operations	7,148	(4,323)
Tax paid	(24)	(6)
Tax refunded	-	11
Net cash generated from/(used in) operating activities	7,124	(4,318)
Cash flow from investing activities		
Acquisition of intangible asset	-	(5)
Acquisition of investment property	-	(5,600)
Acquisition of other investments	(3,356)	-
Acquisition of property, plant and equipment	(1,502)	(116)
Withdrawal of money market fund	4,000	11,000
Net cash (used in)/generated from investing activities	(858)	5,279

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022 (CONT'D)

	Year-To-Date Ended	
	Unaudited 31-Mar-23 RM'000	Unaudited 31-Mar-22 RM'000
Cash flows from financing activities		
Interest paid	(223)	(115)
Repayment of finance lease liability	(20)	(27)
Repayment of lease liabilities	(3,198)	(3,402)
Net cash (used in) financing activities	(3,441)	(3,544)
Net increase/(decrease) in cash and bank balances	2,825	(2,583)
Effects of exchange rate changes	111	399
Cash and bank balances at the beginning of financial year	21,846	19,844
Cash and bank balances at the end of financial year	24,782	17,660

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2022 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 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 (Amendment to MFRS 17)
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 Estimates
Amendments to MFRS 112	Income Tax – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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 2024

Amendments to MFRS 16	Leases – Lease Liability in a sale and leaseback
Amendments to MFRS 101	Non-Current Liabilities with Covenants

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 and the financial year-to-date.

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 and the financial year-to-date.

A4. Material changes in estimates

There were no changes in estimates that have had a material effect in the current financial quarter under review and the financial year-to-date.

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 under review and the financial year-to-date.

A6. Dividend

There were no dividends declared or paid during the current financial quarter under review and the financial year-to-date.

A7. Segmental information

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

	Quarter Ended		Year-To-Date Ended	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
	RM'000	RM'000	RM'000	RM'000
Malaysia	4,740	213	4,740	213
Taiwan	10,109	5,329	10,109	5,329
	14,849	5,542	14,849	5,542
Less: Inter-company transactions	-	(40)	-	(40)
Total revenue	14,849	5,502	14,849	5,502

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 31-Mar-23 RM'000	Unaudited 31-Mar-22 RM'000	Unaudited 31-Mar-23 RM'000	Unaudited 31-Mar-22 RM'000
Segment revenue				
Leisure and hospitality	10,109	5,329	10,109	5,329
Logistics services	323	116	323	116
Value added products and services	4,417	97	4,417	97
Total	14,849	5,542	14,849	5,542
Less: Inter-company transactions	-	(40)	-	(40)
Total revenue	14,849	5,502	14,849	5,502
Segment result				
Leisure and hospitality	(1,602)	(3,717)	(1,602)	(3,717)
Logistics services	(1,769)	(785)	(1,769)	(785)
Value added products and services	1,229	(1,086)	1,229	(1,086)
Others	(377)	(2,160)	(377)	(2,160)
Total	(2,519)	(7,748)	(2,519)	(7,748)
Segment assets				
Leisure and hospitality			183,761	203,022
Logistics services			12,149	8,968
Value added products and services			19,569	13,255
Others			90,209	114,271
Total			305,688	339,516
Segment liabilities				
Leisure and hospitality			148,264	172,307
Logistics services			4,936	615
Value added products and services			6,142	1,011
Others			3,927	2,570
Total			163,269	176,503

A8. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment during the current financial quarter under review and the financial year-to-date.

A9. Events after the reporting period

There was no material event after the current financial quarter under review.

A10. Changes in composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review and the financial year-to-date.

A11. Contingent assets or liabilities

There were no contingent assets and contingent liabilities during the current financial quarter under review and the financial year-to-date.

A12. Capital commitments

Capital expenditure contracted for but not recognised in the financial statements were as follow:

	Unaudited 31-Mar-23 RM'000	Audited 31-Dec-22 RM'000
Contracted but not provided for		
Intangible assets	80	80
Property, plant and equipment	39	178
	<u>119</u>	<u>257</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 31-Mar-23 RM'000	Unaudited 31-Mar-22 RM'000	Unaudited 31-Mar-23 RM'000	Unaudited 31-Mar-22 RM'000
Related Party				
Sales of vending machine subscription package	1	-	1	-
Sales of logistics services	89	-	89	-
Purchases of networks subscription	15	5	15	5

A14. Cash and cash equivalents

Total cash and cash equivalents were as follows:

	Unaudited 31-Mar-23 RM'000	Audited 31-Dec-22 RM'000
Deposits with financial institution	32,446	38,399
Cash and bank balances	24,782	21,846
	<u>57,228</u>	<u>60,245</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 were as follows:

	Unaudited 31-Mar-23 RM'000	Audited 31-Dec-22 RM'000
<u>Financial Assets</u>		
Level 1		
Other investments	11,768	6,292
Deposits with financial institution	32,446	38,399
	<u>44,214</u>	<u>44,691</u>

The Group does not have any financial instruments measured at Level 2 and Level 3 as at 31 March 2023 and 31 December 2022.

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
	31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	14,849	5,502	9,347	14,849	5,502	9,347
Gross profit	10,354	4,020	6,334	10,354	4,020	6,334
Loss from operations	(2,296)	(7,633)	5,337	(2,296)	(7,633)	5,337
Loss before tax	(2,519)	(7,748)	5,229	(2,519)	(7,748)	5,229
Loss after tax	(2,519)	(7,748)	5,229	(2,519)	(7,748)	5,229
Loss attributable to owners of the Company	(2,867)	(5,993)	3,126	(2,867)	(5,993)	3,126

Quarter Ended 31 March 2023 (Q1 2023) compared to Quarter Ended 31 March 2022 (Q1 2022), and Year-To-Date Ended 31 March 2023 (YTD 2023) compared to Year-To-Date Ended 31 March 2022 (YTD 2022)

For Q1 2023 and YTD 2023, the Group's revenue increased from RM 5.5 million to RM 14.8 million and loss before tax (LBT) decreased from RM 7.7 million to RM 2.5 million.

Leisure and Hospitality

The revenue of the leisure and hospitality segment increased in both Q1 2023 and YTD 2023 compared to the corresponding periods in 2022. The revenue increased from RM 5.3 million to RM 10.1 million, and the LBT decreased from RM 3.7 million to RM 1.6 million for Q1 2023 and YTD 2023.

The increase was due to the hotel's average occupancy rate, which increased from 44% to 70% following the reopening of Taiwan's border in October 2022.

Value-Added Products and Services

The revenue of the value-added products and services segment increased in both Q1 2023 and YTD 2023 compared to the corresponding periods in 2022. The revenue increased from RM 0.1 million to RM 4.4 million and LBT decreased from RM 1.0 million to a profit before tax (PBT) of RM 1.2 million for Q1 2023 and YTD 2023.

The increase was driven by higher revenue from products sold through vending machines, which was attributed to the deployment of additional vending machines. The number of vending machines deployed increased from 171 units to 277 units. Additionally, the Group has been generating digital advertising revenue through vending machines since Q4 2022.

Logistics Services

The revenue of the logistics services segment increased in both Q1 2023 and YTD 2023 compared to the corresponding periods in 2022. The revenue increased from RM 0.1 million to RM 0.3 million, and the LBT increased from RM 0.7 million to RM 1.7 million.

The increase was attributed to an increase in the average number of items packed per month from 8,020 to 62,957. The LBT increased due to additional operating expenses incurred from opening the new warehouse in Q4 2022.

Others

For the others segment, the LBT decreased from RM 2.1 million to RM 0.3 million for both Q1 2023 and YTD 2023.

The decrease was due to lower unrealised losses in other investments.

B2. Comparison with preceding quarter's results

	Quarter Ended		
	Unaudited	Unaudited	Changes
	31-Mar-23	31-Dec-22	
	RM'000	RM'000	RM'000
Revenue	14,849	16,845	(1,996)
Gross profit	10,354	9,883	471
Loss from operations	(2,296)	(1,349)	(947)
Loss before tax	(2,519)	(1,433)	(1,086)
Loss after tax	(2,519)	(1,433)	(1,086)
Loss attributable to owners of the Company	(2,867)	(2,493)	(374)

Quarter Ended 31 March 2023 (Q1 2023) versus Quarter Ended 31 December 2022 (Q4 2022)

The Group's revenue decreased from RM 16.8 million to RM 14.8 million and LBT increased from RM 1.4 million to RM 2.5 million.

Leisure and Hospitality

The revenue of the leisure and hospitality segment slightly decreased from RM 10.7 million to RM 10.1 million. The decrease was due to a decrease in the hotel's average occupancy rate from 72% to 70%.

As a result, the LBT increased from RM 1.0 million to RM 1.6 million due to the decrease in revenue.

Value-Added Products and Services

The revenue of the value-added products and services segment decreased from RM 5.7 million to RM 4.4 million. The decrease was due to lower digital advertising revenue compared to Q4 2022.

The PBT increased from 0.8 million to RM 1.2 million due to lower maintenance cost of vending machines.

Logistics Services

The revenue of the logistics services segment decreased from RM 0.4 million to RM 0.3 million. The decrease was due to lower delivery fees being charged to e-commerce platforms' customers. as most of these e-commerce platforms have their own delivery service. However, the average number of items packed per month increased from 58,125 to 62,957 due to the integration with the e-commerce platforms.

The LBT decreased from RM 2.1 million to RM 1.7 million due to lower advertising expenses.

Others

The PBT of the others segment decreased from RM 0.8 million to a LBT of RM 0.3 million. The decrease was due to lower unrealised gain in other investments.

B3. Prospects

The Group is of the view that the business environment remains challenging due to the continued pressure from global supply chain disruptions, ongoing geopolitical conflicts, rising input cost, and the weakening of ringgit that which could impact consumer purchasing power.

The Group will continue to enhance operational efficiencies to moderate the impact of external economic headwinds.

These include: -

- To expand its e-commerce presence by collaborating with additional platforms and offering fulfillment services to their respective sellers. This will allow the Group to increase its market reach.
- To deploy additional vending machines across the Klang Valley and Malaysia. This will allow the Group to enhance its competitive advantage and improve its position relative to other advertising platforms, as having more vending machines in place is expected to draw a larger customer base and increase its advertising market reach.
- To offer competitive hotel room rates to attract more bookings in response to the Taiwan Government's target of attracting 6 million visitors in Year 2023.

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 2023 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 under review and the financial year-to-date.

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

There was no corporate proposal announced by the Group that remained uncompleted as at the date of this report.

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	18,766	41,234	Within 36 months
Expansion of the smart vending machines business	15,000	13,488	1,512	Within 36 months
Marketing expenses	20,000	5,709	14,291	Within 36 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	57,728	57,037	

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	8,631	1,563	Within 24 months
Expenses in relation to the corporate exercises	105	105	-	Immediate
Total	10,299	8,736	1,563	

B8. Borrowings and debt securities

Total group borrowings and debt securities were as follows:

	Unaudited 31-Mar-23 RM'000	Audited 31-Dec-22 RM'000
<u>Short Term Borrowing (Secured)</u>		
Finance lease liability	55	75
<u>Long Term Borrowings (Secured)</u>		
Finance lease liability	71	71
Total	126	146

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

B9. Trade receivables

	Unaudited 31-Mar-23 RM'000	Audited 31-Dec-22 RM'000
Trade receivables	7,095	6,859
Less: Accumulated impairment losses	(4,477)	(4,477)
	2,618	2,382

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

	Unaudited 31-Mar-23 RM'000	Audited 31-Dec-22 RM'000
Not past due	1,029	542
Past due but not impaired		
- 0 to 30 days	939	1,387
- 31 to 90 days	480	122
- more than 90 days	4,647	4,808
	6,066	6,317
Allowance for impairment	(4,477)	(4,477)
	2,618	2,382

The Group's normal trade credit terms granted to trade receivables ranged from 1 month to 5 months (2022: 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 current financial quarter under review and the financial year-to-date.

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<u>Unaudited</u> <u>31-Mar-23</u>	<u>Unaudited</u> <u>31-Mar-22</u>	<u>Unaudited</u> <u>31-Mar-23</u>	<u>Audited</u> <u>31-Mar-22</u>
Net loss attributable to				
Owners of the Company (RM'000)	(2,867)	(5,993)	(2,867)	(5,993)
Weighted average number of ordinary shares in issue ('000)	<u>1,785,733</u>	<u>1,621,929</u>	<u>1,785,733</u>	<u>1,621,929</u>
Basic loss per share (cent)	<u>(0.16)</u>	<u>(0.37)</u>	<u>(0.16)</u>	<u>(0.37)</u>

ii. Diluted Earnings per ordinary shares

The diluted earnings per share is calculated by dividing the loss attributable to Owners 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 current financial quarter under review and the financial year-to-date.

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<u>Unaudited</u> <u>31-Mar-23</u>	<u>Unaudited</u> <u>31-Mar-22</u>	<u>Unaudited</u> <u>31-Mar-23</u>	<u>Audited</u> <u>31-Mar-22</u>
Net loss attributable to				
Owners of the Company (RM'000)	(2,867)	(5,993)	(2,867)	(5,993)
Weighted average number of ordinary shares in issue ('000)	<u>1,785,733</u>	<u>1,621,929</u>	<u>1,785,733</u>	<u>1,621,929</u>
Effect of dilution after conversion of all outstanding Options ('000)	<u>-</u>	<u>211,387</u>	<u>-</u>	<u>211,387</u>
Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted loss per share	<u>1,785,733</u>	<u>1,833,316</u>	<u>1,785,733</u>	<u>1,833,316</u>
Diluted basic loss per share (cent)	<u>(0.16)</u>	<u>(0.33)</u>	<u>(0.16)</u>	<u>(0.33)</u>

B13. Comprehensive Income Disclosure

	Quarter Ended		Year-To-Date Ended	
	Unaudited 31-Mar-23 RM'000	Unaudited 31-Mar-22 RM'000	Unaudited 31-Mar-23 RM'000	Unaudited 31-Mar-22 RM'000
<i>Loss before tax is derived after charging:</i>				
Amortisation of intangible assets	341	312	341	312
Depreciation of investment property	13	2	13	2
Depreciation of property, plant and equipment	1,479	1,299	1,479	1,299
Depreciation of right of use assets	3,362	3,567	3,362	3,567
Fair value adjustment of other investments	172	1,635	172	1,635
Fair value adjustment of investment in money market fund	(334)	(526)	(334)	(526)
Interest expense	223	115	223	115
Interest income	(207)	(40)	(207)	(40)
Reversal of impairment losses on receivables	(2)	-	(2)	-
Short-term leases or leases of low value assets	232	170	232	170

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