

Condensed consolidated statement of financial position

As At 31 March 2023

	At 31 March 2023 RM'000 (Unaudited)	At 31 March 2022 RM'000 (Audited)
Assets		
Property, plant and equipment	12,595	13,323
Investment properties	132,239	86,488
Inventories	2,022	3,878
Investment in associates	1,773	1,639
Investment in joint ventures	908	3,456
Deferred tax assets	17	114
Total non-current assets	149,554	108,898
Inventories	4,035	6,613
Trade and other receivables	236,330	273,224
Contract assets	31,999	31,610
Tax recoverable	683	895
Cash and cash equivalents	16,619	17,886
	289,666	330,228
Assets classified as held for sales	2,028	-
Total current assets	291,694	330,228
Total assets	441,248	439,126
Equity		
Share capital	122,338	122,338
Translation reserve	7	7
Retained earnings	97,154	99,337
Total equity attributable to owners of the Company	219,499	221,682
Liabilities		
Borrowings	966	2,656
Deferred tax liabilities	454	485
Total non-current liabilities	1,420	3,141
Trade and other payables	156,018	164,732
Contract liabilities	8,061	9,936
Borrowings	54,975	39,436
Current tax payable	1,275	199
Total current liabilities	220,329	214,303
Total liabilities	221,749	217,444
Total equity and liabilities	441,248	439,126
Net assets per share (RM)	2.2028	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 year ended 31 March 2023

	Current 3 months ended 31 March		Cumulative 12 months ended 31 March 2023
	2023 RM'000	2022 RM'000	RM'000
Revenue	75,804	96,420	159,567
Cost of sales	(60,261)	(82,081)	(139,010)
Gross profit	15,543	14,339	20,557
Other income	890	459	2,926
Administrative and other operating expenses	(4,918)	(4,951)	(16,975)
Net loss on impairment of financial instruments and contract assets	(3,546)	(6,941)	(3,805)
Results from operating activities	7,969	2,906	2,703
Interest income	500	620	4,619
Interest expense	(2,373)	(1,216)	(4,939)
Net interest expense	(1,873)	(596)	(320)
Share of profit/(loss) of equity-accounted investments, net of tax	43	(3,889)	136
Net profit/(loss) before tax	6,139	(1,579)	2,519
Taxation	(4,068)	(623)	(4,702)
Net profit/(loss) after tax	2,071	(2,202)	(2,183)
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 year/period, net of tax	-	-	-
Total comprehensive income/(expenses) for the year/period	<u>2,071</u>	<u>(2,202)</u>	<u>(2,183)</u>
Profit/(Loss) per share attributable to ordinary shareholders			
EPS - Basic (sen)	<u>2.08</u>	<u>(2.21)</u>	<u>(2.19)</u>
EPS - Diluted (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

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 year will be for a period of 12 months, made up from 1 April 2022 to 31 March 2023. 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 year ended 31 March 2023

	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 year	-	-	(2,183)	(2,183)
At 31 March 2023 (Unaudited)	<u>122,338</u>	<u>7</u>	<u>97,154</u>	<u>219,499</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 year ended 31 March 2023

	Current period to date 31 March 2023 RM'000 (unaudited)
<i>Cash flows from operating activities</i>	
Profit before tax	2,519
Adjustments for:	
Depreciation of property, plant and equipment	3,089
Depreciation of investment property	1,046
Net loss on impairment of financial instrument and contract assets	3,805
Gain on disposal of plant and equipment	(1,217)
Gain on disposal of investment properties	(1,172)
Impairment loss on property, plant and equipment	2
Reversal of impairment loss on inventories	(560)
Share of profit of equity-accounted investments, net of tax	(136)
Interest expense	4,939
Interest income	(4,619)
Operating profit before changes in working capital	<u>7,696</u>
Changes in working capital:	
Inventories	4,994
Receivables, deposits and prepayments	32,700
Payables and accruals	(10,590)
Cash generated from operations	<u>34,800</u>
Income taxes paid	(3,348)
Interest paid	(4,736)
Interest received	4,619
Net cash from operating activities	<u><u>31,335</u></u>
<i>Cash flows from investing activities</i>	
Acquisition of property, plant and equipment	(2,151)
Acquisition of investment properties	(55,975)
Dividend received from joint venture company	2,550
Sales proceeds from disposal of plant and equipment	1,292
Sales proceeds from disposal of investment property	8,322
Net cash used in investing activities	<u><u>(45,962)</u></u>
<i>Cash flows from financing activities</i>	
Interest paid	(203)
Net proceeds from borrowings	16,599
Repayment of finance lease liabilities	(3,036)
Net cash generated from financing activities	<u><u>13,360</u></u>
Net decrease in cash and cash equivalents	(1,267)
Cash and cash equivalents at beginning of financial year	17,886
Cash and cash equivalents at end of financial year	<u><u>16,619</u></u>
Cash & bank balance	10,562
Deposits with licensed banks (excluding deposits pledged)	6,057
	<u><u>16,619</u></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 March 2023

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 year ended 31 March 2023.

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 year ended 31 March 2023.

A8 Dividends paid

No dividend was paid for the current quarter and year ended 31 March 2023.

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 ("4Q 2023") against preceding year corresponding quarter ("5Q 2022")

	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	
	31 March 2023 Revenue	31 March 2022 Revenue	Amount	%
	RM'000	RM'000	RM'000	
Trading	35,012	8,560	26,452	309.0
Property development	15,726	3,687	12,039	326.5
Construction	27,209	84,262	(57,053)	(67.7)
Investment property	665	777	(112)	(14.4)
Other services	282	193	89	46.1
	78,894	97,479	(18,585)	(19.1)
Inter-segment elimination	(3,090)	(1,059)	(2,031)	(191.8)
	75,804	96,420	(20,616)	(21.4)

A9 Segmental information (continued)

Current quarter (“4Q 2023”) against preceding year corresponding quarter (“5Q 2022”) (continued)

	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	
	31 March 2023 Profit/(Loss) before tax	31 March 2022 Profit/(Loss) before tax	Amount	%
	RM'000	RM'000	RM'000	
Trading	(1,107)	(683)	(424)	(62.1)
Property development	10,650	1,221	9,429	772.2
Construction	(235)	2,577	(2,812)	(109.1)
Investment property	690	367	323	88.0
Other services	(1,241)	(323)	(918)	(284.2)
	8,757	3,159	5,598	177.2
Interest income	500	620	(120)	(19.4)
Interest expense	(2,373)	(1,216)	(1,157)	(95.1)
Share of profit/(loss) of equity-accounted investments	43	(3,889)	3,932	101.1
Unallocated other expenses	(788)	(253)	(535)	(211.5)
	6,139	(1,579)	7,718	488.8

Current year to date (“YTD 2023”)

	12 months ended	Changes	
	31 March 2023 Revenue	Amount	%
	RM'000	RM'000	
Trading	78,842	N/A	N/A
Property development	19,111	N/A	N/A
Construction	64,522	N/A	N/A
Investment Property	2,865	N/A	N/A
Other services	1,264	N/A	N/A
	166,604	N/A	N/A
Inter-segment elimination	(7,037)	N/A	N/A
	159,567	N/A	N/A

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

	12 months ended	Changes	
	31 March 2023 Profit/(Loss) before tax	Amount	%
	RM'000	RM'000	
Trading	(1,548)	N/A	N/A
Property development	11,309	N/A	N/A
Construction	(4,884)	N/A	N/A
Investment Property	1,814	N/A	N/A
Other services	(1,804)	N/A	N/A
	4,887	N/A	N/A
Interest income	4,619	N/A	N/A
Interest expense	(4,939)	N/A	N/A
Share of profit of equity- accounted investments	136	N/A	N/A
Unallocated other expenses	(2,184)	N/A	N/A
	2,519	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 year ended 31 March 2023.

A13 Changes in contingent liabilities

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

As at 31 March 2023
RM'000

Guarantees and contingencies relating to the
borrowings of subsidiaries (unsecured)

20,125

=====

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: -

12 months ended
31 March 2023
RM'000

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

Ekovest Berhad and its subsidiaries, jointly controlled and associate companies	32,797
Iskandar Waterfront City Berhad and its subsidiaries, jointly controlled and associate companies	8,834
Iskandar Waterfront Holdings Sdn Bhd and its subsidiaries, jointly controlled and associate companies	941
PLS Plantations Berhad and its subsidiaries, jointly controlled and associate companies	4,403
	=====

B1 Detailed analysis of the performance of all operating segments of the Group in 4Q 2023

Current quarter ("4Q 2023") against preceding year corresponding quarter ("5Q 2022")

	Individual Period		Changes	
	Current Year Quarter	Preceding Year Corresponding Quarter	Amount	%
	31 March 2023 RM'000	31 March 2022 RM'000	RM'000	
Revenue	75,804	96,420	(20,616)	(21.4)
Gross profit	15,543	14,339	1,204	8.4
Result from operating activities	7,969	2,906	5,063	174.2
Share of profit/(loss) of equity-accounted investments, net of tax	43	(3,889)	3,932	101.1
Net profit/(loss) before tax	6,139	(1,579)	7,718	488.8
Net profit/(loss) after tax	2,071	(2,202)	4,273	194.1
Profit/(Loss) attributable to Owners of the Company	2,071	(2,202)	4,273	194.1

For 4Q 2023, the Group recorded revenue of RM75.804 million, representing a decrease of 21.4% as compared to revenue of RM96.420 million for 5Q 2022, mainly due to lower contribution from the construction sector. Notwithstanding the decline in revenue, the Group recorded a profit before tax of RM6.139 million in 4Q 2023, mainly due to recognition of one-off profit before tax of RM10.7 million for the disposal of a piece of undeveloped land at Kajang, partly offset by the net impairment loss of RM3.546 million on its receivables and unwinding of discount of RM1.383 million in relation to provision for affordable housing project. The Group reported a positive contribution of RM0.043 million in 4Q 2023 as compared to the negative contribution of RM3.889 million from the equity-accounted investment in 5Q 2022.

B1 Detailed analysis of the performance of all operating segments of the Group in 4Q 2023 (continued)

Current quarter (“4Q 2023”) against preceding year corresponding quarter (“5Q 2022”) (continued)

The performance of the respective operating business sector for the 4Q 2023 under review as compared to the 5Q 2022 is analysed as follows:

Trading

The revenue increased by RM26.452 million or 309.0% to RM35.012 million in 4Q 2023 as compared to RM8.560 million in 5Q 2022, mainly due to higher demand for building materials for an infrastructure project in Johor Bahru. Despite an increase in revenue, the sector reported a loss before tax of RM1.107 million in 4Q 2023 as compared to RM0.683 million in 5Q 2022 mainly due to recognition of net impairment loss of RM2.212 million on its receivables as compared to RM0.275 million in 5Q 2022 and also sales mix with lower profit margin in 4Q 2023.

Property development

Revenue for 4Q 2023 has increased by RM12.039 million to RM15.726 million as compared to the 5Q 2022 of RM3.687 million mainly due to the disposal of a piece of undeveloped land at Kajang for a consideration of RM14.63 million. Accordingly, the profit before tax increased by RM9.429 million to RM10.650 million in 4Q 2023 as compared to RM1.221 million in 5Q 2022, mainly due to recognition of one-off gain on disposal of land.

Construction

The construction sector registered a lower revenue of RM27.209 million in 4Q 2023 as compared to RM84.262 million in 5Q 2022 which was mainly due to completion of certain sections of Duke 3 projects and lower percentage of work done for its on-going construction projects. The sector recorded a loss before tax of RM0.235 million in the 4Q 2023 as compared to a profit before tax of RM2.577 million in the 5Q 2022 mainly due to decrease in revenue and lesser profit margin on its on-going projects.

Investment property

The sector recorded a slightly lower revenue of RM0.665 million in 4Q 2023 as compared to RM0.777 million in 5Q 2022. Despite the slightly lower revenue, the sector reported a profit before tax of RM0.690 million as compared to profit before tax of RM0.367 million in 5Q 2022 mainly due to recognition of gain on disposal of investment properties of RM0.725 million in 4Q 2023.

Other services

In 4Q 2023, revenue has increased from RM0.193 million to RM0.282 million as compared to 5Q 2022 mainly due to higher income contribution from the landscape maintenance work. This sector reported a loss before tax of RM1.241 million as compared to loss before tax of RM0.323 million in 5Q 2022 mainly due to net impairment loss on receivables of RM0.976 million in 4Q 2023 as compared to RM0.289 million in 5Q 2022.

B1 Detailed analysis of the performance of all operating segments of the Group in 4Q 2023 (continued)
Current year to date (“YTD 2023”)

	Cumulative Period	Changes	
	Current Year To-Date	Amount	%
	31 March 2023 RM'000	RM'000	
Revenue	159,567	N/A	N/A
Gross profit	20,557	N/A	N/A
Result from operating activities	2,703	N/A	N/A
Share of profit of equity-accounted investments, net of tax	136	N/A	N/A
Profit before tax	2,519	N/A	N/A
Loss after tax	(2,183)	N/A	N/A
Loss attributable to Owners of the Company	(2,183)	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 (“4Q 2023”) against preceding quarter (“3Q 2023”)

	Current Quarter	Preceding Quarter	Changes	
	31 March 2023	31 December 2022	Amount	%
	RM'000	RM'000	RM'000	
Revenue	75,804	39,612	36,192	91.4
Gross profit	15,543	2,968	12,575	423.7
Result from operating activities	7,969	(1,269)	9,238	728.0
Share of profit of equity-accounted investments, net of tax	43	-	43	100.0
Net profit before tax	6,139	450	5,689	1,264.2
Net profit after tax	2,071	292	1,779	609.2
Profit attributable to Owners of the Company	2,071	292	1,779	609.2

The Group reported higher revenue of RM75.804 million in 4Q 2023 as compared to RM39.612 million in 3Q 2023, mainly due to higher contribution from the property development and trading sector. The Group recorded a profit before tax of RM6.139 million in 4Q 2023 as compared to profit before tax of RM0.450 million in 3Q 2023. This was mainly due to recognition of one-off gain of RM10.7 million for the disposal of a piece of undeveloped land at Kajang, partly off-set by the net impairment loss of RM3.546 million on its receivables in 4Q2023 and unwinding of discount of RM1.383 million in relation to provision for affordable housing project.

B3 Prospects

The Board anticipates the overall business conditions to continue to be challenging amidst the current geopolitical tension, rising interest rates and inflationary pressure. The Board is still mindful of the uncertainties surrounding the operating landscape of the property and construction industries.

The Board is aware of the competition and operation risk that could impact on its financial performance and is conscious that financial year ending 31 March 2024 will continue to be a challenging year for us. However, the Board is positive 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 adopts a cautious outlook on the recovery of the property and construction industries and will continue to pursue potential business opportunities to replenish its order book. As at 31 March 2023, the Group's order book for the construction sector stood at RM283 million.

B4 Variance of actual profit from forecast profit / profit guarantee

Not applicable.

B5 Taxation

	Current quarter ended 31 March 2023 RM '000	12 months ended 31 March 2023 RM '000
Income tax		
Current provision	3,845	4,650
Over provision in prior year	-	(14)
	3,845	4,636
Deferred tax	223	66
	4,068	4,702

The Group's effective tax rate for the financial year ended 31 March 2023 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 was recognised in 4Q 2023.

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

B6 Status of corporate proposals (continued)

- 4) On 30 March 2023, the Board has announced that its wholly-owned subsidiary of the Company, D-Hill Sdn. Bhd., had on 30 March 2023 entered into a sale and purchase agreement ("SPA") with Sin Siang Hin (M) Sdn. Bhd., for the disposal of all that piece of freehold commercial land with a single storey building erected thereon, held under H.S.(D) 102446, PT 17588, Mukim Semenyih, Daerah Ulu Langat, Negeri Selangor Darul Ehsan measuring 4,065 in square meters for a total cash consideration of Ringgit Malaysia: Eleven Million and Nine Hundred Thousand (RM11,900,000.00) only.

For details, please refer to the announcement dated 30 March 2023.

B7 Group borrowings

	As at 31 March 2023		
	Non-current RM'000	Current RM'000	Total borrowings RM'000
Secured			
Hire purchase liabilities	955	1,860	2,815
Lease liabilities	11	16	27
Revolving credits	-	24,507	24,507
Banker acceptance	-	3,592	3,592
Unsecured			
Revolving credits	-	25,000	25,000
	966	54,975	55,941

	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 18 May 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 year ended 31 March 2023.

B10 Profit/(Loss) per share

	Current quarter ended 31 March 2023	Preceding year corresponding quarter ended 31 March 2022	Cumulative 12 months ended 31 March 2023
Profit/(Loss) for the period attributable to owners of the Parent (RM'000)	2,071	(2,202)	(2,183)
Weighted average number of ordinary shares in issue ('000)	99,645	99,645	99,645
Basic profit/(loss) per share (sen)	2.08	(2.21)	(2.19)
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 March 2023 RM'000	Cumulative 12 months ended 31 March 2023 RM'000
Profit/(Loss) before tax is arrived at after (crediting)/charging:		
Interest income	(500)	(4,619)
Other income including investment income	(103)	(537)
Interest expense		
- Unwinding of discount in relation to provision for onerous contract	1,383	1,994
- Others	990	2,945
Depreciation and amortisation	1,374	4,135
Net impairment loss on receivables	3,546	3,805
Impairment loss on property, plant and equipment	-	2
Reversal of impairment loss on inventory	-	(560)
Gain on disposal of investment property	(725)	(1,172)
Gain on disposal of plant and equipment	(34)	(1,217)

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 RM'000	Level 2 RM'000	Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
31 March 2023					
Financial liabilities					
Hire-purchase liabilities	-	-	2,910	2,910	2,815
31 March 2022					
Financial liabilities					
Hire-purchase liabilities	-	-	5,788	5,788	5,571