



**GAGASAN NADI CERGAS**  
BERHAD (201701024800)

(Incorporated in Malaysia)

**Interim Financial Statements  
For The Financial Year Ended  
31 December 2022**



**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH (4<sup>TH</sup>) QUARTER FINANCIAL YEAR ENDED 31 DECEMBER 2022(1)**

		Quarter Ended		Year-To-Date Ended	
	Note	31.12.2022	31.12.2021	31.12.2022	31.12.2021
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	54,531	54,246	233,517	199,256
Operating expenses		(61,008)	(71,030)	(243,606)	(214,121)
Other operating income		6,887	17,458	32,701	48,788
Finance costs		(4,406)	(4,842)	(16,564)	(16,068)
<b>(Loss)/Profit before taxation</b>	B11	<u>(3,996)</u>	<u>(4,168)</u>	<u>6,048</u>	<u>17,855</u>
Income tax expense	B6	(1,563)	(5,302)	(8,641)	(10,514)
<b>(Loss)/Profit after taxation</b>		<u>(5,559)</u>	<u>(9,470)</u>	<u>(2,593)</u>	<u>7,341</u>
<b>(Loss)/Profit after taxation attributable to:-</b>					
Owners of the Company		(5,271)	(10,191)	(3,378)	3,460
Non-controlling interests		(288)	721	785	3,881
		<u>(5,559)</u>	<u>(9,470)</u>	<u>(2,593)</u>	<u>7,341</u>
<b>Total comprehensive income attributable to:-</b>					
Owners of the Company		(5,271)	(10,191)	(3,378)	3,460
Non-controlling interests		(288)	721	785	3,881
		<u>(5,559)</u>	<u>(9,470)</u>	<u>(2,593)</u>	<u>7,341</u>
<b>Earnings per share attributable to owners of</b>					
Basic EPS (sen)	B10	(0.70)	(1.35)	(0.45)	0.46
Diluted EPS (sen)	B10	<u>(0.70)</u>	<u>(1.35)</u>	<u>(0.45)</u>	<u>0.46</u>

**Notes:**

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022<sup>(1)</sup>**

	Note	Unaudited 31.12.2022 RM'000	Audited 31.12.2021 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		27,655	27,950
Inventories		71,803	86,588
Right-of-use assets		1,759	2,598
Trade receivables		464,989	499,129
		<u>566,206</u>	<u>616,265</u>
<b>Current assets</b>			
Inventories		78,655	49,348
Contract assets		143,639	98,782
Trade receivables		75,815	82,322
Other receivables, deposits and prepayments		23,865	18,709
Current tax assets		6,713	5,147
Fixed deposits with licensed banks		41,940	38,151
Cash and bank balances		52,314	66,582
		<u>422,941</u>	<u>359,041</u>
<b>TOTAL ASSETS</b>		<u>989,147</u>	<u>975,306</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		136,444	136,444
Reserves		303,683	309,061
Equity attributable to owners of the Company		<u>440,127</u>	<u>445,505</u>
Non-controlling interests		6,279	5,494
<b>Total equity</b>		<u>446,406</u>	<u>450,999</u>
<b>Non-current liabilities</b>			
Borrowings	B7	275,247	269,504
Deferred tax liabilities		75,299	77,668
		<u>350,546</u>	<u>347,172</u>
<b>Current liabilities</b>			
Trade payables		97,493	84,106
Contract liabilities		31,281	37,216
Other payables and accruals		20,215	8,032
Borrowings	B7	41,467	45,712
Current tax liabilities		1,739	2,069
		<u>192,195</u>	<u>177,135</u>
<b>Total liabilities</b>		<u>542,741</u>	<u>524,307</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>989,147</u>	<u>975,306</u>
<b>Number of issued shares ('000)</b>		753,000	753,000
<b>Net asset per share attributable to Owners of the Company (RM)</b>		0.58	0.59

**Note:**

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH (4<sup>TH</sup>) QUARTER  
 FINANCIAL YEAR ENDED 31 DECEMBER 2022<sup>(1)</sup>**

	← Distributable →		Attributable to Owners of		
	Share Capital RM'000	Retained Profits RM'000	the Company RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance at 1.1.2021					
- as previously reported	136,444	313,557	450,001	3,894	453,895
- effect of adoption of IFRIC Agenda Decision	-	(4,574)	(4,574)	(2,343)	(6,917)
- effect of prior years adjustment	-	383	383	-	383
Balance at 1.1.2021 (restated)	136,444	309,366	445,810	1,551	447,361
Profit for the financial year, representing total comprehensive income for the financial year	-	3,460	3,460	3,881	7,341
Contributions by and distribution to owners of the Company:					
- Issuance of shares to non-controlling interest	-	-	-	62	62
- Dividends paid	-	(3,765)	(3,765)	-	(3,765)
Balance at 31.12.2021	136,444	309,061	445,505	5,494	450,999
Balance at 1.1.2022	136,444	309,061	445,505	5,494	450,999
Profit for the financial year, representing total comprehensive income for the financial year	-	(3,378)	(3,378)	785	(2,593)
Contributions by and distribution to owners of the Company:					
- Dividends paid non-controlling interests shareholders of a subsidiary	-	(2,000)	(2,000)	-	(2,000)
Balance at 31.12.2022 (Unaudited)	136,444	303,683	440,127	6,279	446,406

**Notes:**

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FOURTH (4<sup>TH</sup>) QUARTER FINANCIAL YEAR ENDED 31 DECEMBER 2022<sup>(1)</sup>**

	12 months Ended	
	31.12.2022 RM'000	31.12.2021 RM'000
<b>Cash flows from operating activities</b>		
<b>Profit before taxation</b>	6,048	17,855
Adjustments for:-		
Depreciation of:		
- property, plant and equipment	1,550	1,332
- right-of-use assets	736	997
Impairment loss:		
- trade and other receivables	4,048	532
Finance cost	16,564	16,068
Accretion of fair value on non-current trade receivables	(25,383)	(26,907)
Gain on disposal of property, plant and equipment	(86)	(8,138)
Reversal of impairment losses under MFRS 9		
- trade and other receivables	(9)	(1,307)
Property, plant and equipment written off	45	-
Finance income	(979)	(955)
Operating profit before working capital changes	<u>2,534</u>	<u>(523)</u>
Decrease in inventories	838	13,806
Increase in contract assets	(44,857)	(51,619)
Decrease in trade and other receivables	56,837	42,976
Increase in trade and other payables	25,571	17,954
(Decrease)/Increase in contract liabilities	<u>(5,935)</u>	<u>15,801</u>
<b>Cash from operating activities</b>	34,988	38,395
Income tax paid	<u>(12,905)</u>	<u>(12,557)</u>
<b>Net cash from operating activities</b>	<u>22,083</u>	<u>25,838</u>
<b>Cash flows from/(for) investing activities</b>		
Finance income received	979	955
Increase of Right-of-use	-	(28)
Withdrawal of pledged fixed deposits and with tenure more than 3 months	6,330	20,783
Proceeds from disposal of property, plant and equipment	91	10,976
Addition to property held for future development	(15,360)	(34,721)
Purchase of property, plant and equipment	<u>(1,304)</u>	<u>(4,165)</u>
<b>Net cash from investing activities</b>	<u>(9,264)</u>	<u>(6,200)</u>



**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FOURTH (4<sup>TH</sup>) QUARTER FINANCIAL YEAR ENDED 31 DECEMBER 2022(1) (CONT'D)**

	<b>12 months Ended</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from/(for) financing activities</b>		
Dividends paid	-	(3,765)
Dividends paid to non-controlling interests shareholders of a subsidiary	(2,000)	-
Drawdown of borrowings	43,609	50,550
Finance cost paid	(16,564)	(16,068)
Proceeds from issuance of shares to non-controlling interest in a subsidiary	-	62
Repayment of borrowings	(42,168)	(36,312)
<b>Net cash for financing activities</b>	<b>(17,123)</b>	<b>(5,533)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(4,304)</b>	<b>14,105</b>
<b>Cash and cash equivalents at beginning of financial year</b>	<b>77,864</b>	<b>63,759</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>73,560</b>	<b>77,864</b>
<b>Cash and cash equivalents comprise:</b>		
Fixed deposits placed with licensed banks	41,940	38,151
Cash and bank balances	52,314	66,582
Bank overdrafts	(4,925)	(4,767)
	89,329	99,966
Less: Fixed deposits pledged to licensed banks and with tenure more than 3 months	(15,769)	(22,102)
	73,560	77,864

**Notes:**

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Cash Flow is disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

## A. NOTES TO THE INTERIM FINANCIAL REPORT

### A1. Basis of preparation

The interim financial report of Gagasan Nadi Cergas Berhad (“Gagasan Nadi” or “the Company”) and its subsidiaries (collectively known as “the Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting and Rule 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This interim financial report should be read together with the audited Annual Financial Statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to this report.

### A2. Summary of Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the audited Annual Financial Statements for the year ended 31 December 2021.

The financial statements of the Group have been prepared in accordance with Malaysia Financial Reporting Standard (“MFRS”) and the requirements of the Companies Act 2016.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standard Board (“MASB”) and effective during the financial year:-

Annual Improvements to MFRS Standards 2018- 2020	1 January 2022
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceed before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022

The adoption of the above accounting standards, amendments and interpretations is not expected to have any material impact on the Group’s financial statements.

#### Standards issued but not yet effective

The Group has not adopted the following new standards and amendments to standards that have been issued by the Malaysian Accounting Standards Board which are not yet effective for the Group. The Group intends to adopt the below mentioned new standards and amendments to standards when they become effective.

MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Initial Application of MFRS 17 and MFRS 9 - Comparative	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting	1 January 2023
Amendments to MFRS 112: Deferred Tax Related to Assets and Liabilities arising from a Single Transaction	1 January 2023



**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A3. Auditors' report on preceding annual financial statements**

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2021.

**A4. Seasonal or cyclical factors**

The Group's performance has not been materially affected by any seasonal or cyclical factors during the current quarter and year-to-date.

**A5. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows during the current quarter and year-to-date.

**A6. Changes in estimates**

There were no material changes in estimates for the current quarter and year-to-date.

**A7. Debt and equity securities**

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter and year-to-date.

**A8. Dividends paid**

There was no payment of dividend during the year.



## A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

### A9. Segmental information

	Construction RM'000	Concession and Facility Management RM'000	Utility Services RM'000	Property Development RM'000	Others RM'000	Consolidation Adjustments RM'000	Total RM'000
<b>31.12.22</b>							
<b>Revenue</b>							
External revenue	111,314	15,768	4,779	101,656	-	-	233,517
Inter-segment revenue	98,871	3,732	707	4,942	8,520	(116,772)	-
	<u>210,185</u>	<u>19,500</u>	<u>5,486</u>	<u>106,598</u>	<u>8,520</u>	<u>(116,772)</u>	<u>233,517</u>
<b>Results</b>							
Segment results	2,909	3,575	1,314	16,777	8,245	(30,246)	2,574
Accretion of fair value on non-current trade receivables	-	25,383	-	-	-	-	25,383
Impairment losses:	(896)	(522)	(15)	(2,615)	-	-	(4,048)
Depreciation:							
- property, plant and equipment	(1,105)	(148)	(486)	(129)	-	318	(1,550)
- right-of-use assets	(714)	-	-	(22)	-	-	(736)
Finance income	260	530	62	67	60	-	979
Finance costs	(526)	(11,093)	-	(7,807)	(81)	2,944	(16,563)
Reversal of impairment losses	-	-	9	-	-	-	9
Profit/(Loss) before taxation	<u>(72)</u>	<u>17,725</u>	<u>884</u>	<u>6,271</u>	<u>8,224</u>	<u>(26,984)</u>	<u>6,048</u>
Income tax expense	-	(4,853)	(168)	(3,277)	(435)	92	(8,641)
Profit/(Loss) after taxation	<u>(72)</u>	<u>12,872</u>	<u>716</u>	<u>2,994</u>	<u>7,789</u>	<u>(26,892)</u>	<u>(2,593)</u>
<b>Assets</b>							
Segment assets	130,489	547,213	15,260	282,243	18,946	(11,717)	982,434
Unallocated asset: Tax refundable							6,712
Consolidated total assets							<u>989,146</u>
Additions to non-current assets other than financial instruments:							
- property, plant and equipment	208	-	384	711	-	-	1,303
- inventories - land for property development	-	-	-	15,360	-	-	15,360
	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,360</u>	<u>-</u>	<u>-</u>	<u>15,360</u>
<b>Liabilities</b>							
Segment liabilities	121,280	197,410	4,137	141,611	3,241	(1,976)	465,703
Unallocated liabilities:							
- Deferred tax liabilities							75,299
- Provision for taxation							1,738
Consolidated total liabilities							<u>542,740</u>



**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A9. Segmental information**

	Construction RM'000	Concession and Facility Management RM'000	Utility Services RM'000	Property Development RM'000	Others RM'000	Consolidation Adjustments RM'000	Total RM'000
<b>31.12.2021</b>							
<b>Revenue</b>							
External revenue	125,331	15,780	2,086	56,059	-	-	199,256
Inter-segment revenue	45,464	3,470	24	5,696	8,520	(63,174)	-
	<u>170,795</u>	<u>19,250</u>	<u>2,110</u>	<u>61,755</u>	<u>8,520</u>	<u>(63,174)</u>	<u>199,256</u>
<b>Results</b>							
Segment results	(7,315)	4,396	2,805	11,970	7,714	(20,093)	(523)
Accretion of fair value on non-current trade receivables	-	26,907	-	-	-	-	26,907
Impairment losses:	(346)	-	0	(186)	-	-	(532)
Depreciation:							
- property, plant and equipment	(527)	(393)	(151)	(27)	(234)	-	(1,332)
- right-of-use assets	(1,469)	-	-	(72)	-	544	(997)
Finance income	1,818	458	35	23	713	(2,092)	955
Finance costs	(445)	(12,367)	-	(5,255)	(116)	2,115	(16,068)
Gain on disposal of property, plant and equipment	-	-	3,452	-	4,686	-	8,138
Reversal of impairment losses	94	41	1,172	-	-	-	1,307
Profit/(Loss) before taxation	<u>(8,190)</u>	<u>19,042</u>	<u>7,313</u>	<u>6,453</u>	<u>12,763</u>	<u>(19,526)</u>	<u>17,855</u>
Income tax expense	<u>(1,964)</u>	<u>(4,839)</u>	<u>(914)</u>	<u>(1,840)</u>	<u>(550)</u>	<u>(407)</u>	<u>(10,514)</u>
Profit/(Loss) after taxation	<u>(10,154)</u>	<u>14,203</u>	<u>6,399</u>	<u>4,613</u>	<u>12,213</u>	<u>(19,933)</u>	<u>7,341</u>
<b>Assets</b>							
Segment assets	152,625	578,253	12,403	207,957	28,086	(9,165)	970,159
Unallocated asset: Tax refundable							5,147
Consolidated total assets							<u>975,306</u>
Additions to non-current assets other than financial instruments:							
- property, plant and equipment	1,303	5	2,670	187	-	-	4,165
- right-of-use assets	485	-	-	-	-	-	485
	<u>1,788</u>	<u>5</u>	<u>2,670</u>	<u>187</u>	<u>-</u>	<u>-</u>	<u>4,650</u>
<b>Liabilities</b>							
Segment liabilities	119,694	225,402	1,757	93,887	4,129	(299)	444,570
Unallocated liabilities:							
- Deferred tax liabilities							77,668
- Provision for taxation							2,069
Consolidated total liabilities							<u>524,307</u>



**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

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

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

**A11. Significant Events Subsequent to the End of the Interim Financial Year**

There were no material events subsequent to the end of the financial quarter that have not been reflected in this interim financial report.

**A12. Changes in the composition of the Group**

There were no material changes in the composition of the Group for the year ended 31 December 2022.

**A13. Contingent assets and contingent liabilities**

Save as disclosed below, there were no other contingent assets and contingent liabilities as at the date of this interim report.

**Unaudited**  
**As at 31.12.2022**  
**RM'000**

Financial guarantee contract in relation to corporate guarantee given to third parties in the ordinary course of business.

72,905

**A14. Capital commitments**

There were no capital commitments as at the end of the current and previous corresponding financial year.

**A15. Related party transactions**

There were no significant related party transactions as at the date of this interim report.



## **B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

### **B1. Review of Group Performance**

#### **Results for current quarter**

The Group recorded a slightly higher revenue of RM54.5 million in current quarter as compared to RM54.2 million in the preceding year corresponding quarter. The Group recorded a loss before tax of RM4.0 million in the current quarter as compared to a loss before tax of RM4.2 million in the corresponding quarter last year. The loss before tax for the current quarter was mainly attributable to increase in project construction costs and the Expected Credit Losses ("ECL") impairment under MFRS 9 for the property development and construction segments.

#### **Results for financial year-to-date**

The Group recorded a higher revenue of RM233.5 million for the current financial year as compared to RM199.3 million for the previous financial year mainly due to higher revenue recognised from property development segment. The Group recorded a lower profit before tax of RM6.0 million for the current financial year as compared to RM17.9 million in the previous financial year mainly attributable to the ECL impairment for the property development segment and the one off gain on disposal of asset in the prior financial year.

### **B2. Comparison with immediate preceding quarter's results**

The Group registered a higher revenue of RM54.5 million for the current financial quarter as compared to RM41.4 million in the preceding quarter. The Group recorded a loss before tax of RM4.0 million in the current quarter as compared to a loss before tax of RM3.1 million in the preceding quarter. The loss before tax for the current quarter was mainly due to increase in project construction costs and additional ECL impairment for the property development and construction segments.

### **B3. Commentary on prospects**

The outlook for the property and construction sector has remained challenging during the transition to endemic phase of the prolonged Covid-19 pandemic of two (2) years and coupled with the onset of inflation felt in the global market.

Despite the Group's construction order book which stands at approximately RM550 million and with continuous tendering for new jobs, the Board expects the performance of the construction segment to be affected by the challenging operating environment of high material costs and labour shortage.

The performance of the Group's concession and facility management is expected to remain stable and sustainable.

The property development segment is expected to contribute significantly for the financial year 2023 with the progress of Antara Residence Project and the Selindung Ulu Yam Project, the latter being a project under Rumah Selangorku ("RSKU") and PPAM affordable housing programme. The Group has launched the Rumah Idaman affordable homes project in Bukit Jelutong with Gross Development Value of approximately RM308 million during the fourth quarter of the current financial year. This segment has a total unbilled sale of RM60.6 million which is expected to be booked in as revenue over the next year.

The Board of Directors is optimistic about the Group's ability to continue to achieve satisfactory performance for financial year 2023.

### **B4. Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee during the quarter under review.

### **B5. Status of corporate proposals**

There were no corporate proposals announced and not completed.



**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B4. Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee during the quarter under review.

**B5. Status of corporate proposals**

There were no corporate proposals announced and not completed.

**B6. Income tax expenses**

	<b>Current Quarter 31.12.2022 RM'000</b>	<b>Year-To- Date 31.12.2022 RM'000</b>
Malaysia income tax		
- current year	2,677	11,004
- underprovision in prior years	2	6
Deferred tax asset	<u>(1,116)</u>	<u>(2,369)</u>
	<u>1,563</u>	<u>8,641</u>
Effective tax rates <sup>(1)</sup>	N/A	>100%

**Note:**

(1) The Group's effective tax rate for the financial year-to-date is higher than the statutory tax rate mainly due to certain expenses not being deductible for tax purpose from Property Development Companies and higher taxable income from collection of Availability Charges from Concession Projects. There are losses recorded by certain subsidiaries could not be recognised as deferred tax assets.



**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B7. Bank borrowings**

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

	<b>Unaudited As at 31.12.2022 RM'000</b>
<b>Current:</b>	
Lease liabilities	938
Islamic financing / Term loan	15,604
Bonds	20,000
Bank overdraft	4,925
	<hr/>
	41,467
<b>Non-current:</b>	
Lease liabilities	295
Islamic financing / Term loan	194,952
Bonds	80,000
	<hr/>
	275,247
	<hr/>
Total	316,714
	<hr/>

All the borrowings are secured and denominated in Ringgit Malaysia.

**B8. Material litigation**

There were no material litigation involving the Group as at the date of this report.

**B9. Dividend**

The Board of Directors did not recommend any dividend for the current quarter under review.

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B10. Earnings per share**

The basic and diluted earnings per share (“EPS”) calculated by dividing the profit for the year attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial year ended are as follows:

	Quarter Ended		Year-To-Date	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Profit attribute to owners of the Company (RM'000)	(5,271)	(10,191)	(3,378)	3,460
Weighted average number of ordinary shares in issue ('000)	<u>753,000</u>	<u>753,000</u>	<u>753,000</u>	<u>753,000</u>
Basic EPS (sen) <sup>(1)</sup>	(0.70)	(1.35)	(0.45)	0.46
Diluted EPS (sen) <sup>(1) &amp; (2)</sup>	(0.70)	(1.35)	(0.45)	0.46

**Notes:**

- (1) The basic earnings per share is computed based on profit after tax attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 31 December 2022.
- (2) Diluted earnings per share is equivalent to the basic earnings per share of the Company for the individual quarter ended 31 December 2022 as the Company does not have any convertible options as at the end of the reporting year.



**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B11. Disclosure on selected expense/income items as required by the Listing Requirements**

	<b>Current Quarter</b> <b>31.12.2022</b> <b>RM'000</b>	<b>Year-To-Date</b> <b>31.12.2022</b> <b>RM'000</b>
Profit before taxation is arrived at after charging/(crediting):-		
Depreciation :		
- property, plant and equipment	379	1,549
- right-of-use asset	(2)	736
Impairment losses	1,749	4,048
Finance cost	4,406	16,564
Accretion of fair value on non-current trade receivables	(6,199)	(25,383)
Finance income	(399)	(979)
Gain on disposal of property, plant and equipment	(35)	(86)
Reversal of impairment losses	(9)	(9)

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

**B12. Derivative**

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