



**HIAP HUAT HOLDINGS BERHAD (200901038858 (881993-M))  
(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31 December 2022 RM'000	Preceding Year Corresponding Quarter Ended 31 Decemberr 2021 RM'000	Current Year To Date Ended 31 December 2022 RM'000	Preceding year To Date Ended 31 Decemberr 2021 RM'000
Revenue	17,409	12,980	80,035	61,731
Cost of sales	(14,214)	(10,499)	(59,349)	(47,802)
<b>Gross profit</b>	<b>3,195</b>	<b>2,481</b>	<b>20,686</b>	<b>13,929</b>
Other income	293	47	730	419
Administration expenses	(2,822)	(1,910)	(8,880)	(7,279)
Selling and distribution costs	(130)	(129)	(791)	(591)
Finance costs	(265)	(280)	(919)	(727)
<b>Profit before taxation</b>	<b>271</b>	<b>209</b>	<b>10,826</b>	<b>5,751</b>
Taxation	355	(1,021)	(2,772)	(2,358)
<b>Net profit/(loss) for the financial year, representing total comprehensive income for the financial year</b>	<b>626</b>	<b>(812)</b>	<b>8,054</b>	<b>3,393</b>
<b>Profit for the year, representing total comprehensive income/(expense) for the financial year attributable to:</b>				
Equity owners of the Company	651	(846)	8,155	3,418
Non-controlling interests	(25)	34	(101)	(25)
	<b>626</b>	<b>(812)</b>	<b>8,054</b>	<b>3,393</b>
<b>Earnings/(loss) per share attributable to the equity holders of the Company (sen)</b>	<b>0.16</b>	<b>(0.21)</b>	<b>2.06</b>	<b>0.96</b>

The Unaudited Condensed Consolidated Statements 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 attached to this interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022**

	<b>Unaudited As at 31 December 2022 RM'000</b>	<b>Audited As at 31 December 2021 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	30,367	31,055
Investment property	7,358	7,541
Right-of-use assets	46,675	42,848
Other receivables	128	201
	<b>84,528</b>	<b>81,645</b>
<b>Current assets</b>		
Inventories	7,585	7,065
Trade receivables	11,470	7,191
Other receivables	1,685	687
Tax recoverable	-	103
Short term investments	-	6,616
Fixed deposits	5,666	163
Cash and bank balances	13,428	7,554
	<b>39,834</b>	<b>29,379</b>
<b>TOTAL ASSETS</b>	<b>124,362</b>	<b>111,024</b>
<b>EQUITY</b>		
Share capital	49,981	49,981
Treasury shares	(401)	(401)
Merger deficit	(9,535)	(9,535)
Revaluation reserves	8,881	8,881
Retained profits	35,310	27,155
<b>Equity attributable to owners of the Company</b>	<b>84,236</b>	<b>76,081</b>
Non-controlling interests	(223)	(122)
<b>Total equity</b>	<b>84,013</b>	<b>75,959</b>
<b>LIABILITY</b>		
<b>Non-current liabilities</b>		
Lease liabilities	2,625	839
Bank borrowings	22,645	21,479
Deferred tax liabilities	7,519	7,005
	<b>32,789</b>	<b>29,323</b>
<b>Current Liabilities</b>		
Trade payables	3,460	2,981
Other payables	985	524
Provision for taxation	293	-
Lease liabilities	974	735
Bank borrowings	1,848	1,502
	<b>7,560</b>	<b>5,742</b>
<b>Total liabilities</b>	<b>40,349</b>	<b>35,065</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>124,362</b>	<b>111,024</b>
<b>Net assets per share attributable to equity holders of the Company (RM)</b>	0.21	0.19

The Unaudited Condensed Consolidated Statements 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 attached to this interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

	<-----Attributable to Equity Holders of the Company ----->							
	<----- Non-distributable ----->				Distributable			
	Share Capital	Treasury Shares	Revaluation Reserves	Merger Deficit	Retained Profits	Total	Non- Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Current year to date ended 31 December 2022</b>								
At 1 January 2022	49,981	(401)	8,881	(9,535)	27,155	76,081	(122)	75,959
Profit for the financial year, representing total comprehensive income for the financial year	-	-	-	-	8,155	8,155	(101)	8,054
<b>At 31 December 2022</b>	<b>49,981</b>	<b>(401)</b>	<b>8,881</b>	<b>(9,535)</b>	<b>35,310</b>	<b>84,236</b>	<b>(223)</b>	<b>84,013</b>
<b>Preceding year to date ended 31 December 2021</b>								
At 1 January 2021	41,093	(401)	8,881	(9,535)	23,600	63,638	-	63,638
Profit for the financial year, representing total comprehensive income for the financial year	-	-	-	-	3,418	3,418	(25)	3,393
<b>Transactions with owners</b>								
Disposal in shareholding of a subsidiary	-	-	-	-	137	137	(97)	40
Issuance of ordinary shares	8,888	-	-	-	-	8,888	-	8,888
<b>Total transactions with owners</b>	<b>8,888</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>137</b>	<b>9,025</b>	<b>(97)</b>	<b>8,928</b>
<b>At 31 December 2021</b>	<b>49,981</b>	<b>(401)</b>	<b>8,881</b>	<b>(9,535)</b>	<b>27,155</b>	<b>76,081</b>	<b>(122)</b>	<b>75,959</b>

The Unaudited Condensed Consolidated Statements 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 this interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

	<b>Current Year To-date Ended 31 December 2022 RM'000</b>	<b>Preceding Year To-date Ended 31 December 2021 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	10,826	5,751
Adjustments:		
Depreciation of property, plant and equipment	5,198	3,568
Depreciation of investment properties	183	183
Depreciation of right-of-use assets	1,673	1,813
Dividend income on short term investments	(137)	(69)
Fair value loss on short term investments	26	14
Gain on expiration of lease contract	-	(4)
Gain on disposal of property, plant and equipment	(121)	(1)
Impairment/(reversal) of impairment loss on trade receivables	9	(13)
Property, plant and equipment written off	33	94
Interest income	(3)	(53)
Interest expenses	919	727
Operating profit before working capital changes	18,606	12,010
(Increase)/decrease in working capital:		
Inventories	(520)	(2,160)
Receivables	(5,213)	(1,416)
Payables	940	639
Cash generated from operations	13,813	9,073
Interest received	3	53
Interest paid	(906)	(727)
Tax refund	73	-
Tax paid	(1,936)	(496)
<b>Net cash from operating activities</b>	<b>11,047</b>	<b>7,903</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(4,555)	(12,358)
Proceeds from disposal of non-current asset held for sale	-	1,380
Proceeds from decrease in shareholding of a subsidiary	-	40
Additions to right-of-use assets	(2,586)	(12,140)
Proceeds from disposal of property, plant and equipment	132	9
Redemption/(placement) of short term investments	6,727	(2,312)
<b>Net cash used in investing activities</b>	<b>(282)</b>	<b>(25,381)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Drawdown of borrowings	3,018	15,500
Repayment of bank borrowings	(1,505)	(5,896)
Repayment of lease liabilities	(901)	(1,017)
Proceeds from issue of ordinary shares	-	8,888
<b>Net cash from financing activities</b>	<b>612</b>	<b>17,475</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>11,377</b>	<b>(3)</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>7,717</b>	<b>7,720</b>
<b>Cash and cash equivalents at end of the financial year</b>	<b>19,094</b>	<b>7,717</b>
<b><u>Cash and Cash Equivalents at end of the period comprise the followings:</u></b>		
Fixed deposits with licenced banks	5,666	163
Cash and bank balances	13,428	7,554
	<b>19,094</b>	<b>7,717</b>

The Unaudited Condensed Consolidated Statements of Cash Flows 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 this interim financial statement.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS 134):**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with MFRS134: Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The interim financial statements should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

**A2. Summary of significant accounting policies**

The significant accounting policies and methods of computation adopted in the preparation of this interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2021 except for the following standards, amendments to published standards and interpretations to existing standards which are applicable in the current financial year:

- Amendment to MFRS 16, Leases – Covid-19 – Related Rent Concessions

The application of the standards and amendments to the standards above does not have a material impact to the financial statements of the Group and the Company.

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and Issue Committee (“IC”) Interpretations were issued but not yet effective and have not been applied by the Group and the Company:-

**(i) MFRSs, Interpretations and Amendments effective for annual financial periods beginning on or after 1 January 2022**

- Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework
- 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
- Annual Improvements to MFRS Standards 2018 - 2020

**(ii) MFRSs, Interpretations and Amendments effective for annual financial periods beginning on or after 1 January 2023**

- Amendments to MFRS 101, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101, Presentation of Financial Statements – Disclosure of Accounting Policies
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 112, Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

**A2. Summary of significant accounting policies (continued)**

*(iii) MFRSs, Interpretations and Amendments effective for annual financial periods beginning on or after 1 January 2024*

- Amendments to MFRS 16, Leases – Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Presentation of Financial Statements – Non-current Liabilities with Covenants

*(iv) MFRSs, Interpretations and Amendments effective for annual financial periods beginning on or after a date yet to be confirmed*

- Amendment to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company intend to adopt the abovementioned accounting standards, interpretations and amendments when they become effective.

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company.

**A3. Auditors' report**

The audit report of the Group's preceding annual Financial Statements was not subject to any qualification.

**A4. Seasonal or cyclical factors**

The principal businesses of the Group were not significantly affected by seasonal or cyclical factors.

**A5. Items of unusual nature and amount**

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

**A6. Material changes in estimates**

There were no changes in the estimates of amount reported in prior financial period that had a material effect in the current quarter under review.

**A7. Issuances, cancellations, repurchase, resale and repayments of debts and equity securities**

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the current financial year under review.

As at 31 December 2022, a total of 4,113,000 buy-back shares were held as treasury shares and carried at cost.

**A8. Dividends paid**

No dividend has been paid during the quarter under review.

**A9. Segmental information**

No segmental reporting is prepared as the principal activities of the Group are predominantly carried out in Malaysia and are engaged in a single business segment of manufacturing, recycling and refining all kinds of petroleum based products.

**A10. Valuation of property, plant and equipment**

The property, plant and equipment are stated at cost/valuation less accumulated depreciation and impairment losses. There was no revaluation of property, plant and equipment for the current financial year. The valuation of property, plant and equipment of the Group has been brought forward without amendment from the previous financial years.

**A11. Capital commitments**

Authorised capital expenditures for property, plant and equipment not provided for in the financial statements were as follows:

	<b>Group 31 December 2022 RM'000</b>
Contracted and approved for:	
- Purchase of motor vehicle	255
- Purchase of equipments	3,673
	3,928
	3,928

**A12. Material subsequent event**

There are no material events subsequent to the end of the current financial year under review up to the date of this announcement that have not been reflected in these interim financial statements.

**A13. Significant event during the period**

There were no significant events during the current financial year under review that have not been reflected in these interim financial statements.

**A14. Changes in the composition of the Group**

There were no changes in the composition of the Group during the current financial year under review.

**A15. Contingent liabilities and contingent assets**

The contingent liabilities as at 31 December 2022 were as follows:

<u>Unsecured contingent liabilities</u>	<b>Company 31 December 2022 RM'000</b>
Corporate guarantee given to financial institutions/leasing company in respect of credit facilities granted to subsidiaries	47,434



**A16. Financial risk management**

All aspects of the Group’s financial risk management objectives and policies are consistent with those disclosed in the audited financial statements as for the financial year ended 31 December 2021.

**A17. Status of corporate exercise**

Employee Share option Scheme (“ESOS”)

As at the current year ended 31 December 2022, there was no ESOS option has been granted to the employee of the Group.

Private Placement

In the previous financial year, the Company proposes to undertake a private placement of up to 66,660,000 new ordinary shares in the Company, representing up to approximately 20% of the total number of issued shares of the Company (excluding treasury shares) (“Private Placement”). The Private Placement has been approved by Bursa Securities with conditional on the compliance of relevant provisions under listing requirements.

A total of 65,837,000 placement shares have been allotted and listed to third party investors at an issue price of RM0.135 with gross proceeds of RM8,887,995.

As at the date of this report, the status of utilisation of proceeds from the Private Placement is as below:

	<b>Purpose</b>	<b>Proposed Utilisation After Variation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Balance Utilisation RM'000</b>	<b>Intended Timeframe for Utilisation</b>
(i)	Part finance the construction of a new waste treatment facility	3,000	-	3,000*	Within 18 months
(ii)	Purchase of new palm oil waste refining system	4,000	4,000	-	Within 18 months
(iii)	Estimated expenses for the Private Placement	250	250	-	Within 1 months
(iv)	Working capital requirements	1,638	1,638	-	Within 12 months
	Total	8,888	5,888	3,000	

\* The Board has extended the intended timeframe for utilisation to an additional 12 months from the approved timeframe of 18 months.

**A18. Related party transaction**

Related party transactions for the quarter under review in which certain Directors have direct/indirect interest are as follows:

	<b>Group</b>	
	<b>Quarter ended 31 December 2022</b>	<b>Year-to-date 31 December 2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Allowance to shareholder	17	67

**B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS**

**B1. Review of performance**

**Financial review for fourth quarter ended 31 December 2022 (“Q4 FY2022”) versus corresponding quarter ended 31 December 2021 (“Q4 FY2021”)**

	Current Quarter Ended				Cumulative Quarter Ended			
	31 December 2022	31 December 2021	Change		31 December 2022	31 December 2021	Change	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	17,409	12,980	4,429	34.12%	80,035	61,731	18,304	29.65%
Profit before taxation	271	209	62	29.67%	10,826	5,751	5,075	88.25%
Earnings before interest, taxes, depreciation and amortisation (“EBITDA”)	2,413	1,936	477	24.64%	18,796	11,989	6,807	56.78%

The Group closed its Q4 FY2022 sales at RM17.41 million, a 34.12% increase compared to RM12.98 million in the corresponding quarter. The local and export sales have increased by 36.22% and 23.05% respectively in Q4 FY2022 with higher demand mainly on recycled petroleum and petrochemical products.

The gross profit margin was marked at 18.35% in Q4 FY2022 against 19.11% in Q4 FY2021, a slight drop of 0.76%. The decrease was due to the increase of overhead cost which included labour cost with the increase of headcount, higher depreciation charged with additional assets capitalisation as well as the purchase of factory consumables.

Other income has increased by RM0.25 million to RM0.29 million, mainly from the gain on disposal of fixed assets of RM0.09 million and proceed from insurance claim of RM0.12 million in the current quarter.

The operating expenses incurred were RM3.22 million, an increase of RM0.90 million from Q4 FY2021. The increase was mainly attributable to the increase in staff cost including revision of Directors’ remuneration of RM0.43 million, higher insurance premium incurred by RM0.18 million and foreign exchange loss of RM0.28 million.

With the above, the Group closed at RM0.27 million of profit before tax and RM 2.41 million of EBITDA in the current quarter with moderate improvement from the corresponding quarter of RM0.21 million of profit before tax and RM1.94 million of EBITDA.

**Financial review for the financial period year-to-date ended 31 December 2022 (“YTD FY2022”) versus 31 December 2021 (“YTD FY2021”)**

In YTD FY2022, the Group registered its revenue at RM80.04 million compared to RM61.73 million in YTD FY2021. The growth of 29.65% was contributed by the increase of local sales of 59.74% while export sales posted a decrease of 17.11% during the year. In term of product segment, recycled petrochemicals products has the highest increase of 141.54%, followed by 22.77% increase in recycled petroleum products and 16.34% increase in scheduled waste collection services.

The Group achieved the gross profit margin of 25.85% in YTD FY2022, up by 3.29% as compared to YTD FY2021. The higher profit margin was resultant from the better selling price of the products. Nevertheless, the favorable margin was offset with the increase in cost of goods sold, mainly on the labour cost of RM0.69 million, higher depreciation charged of RM1.47 million with capitalisation of assets and higher factory overhead of RM4.9 million.

Increase in other income was due to the gain arising from the foreign exchange gain of RM0.11 million, gain on disposal of fixed assets of RM0.12 million and proceed from the insurance claim of RM0.12 million.

**B1. Review of performance (continued)**

**Financial review for the financial period year-to-date ended 31 December 2022 (“YTD FY2022”) versus 31 December 2021 (“YTD FY2021”) (continued)**

On operating expenses, the Group incurred a total of RM10.59 million in YTD FY2022 against RM8.60 million in YTD FY2021. Under administration expenses, there was revision on Directors’ remuneration of RM0.74 million and increase in staff cost of RM0.91 million with additional headcount. On selling and distribution cost, there was increase in commission payout of RM0.11 million and traveling expenses of RM0.08 million. Finance cost has increased by 26.41% following the additional drawdown of hire purchase facilities during the year as well as the full year interest incurred on term loan drawdown since end of year 2021.

The Group recorded profit before tax of RM10.83 million in YTD FY2022, an improvement of RM5.08 million from the previous financial year. EBITDA has increased by 56.78% to RM18.80 million during the year.

**B2. Financial review of current quarter ended 31 December 2022 (“Q4 FY2022”) versus immediate preceding quarter ended 30 September 2022 (“Q3 FY2022”)**

	Financial Quarter Ended			
	31 December 2022	30 September 2022	Change	
	RM’000	RM’000	RM’000	%
Revenue	17,409	24,499	(7,090)	-28.94%
Profit before taxation	271	4,012	(3,741)	-93.25%
Earnings before interest, taxes, depreciation and and amortisation (“EBITDA”)	2,413	6,017	(3,604)	-59.90%

In the financial review between the current quarter versus the immediate preceding quarter, the Group registered its revenue at RM17.41 million in Q4 FY2022 against RM24.50 million in Q3 FY2022. The decrease of 28.94% was due to weakening demand in both local and export sales in the current quarter. With the lower sales and higher overhead cost in labour and depreciation charged, the gross profit margin has decreased from 26.34% in Q3 FY2022 to 18.35% in the current quarter.

Total operating expenses marked at RM3.22 million in Q4 FY2022 compared to RM2.78 million in the immediate preceding quarter. The increase was contributed by the foreign exchange loss of RM0.28 million resultant from the strengthening USD currency. In addition, there were higher insurance expenses incurred of RM0.21 million and additional finance costs RM0.04 million arising from the hire purchase facility drawdown of RM2.91 million in Q4 FY2022. However, there was a decrease in selling and distribution expenses, mainly on the lower commission payout of RM0.07 million in the current quarter.

At closing, the Group recorded a profit before tax of RM0.27 million and EBITDA of RM2.41 million in Q4 FY2022 as compared to the profit before tax of RM4.01 million and EBITDA of RM6.02 million in Q3 FY2022.

**B3. Prospects**

The market has seen a rebounding effect from the Covid-19 recovery stage in 2022. The Group has a considerable performance with positive demand and maintains reliable supply chains to sustain its business growth in 2022.

In 2023, the growth of the market is expected to be at slow pace with softening global economy outlook. With the impact of central bank rate hikes, the on-going Russia-Ukraine war, it causes low private consumption momentum with a higher cost of living which will slow down the growth of the market.

The outlook of the Group remains challenging with volatile external environment, yet, the Group remains conscious of the disruption of the market changes and be adaptive to change its strategic planning to overcome the market uncertainty. The Management of the Group is always ensuring the effectiveness and efficiency of the internal control and production process as well as prudent financial management to sustain its business operations.

**B4. Profit guarantee or profit forecast**

No profit guarantee or profit forecast has been issued by the Group previously in any public document.

**B5. Taxation**

	Quarter ended		Cumulative Quarter ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
<b>Current Tax</b>				
- current year	(618)	(382)	2,258	468
<b>Deferred Tax</b>				
- origination and reversal of temporary differences	263	1,403	514	1,890
	(355)	1,021	2,772	2,358

The effective tax rate of the Group for the current financial year was fairly consistent with the statutory tax rate.

**B6. Bank borrowings**

The Group's bank borrowings as at 31 December 2022 are as follows:

	Long Term RM'000	Short Term RM'000	Total RM'000
<u>Secured</u>			
-Term Loans	22,645	1,848	24,493
	22,645	1,848	24,493

**B7. Material litigation**

The Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, and the Directors of the Group do not have any knowledge of proceedings pending or threatened against the Company and/or its subsidiaries, or of any fact likely to give rise to any proceeding, which might materially and adversely affect the financial position or business of the Group as at the date of this report.

**B8. Dividends**

No dividends has been declared or recommended in respect of the current financial year under review.

**B9. Profit/(loss) for the period**

	Current Quarter Ended 31 December		Cumulative Quarter Ended 31 December	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit/(loss) before taxation is arrived at after charging/(crediting):				
Interest income	(1)	(1)	(3)	(53)
Interest expenses	265	280	919	727
Depreciation of property, plant and equipment	1,341	954	5,198	3,568
Depreciation of investment properties	46	46	183	183
Depreciation of rights-of-use assets	490	448	1,673	1,813
Dividend income on short term investments	-	(38)	(137)	(69)
Fair value loss on short term investments	-	12	26	14
Gain on disposal of property, plant and equipment	(94)	(1)	(121)	(1)
Impairment/(reversal) of impairment loss on trade receivables	15	(2)	9	(13)
Property, plant and equipment written off	21	62	33	94

**B10. Earnings/(loss) per share**

Basic earnings/(loss) per share is calculated by dividing the Group's net profit attributable to the owners of the Company for the financial period by the weighted average number of ordinary shares in issue during the financial period, excluding ordinary shares purchased by the Company and held as treasury shares.

	<b>Current Quarter Ended 31 December</b>		<b>Cumulative Quarter Ended 31 December</b>	
	<b>2022 RM'000</b>	<b>2021 RM'000</b>	<b>2022 RM'000</b>	<b>2021 RM'000</b>
Group's net profit/(loss) attributable to equity holders of the Company (RM'000)	651	(846)	8,155	3,418
Weighted average number of ordinary shares ('000)	395,025	395,025	395,025	356,064
Earnings/(Loss) per share (sen)				
- Basic	0.16	(0.21)	2.06	0.96

The Group has no dilution impact in their earnings/(loss) per share as there was no potential dilutive ordinary shares during the current financial period.

**B11. Authority for issue**

The interim financial statements were reviewed by the Audit Committee of the Company and duly authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 27 February 2023.

By order of the Board of Directors

DATO' CHAN SAY HWA  
Group Managing Director

27 February 2023