

Condensed consolidated statement of financial position

As At 31 December 2022

	At 31 December 2022 RM'000 (unaudited)	At 31 March 2022 RM'000 (Audited)
Assets		
Property, plant and equipment	13,680	13,323
Investment properties	133,432	86,488
Inventories	3,878	3,878
Investment in associates	1,729	1,639
Investment in joint ventures	909	3,456
Deferred tax assets	255	114
Total non-current assets	153,883	108,898
Inventories	4,496	6,613
Trade and other receivables	218,569	273,224
Contract assets	26,273	31,610
Tax recoverable	1,053	895
Cash and cash equivalents	16,736	17,886
Total current assets	267,127	330,228
Total assets	421,010	439,126
Equity		
Share capital	122,338	122,338
Translation reserve	7	7
Retained earnings	95,082	99,337
Total equity attributable to owners of the Company	217,427	221,682
Liabilities		
Borrowings	1,522	2,656
Deferred tax liabilities	468	485
Total non-current liabilities	1,990	3,141
Trade and other payables	133,562	164,732
Contract liabilities	16,328	9,936
Borrowings	51,451	39,436
Current tax payable	252	199
Total current liabilities	201,593	214,303
Total liabilities	203,583	217,444
Total equity and liabilities	421,010	439,126
Net assets per share (RM)	2.1820	2.2247

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the period ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.)

Condensed consolidated statement of profit or loss and other comprehensive income
For the financial period ended 31 December 2022

	Current 3 months ended 31 December		Cumulative 9 months ended 31 December
	2022 RM'000	2021 RM'000	2022 RM'000
Revenue	39,612	32,976	83,763
Cost of sales	(36,644)	(31,697)	(78,749)
Gross profit	2,968	1,279	5,014
Other income	643	2,051	2,064
Administrative and other operating expenses	(4,880)	(4,104)	(12,345)
Results from operating activities	(1,269)	(774)	(5,267)
Interest income	2,684	1,148	4,119
Interest expense	(965)	(891)	(2,566)
Net interest income	1,719	257	1,553
Share of profit of equity-accounted investments, net of tax	-	69	93
Net profit/(loss) before tax	450	(448)	(3,621)
Taxation	(158)	(257)	(634)
Net profit/(loss) after tax	292	(705)	(4,255)
Other comprehensive income, net of tax			
Items that are or may be reclassified subsequently to loss			
Foreign currency translation	-	-	-
Total other comprehensive income for the period, net of tax	-	-	-
Total comprehensive income/(expenses) for the period	292	(705)	(4,255)
Profit/(Loss) per share attributable to ordinary shareholders			
EPS - Basic (sen)	0.29	(0.71)	(4.27)
EPS - Diluted (sen)	N/A	N/A	N/A

On 27 August 2021, Knusford Berhad ("KB" or the "Company") announced the change of financial year end from 31 December 2021 to 31 March 2022. The current reporting financial period will be for a period of 9 months, made up from 1 April 2022 to 31 December 2022. As such, there are no comparative figures for the cumulative preceding year corresponding periods.

(The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the period ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.)



Condensed consolidated statement of changes in equity

For the financial period ended 31 December 2022

	Attributable to owners of the Company			Total RM'000
	Non-distributable Share capital RM'000	Translation Reserve RM'000	Distributable Retained profits RM'000	
At 1 April 2022 (Audited)	122,338	7	99,337	221,682
Total comprehensive loss for the period	-	-	(4,255)	(4,255)
At 31 December 2022 (Unaudited)	<u>122,338</u>	<u>7</u>	<u>95,082</u>	<u>217,427</u>
At 1 January 2021 (Audited)	122,338	5	104,407	226,750
Total comprehensive loss for the period	-	2	(5,070)	(5,068)
At 31 March 2022 (Audited)	<u>122,338</u>	<u>7</u>	<u>99,337</u>	<u>221,682</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the period ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.

Condensed consolidated statement of cash flows
For the financial period ended 31 December 2022

	Current period to date 31 December 2022 RM'000 (unaudited)
Cash flows from operating activities	
Loss before tax	(3,621)
Adjustments for:	
Depreciation of property, plant and equipment	1,954
Depreciation of investment property	807
Net loss on impairment of financial instrument and contract assets	259
Gain on disposal of plant and equipment	(1,183)
Gain on disposal of investment properties	(447)
Impairment loss on property, plant and equipment	2
Share of profit of equity-accounted investments, net of tax	(93)
Interest expense	2,566
Interest income	(4,119)
Operating loss before changes in working capital	<u>(3,875)</u>
Changes in working capital:	
Inventories	2,117
Receivables, deposits and prepayments	59,733
Payables and accruals	(24,777)
Cash generated from operations	<u>33,198</u>
Income taxes paid	(896)
Interest paid	(2,402)
Interest received	4,119
Net cash from operating activities	<u>34,019</u>
Cash flows from investing activities	
Acquisition of property, plant and equipment	(2,097)
Acquisition of investment properties	(53,754)
Dividend received from joint venture company	2,550
Sales proceeds from disposal of plant and equipment	1,257
Sales proceeds from disposal of investment property	6,450
Net cash used in investing activities	<u>(45,594)</u>
Cash flows from financing activities	
Interest paid	(164)
Net proceeds from borrowings	13,007
Repayment of finance lease liabilities	(2,418)
Net cash generated from financing activities	<u>10,425</u>
Net decrease in cash and cash equivalents	(1,150)
Cash and cash equivalents at beginning of financial period	17,886
Cash and cash equivalents at end of financial period	<u>16,736</u>
Cash & bank balance	10,705
Deposits with licensed banks (excluding deposits pledged)	6,031
	<u>16,736</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the period ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.)

Notes to the interim financial report – 31 December 2022

A1 Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting in Malaysia, IAS 34: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed consolidated interim financial statements are unaudited and should be read in conjunction with the audited financial statements for the financial period ended 31 March 2022.

A2 Significant accounting policies

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those adopted in the preparation of the Group’s audited financial statements for the financial period ended 31 March 2022 except for the following:

Amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- 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 MFRS Standards 2018–2020)*

Amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures 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*

Amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments 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 initial application of the amendments is not expected to have any material financial impacts to the current and prior period financial statements of the Group.

A3 Auditors’ report

There was no qualification on the audited financial statements for the financial period ended 31 March 2022.

A4 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A5 Unusual items due to their nature, size or incidence

There were no unusual items for the period ended 31 December 2022.

A6 Changes in estimates

Not applicable.

A7 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and period ended 31 December 2022.

A8 Dividends paid

No dividend was paid for the current quarter and period ended 31 December 2022.

A9 Segmental information

Segmental information is presented in respect of the Group's business segment. Inter-segment pricing is determined based on negotiated terms.

Current quarter ("3Q 2023") against preceding year corresponding quarter ("4Q 2022")

	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	
	31 December 2022 Revenue	31 December 2021 Revenue	Amount	%
	RM'000	RM'000	RM'000	
Trading	19,305	13,975	5,330	38.1
Property development	986	-	986	100.0
Construction	19,494	20,986	(1,492)	(7.11)
Investment property	692	715	(23)	(3.2)
Other services	287	507	(220)	(43.4)
	40,764	36,183	4,581	12.7
Inter-segment elimination	(1,152)	(3,207)	2,055	64.1
	39,612	32,976	6,636	20.1

A9 Segmental information (continued)

Current quarter (“3Q 2023”) against preceding year corresponding quarter (“4Q 2022”) (continued)

	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	
	31 December 2022 Profit/(Loss) before tax	31 December 2021 Profit/(Loss) before tax	Amount	%
	RM'000	RM'000	RM'000	
Trading	402	112	290	258.9
Property development	330	(699)	1,029	147.2
Construction	(1,561)	(1,477)	(84)	(5.7)
Investment property	644	726	(82)	(11.3)
Other services	(488)	623	(1,111)	(178.3)
	(673)	(715)	42	5.9
Interest income	2,684	1,148	1,536	133.8
Interest expense	(965)	(891)	(74)	(8.3)
Share of profit of equity-accounted investments	-	69	(69)	(100.0)
Unallocated other expenses	(596)	(59)	(537)	(910.2)
	450	(448)	898	200.4

Current period to date (“YTD 2023”)

	9 months ended	Changes	
	31 December 2022 Revenue	Amount	%
	RM'000	RM'000	
Trading	43,830	N/A	N/A
Property development	3,385	N/A	N/A
Construction	37,312	N/A	N/A
Investment Property	2,200	N/A	N/A
Other services	983	N/A	N/A
	87,710	N/A	N/A
Inter-segment elimination	(3,947)	N/A	N/A
	83,763	N/A	N/A

A9 Segmental information (continued)
Current period to date (“YTD 2023”) (continued)

	9 months ended	Changes	
	31 December 2022 Profit/(Loss) before tax	Amount	%
	RM'000	RM'000	
Trading	(442)	N/A	N/A
Property development	660	N/A	N/A
Construction	(4,649)	N/A	N/A
Investment Property	1,124	N/A	N/A
Other services	(563)	N/A	N/A
	(3,870)	N/A	N/A
Interest income	4,119	N/A	N/A
Interest expense	(2,566)	N/A	N/A
Share of profit of equity- accounted investments	93	N/A	N/A
Unallocated other expenses	(1,397)	N/A	N/A
	(3,621)	N/A	N/A

N/A: There are no comparative figures for the cumulative preceding year corresponding period.

A10 Valuation of property, plant and equipment

There was no amendment to the valuation of property & plant and equipment brought forward to the current quarter as compared with the previous year annual financial statements.

A11 Event subsequent to the balance sheet date

There was no material event subsequent to the balance sheet date except for the corporate proposals as disclosed in Note B6.

A12 Changes in composition of the Group

There was no change in the composition of the Group for the current quarter and period ended 31 December 2022.

A13 Changes in contingent liabilities

The Group has no contingent liabilities except for the following: -

	As at 31 December 2022
	RM'000
Guarantees and contingencies relating to the borrowings of subsidiaries (unsecured)	19,400
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A14 Significant Related Party Transactions

The Group has significant related party transactions with companies in which certain directors of the Company have interest, as follows: -

**9 months ended
31 December 2022
RM'000**

**With companies in which certain
Directors of the Company, have interests:**

Ekovest Berhad and its subsidiaries, jointly controlled and associate companies	23,920
Iskandar Waterfront City Berhad and its subsidiaries, jointly controlled and associate companies	6,409
Iskandar Waterfront Holdings Sdn Bhd and its subsidiaries, jointly controlled and associate companies	963
PLS Plantations Berhad and its subsidiaries, jointly controlled and associate companies	3,483
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B1 Detailed analysis of the performance of all operating segment of the Group in 3Q 2023

Current quarter (“3Q 2023”) against preceding year corresponding quarter (“4Q 2022”)

	Individual Period		Changes	
	Current Year Quarter	Preceding Year Corresponding Quarter	Amount	%
	31 December 2022 RM'000	31 December 2021 RM'000	RM'000	
Revenue	39,612	32,976	6,636	20.1
Gross profit	2,968	1,279	1,689	132.1
Result from operating activities	(1,269)	(774)	(495)	(64.0)
Share of profit of equity- accounted investments, net of tax	-	69	(69)	(100.0)
Net profit/(loss) before tax	450	(448)	898	200.4
Net profit/(loss) after tax	292	(705)	997	141.4
Profit/(Loss) attributable to Owners of the Company	292	(705)	997	141.4

The revenue was increased from RM32.976 million in 4Q 2022 to RM39.612 million in 3Q 2023 and the increase was mainly contributed by the trading and property development sector. The profit before tax of RM0.450 million in 3Q 2023 as compared to loss before tax of RM0.448 million in 4Q 2022 was mainly due to additional interest income received upon completion of the Settlement Agreement with our client as highlighted in note B6 (1) below; and additional profit generated by the property development sector in 3Q 2023.

B1 Detailed analysis of the performance of all operating segment of the Group in 3Q 2023 (continued)

Current quarter (“3Q 2023”) against preceding year corresponding quarter (“4Q 2022”) (continued)

The performance of the respective operating business sector for the 3Q 2023 under review as compared to the 4Q 2022 is analysed as follows:

Trading

The revenue increased by RM5.330 million or 38.1% to RM19.305 million in 3Q 2023 as compared to RM13.975 million in 4Q 2022 which was mainly due to supply of trading materials to an infrastructure project in Johor Bahru. The profit before tax for the sector has also increased by RM0.290 million from RM0.112 million in 4Q 2022 to RM0.402 million in 3Q 2023, in tandem with the increase in revenue.

Property development

For 3Q 2023, the sector registered a revenue of RM0.986 million and profit before tax of RM0.330 million from the sales of completed units for its Oasis Kajang project. There were no units sold in 4Q 2022 and the sector recorded a loss before tax of RM0.699 million.

Construction

The construction sector registered a lower revenue of RM19.494 million in 3Q 2023 as compared to RM20.986 million in 4Q 2022 which was mainly due to lower percentage of work done for its construction projects. Accordingly, the sector recorded a loss before tax of RM1.561 million in the 3Q 2023 as compared to a loss before tax of RM1.477 million in the 4Q 2022.

Investment property

The sector recorded a slightly lower revenue of RM0.692 million in 3Q 2023 as compared to RM0.715 million in 4Q 2022. The sector reported a lower profit before tax of RM0.644 million as compared to profit before tax of RM0.726 million in 4Q 2022 mainly due to higher overheads incurred in 3Q 2023.

Other services

In 3Q 2023, revenue has decreased from RM0.507 million to RM0.287 million as compared to 4Q 2022 mainly due to lower income contribution from the landscape maintenance work. This sector reported a loss before tax of RM0.488 million as compared to profit before tax of RM0.623 million in 4Q 2022 as 4Q 2022 results included an one-off gain transaction on the disposal of scrap items amounted to RM0.810 million.

B1 Detailed analysis of the performance of all operating segment of the Group in 3Q 2023 (continued)
Current period to date (“YTD 2023”)

	Cumulative Period	Changes	
	Current Period To-Date	Amount	%
	31 December 2022 RM'000	RM'000	
Revenue	83,763	N/A	N/A
Gross profit	5,014	N/A	N/A
Result from operating activities	(5,267)	N/A	N/A
Share of profit of equity-accounted investments, net of tax	93	N/A	N/A
Loss before tax	(3,621)	N/A	N/A
Loss after tax	(4,255)	N/A	N/A
Loss attributable to Owners of the Company	(4,255)	N/A	N/A

N/A : There are no comparative figures for the cumulative preceding year corresponding periods.

B2 Comparison with preceding quarter results
Current quarter (“3Q 2023”) against preceding quarter (“2Q 2023”)

	Current Quarter	Preceding Quarter	Changes	
	31 December 2022	30 September 2022	Amount	%
	RM'000	RM'000	RM'000	
Revenue	39,612	25,366	14,246	56.2
Gross profit	2,968	1,256	1,712	136.3
Result from operating activities	(1,269)	(2,212)	943	42.6
Share of profit of equity-accounted investments, net of tax	-	45	(45)	(100.0)
Net profit/(loss) before tax	450	(1,974)	2,424	122.8
Net profit/(loss) after tax	292	(2,204)	2,496	113.2
Profit/(Loss) attributable to Owners of the Company	292	(2,204)	2,496	113.2

The Group reported higher revenue of RM39.612 million in 3Q 2023 as compared to RM25.366 million in 2Q 2023, this was mainly due to higher contribution from the construction and trading sector. The Group recorded a profit before tax of RM0.450 million in 3Q 2023 as compared to loss before tax of RM1.974 million in 2Q 2023. The increase in profit before tax was mainly due to recognition of additional interest income upon the completion of the Settlement Agreement with client as highlighted in note B6 (1) below.

B3 Prospects

The Board expects the economic outlook to remain challenging in near term amid the shortage of labour, inflation, rising interest rate as well as weakening Ringgit, which are affecting the construction industry. Given the challenging business environment, we expect the financial performance for the construction and trading segment for the financial year ending 31 March 2023 may be adversely impacted. However, the Board anticipates that the loss will be mitigated with the one-off gain arising from the completion of SPA by 4Q 2023 as reported in note B6 (3) below.

The Board is mindful of the competition and operation risk that could impact on its financial results and will continue to take all proactive measures to ensure the existing business remains sustainable, resilient and focused on delivering and completing all its projects in hand within the budgeted cost and on agreed time frame.

The Group will continue to pursue potential business opportunities to replenish its order book. As at 31 December 2022, the Group's order book for the construction sector stood at RM318 million.

B4 Variance of actual profit from forecast profit / profit guarantee

Not applicable.

B5 Taxation

	Current quarter ended 31 December 2022 RM '000	9 months ended 31 December 2022 RM '000
Income tax		
Current provision	420	805
Over provision in prior year	(14)	(14)
	406	791
Deferred tax	(248)	(157)
	158	634

The Group's effective tax rate for the financial period ended 31 December 2022 was higher than the prima facie tax rate mainly due to the losses incurred by certain subsidiaries and disallowable expenses.

B6 Status of corporate proposals

- On 22 July 2022, a wholly-owned subsidiary of the Company, Knusford Resources Sdn Bhd ("KRSB") has entered into a conditional Sale and Purchase Agreement ("SPA") with Success Straits Sdn Bhd ("SSSB"), a wholly-owned subsidiary of Iskandar Waterfront City Berhad ("IWCB"), a related company for the proposed acquisition of a parcel of freehold vacant land held under Geran Hakmilik No. 90571, Lot No. 726, Mukim of Pulai, District of Johor Bahru, State of Johor ("Subject Property") at the purchase consideration of RM53,240,000.00 ("Proposed Acquisition").

The Purchase Consideration will be satisfied via a settlement arrangement, wherein a total amount of RM50,764,575.38, being the sum due and payable by IWCB and its subsidiaries (collectively, the "IWCB Group") to the Company and its subsidiaries (collectively, the "Knusford Group" or the "Group") ("Settlement Sum") shall be set-off against the Purchase Consideration. Meanwhile, the remaining balance of RM2,475,424.62 ("Differential Amount") will be satisfied entirely in cash.

In conjunction with the Proposed Acquisition, the Company had on the even date entered into a conditional settlement agreement ("Settlement Agreement") with IWCB to settle the Settlement Sum by way of set-off against the Purchase Consideration for the Proposed Acquisition ("Proposed Settlement").

B6 Status of corporate proposals (continued)

The Proposed Acquisition are conditional upon the following conditions precedents being fulfilled not later than three months from the date of the SPA, or such other date as the parties may mutually agree upon in writing (SPA Cut-Off Date)-:

- i. SSSB having obtained the approval of the shareholders of IWCB at a general meeting for amongst others (1) the disposal of the Subject Property by SSSB in favour of KRSB in accordance with the terms and conditions of the SPA; and (2) the Proposed Settlement in accordance with the terms and conditions of the Settlement Agreement; and
- ii. KRSB having obtained the approval of the shareholders of the Company at a general meeting to be convened for amongst others (1) the acquisition of the Subject Property by KRSB in accordance with the terms and conditions of the SPA; and (2) the Proposed Settlement in accordance with the terms and conditions of the Settlement Agreement.

For details, please refer to the announcement dated 22 July 2022, 7 November 2022 and 23 November 2022 respectively.

At the Extraordinary General Meeting ("EGM") held on 23 November 2022, the shareholders of the Company had approved the resolution in relation to (ii) above.

The conditions precedent under the SPA and Settlement Agreement have been fulfilled, and that the Acquisition and Settlement was completed on 7 December 2022.

- 2) On 3 November 2022, the Board has announced that both the Company and IWCB mutually agreed to extend the Expiry date of the Heads Of Agreement ("HOA") for an additional period of six (6) months, commencing from 13 August 2022 until 12 February 2023, subject to any further extension as may be mutually agreed upon by the parties in writing ("Extension"). The Extension will afford the parties more time to finalise the terms and conditions of the Definitive Agreement for the sale and purchase of all that parcel of freehold land held under Geran Hakmilik No. 90585, Lot No. 733, located in the Mukim of Pulai, District of Johor Bahru, State of Johor.

Save for the above, all other terms in the HOA dated 13 May 2022 shall remain unchanged and in full force, and continue to take effect and be binding on the parties to the HOA.

On 10 February 2023, the Board has announced that the HOA had expired and lapsed on 12 February 2023 and no further extension of time has been agreed between Knusford and IWCB.

For details, please refer to the announcement dated 13 May 2022, 3 November 2022 and 10 February 2023 respectively.

- 3) On 28 October 2022, the Board has announced that its wholly-owned subsidiary of the Company, D-Hill Sdn. Bhd., had on 28 October 2022 entered into a sale and purchase agreement ("SPA") with L.K.C Ventures Sdn. Bhd., for the disposal of all that piece of freehold vacant commercial land held under H.S.(D) 165685, PT 41696, Bandar Batu 18, Semenyih, Daerah Ulu Langat, Negeri Selangor Darul Ehsan measuring 6,630.33 in square meters for a total cash consideration of Ringgit Malaysia: Fourteen Million Six Hundred Thirty Thousand Four Hundred Ninety-Seven and Sen Forty (RM14,630,497.40) only.

The disposal was completed on 13 February 2023 and the gain before tax of approximately RM10.7 million on disposal of land will be recognised in 4Q 2023.

For details, please refer to the announcement dated 28 October 2022, 1 November 2022 and 13 February 2023 respectively.

B7 Group borrowings

	As at 31 December 2022		
	Non-current RM'000	Current RM'000	Total borrowings RM'000
Secured			
Hire purchase liabilities	1,506	1,927	3,433
Lease liabilities	16	17	33
Revolving credits	-	24,507	24,507
Unsecured			
Revolving credits	-	25,000	25,000
	1,522	51,451	52,973

	As at 31 March 2022		
	Non-current RM'000	Current RM'000	Total borrowings RM'000
Secured			
Hire purchase liabilities	2,646	2,925	5,571
Lease liabilities	10	11	21
Revolving credits	-	11,500	11,500
Unsecured			
Revolving credits	-	25,000	25,000
	2,656	39,436	42,092

The borrowing is mainly for the purpose of working capital requirement.

B8 Changes in material litigation

There is no material litigation pending from 31 March 2022 (being the date of the last annual statement of financial position) to 16 February 2023 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) in which the Group is engaged either as plaintiff or defendant, and the Board has no knowledge of any proceedings pending or threatened against the company or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group.

B9 Dividends declared

No interim dividend has been declared for the current quarter and period ended 31 December 2022.

B10 Profit/(Loss) per share

	Current quarter ended 31 December 2022	Preceding year corresponding quarter ended 31 December 2021	Cumulative 9 months ended 31 December 2022
Profit/(Loss) for the period attributable to owners of the Parent (RM'000)	292	(705)	(4,255)
Weighted average number of ordinary shares in issue ('000)	99,645	99,645	99,645
Basic profit/(loss) per share (sen)	0.29	(0.71)	(4.27)
Diluted earnings per share (sen)	N/A	N/A	N/A

B11 Notes to the statement of profit or loss and other comprehensive income

	Current quarter ended 31 December 2022 RM'000	Cumulative 9 months ended 31 December 2022 RM'000
Profit/(Loss) before tax is arrived at after (crediting)/charging:		
Interest income	(2,684)	(4,119)
Other income including investment income	(89)	(434)
Interest expense		
- Unwinding of discount in relation to provision for onerous contract	204	611
- Others	761	1,955
Depreciation and amortisation	914	2,761
Impairment loss on receivables	(48)	259
Impairment loss on property, plant and equipment	-	2
Gain on disposal of investment property	(447)	(447)
Gain on disposal of plant and equipment	(107)	(1,183)

B12 Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments. Accordingly, the fair values and fair value hierarchy levels have not been presented for these instruments.

Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical financial assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the financial asset or liabilities, either directly or indirectly.

Level 3 – Inputs for the financial asset or liabilities that are not based on observable market data.

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their carrying amounts shown in the statements of financial position.

	Level 1	Level 2	Level 3	Total fair	Carrying
	RM'000	RM'000	RM'000	value	amount
				RM'000	RM'000
31 December 2022					
Financial liabilities					
Hire-purchase liabilities	-	-	3,558	3,558	3,433
31 March 2022					
Financial liabilities					
Hire-purchase liabilities	-	-	5,788	5,788	5,571