

PASDEC HOLDINGS BERHAD

Registration no: 199501037920

(Incorporated in Malaysia)

**Financial Statements
as at 31 December 2022**

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2022

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		12 months ended	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Revenue	3,434	9,880	21,728	39,715
Cost of sales	(2,217)	(9,639)	(12,753)	(30,109)
Gross profit	1,217	241	8,975	9,606
Other items of income				
Interest income	31	5	102	132
Other income	2,774	4,947	4,816	5,826
Other items of expense				
Personnel expenses	(690)	(2,024)	(3,488)	(4,795)
Other (expenses)/reversal	(2,636)	132	(9,501)	(10,319)
Finance costs	(99)	(177)	(476)	(1,432)
Share of results of associates	799	636	1,500	(76)
Profit/(loss) before tax from continuing operations	1,396	3,760	1,928	(1,058)
Taxation (Note B5)	(360)	(1,905)	(569)	(1,798)
Profit/(loss) from continuing operations, net of tax	1,036	1,855	1,359	(2,856)
Loss from discontinued operation	(17,127)	-	(17,127)	-
(Loss)/profit net of tax	(16,091)	1,855	(15,768)	(2,856)

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2021 and accompanying notes attached to the Interim Financial Statements.

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2022 (continued)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		12 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Other comprehensive (loss)/income, net of tax				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Net changes in fair value:				
Investments	14	(2)	(16)	(16)
<i>Items that will be reclassified subsequently to profit or loss:</i>				
Remeasurement gain/(loss) on defined benefit plan	9	61	(136)	(569)
Other comprehensive gain/(loss), net of tax	23	59	(152)	(585)
Total comprehensive (loss)/income for the year, net of tax	(16,068)	1,914	(15,920)	(3,441)
(Loss)/income attributable to:				
Owners of the parent	(16,088)	1,857	(15,761)	(2,850)
Non-controlling interests	(3)	(2)	(7)	(6)
	(16,091)	1,855	(15,768)	(2,856)
Total comprehensive (loss)/income attributable to:				
Owners of the parent	(16,065)	1,916	(15,913)	(3,435)
Non-controlling interests	(3)	(2)	(7)	(6)
	(16,068)	1,914	(15,920)	(3,441)
(Losses)/earnings per share attributable to owners of the Company (Note B16)				
Basic earnings per share (sen):				
Profit from continuing operations	1,036	1,855	1,359	(2,856)
Loss from discontinued operation	(17,127)	-	(17,127)	-
	(16,091)	1,855	(15,768)	(2,856)
Basic earnings per share (sen):				
Profit from continuing operations	0.26	0.46	0.34	(0.71)
Loss from discontinued operation	(4.28)	-	(4.28)	-
	(4.02)	0.46	(3.94)	(0.71)

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2021 and accompanying notes attached to the Interim Financial Statements.

**Condensed Consolidated Statements of Financial Position
as at 31 December 2022**

	Notes	Unaudited 31.12.2022 RM'000	Audited 31.12.2021 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		8,881	10,656
Work in progress		-	25,271
Land held for property development		144,019	138,511
Investment properties		50,980	52,697
Investments in associates		4,177	2,677
Investment securities	B8	347	363
		<u>208,404</u>	<u>230,175</u>
Current Assets			
Property development costs		85,772	81,386
Inventories		48,554	55,344
Trade receivables	B9	4,671	25,838
Other receivables		5,710	2,320
Other current assets		77	66
Cash and bank balances		20,133	19,718
Tax recoverable		2,101	2,260
		<u>167,018</u>	<u>186,932</u>
Assets of disposal group classified as held for sale		15,786	-
TOTAL ASSETS		<u>391,208</u>	<u>417,107</u>
EQUITY AND LIABILITIES			
Current Liabilities			
Retirement benefit obligations		79	198
Contract liabilities		305	361
Loans and borrowings	B10	439	6,190
Overdrafts		4,318	6,929
Trade payables		7,059	10,320
Other payables		15,997	17,783
Tax payable		1	392
		<u>28,198</u>	<u>42,173</u>
Liabilities of disposal group classified as held for sale		8,379	-
NET CURRENT ASSETS		<u>138,820</u>	<u>144,759</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2021 and accompanying notes attached to the Interim Financial Statements.

**Condensed Consolidated Statements of Financial Position
as at 31 December 2022 (continued)**

	Notes	Unaudited 31.12.2022 RM'000	Audited 31.12.2021 RM'000
Non-Current Liabilities			
Retirement benefit obligations		1,712	1,516
Loans and borrowings	B10	<u>87</u>	<u>4,666</u>
		1,799	6,182
TOTAL LIABILITIES		38,376	48,355
NET ASSETS		352,832	368,752
Equity attributable to owners of the parent			
Share capital	B11	327,693	327,693
Other reserves		6,195	6,211
Retained earnings		<u>18,659</u>	<u>34,556</u>
		352,547	368,460
Non-controlling interests		<u>285</u>	<u>292</u>
TOTAL EQUITY		352,832	368,752
TOTAL EQUITY AND LIABILITIES		391,208	417,107
Net assets per share (RM)		0.88	0.92

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2021 and accompanying notes attached to the Interim Financial Statements.

Condensed Consolidated Statement of Changes in Equity
for the year ended 31 December 2022

	-----Attributable to owners of the parent-----								
	Non Distributable			Distributable	-----Non Distributable-----				
	Total equity	Total equity attributable to owners of the parent	Share capital	Retained earnings	Total other reserves	Note B12(a) Fair value change reserve	Note B12(b)(i) Others	Note B12(b)(ii) Warrant reserve	Non-controlling interests
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
1 January 2022	368,752	368,460	327,693	34,556	6,211	(79)	570	5,720	292
Loss for the year	(15,768)	(15,761)	-	(15,761)	-	-	-	-	(7)
Other comprehensive loss	(152)	(152)	-	(136)	(16)	(16)	-	-	-
Total comprehensive loss	(15,920)	(15,913)	-	(15,897)	(16)	(16)	-	-	(7)
31 December 2022	352,832	352,547	327,693	18,659	6,195	(95)	570	5,720	285

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2021 and accompanying notes attached to the Interim Financial Statements.

Condensed Consolidated Statement of Changes in Equity
for the year ended 31 December 2022

	-----Attributable to owners of the parent-----								
	Non Distributable			Distributable	-----Non Distributable-----			Non-controlling interests	
	Total equity	Total equity attributable to owners of the parent	Share capital	Retained earnings	Total other reserves	Note B12(a)	Note B12(b)(i)		Note B12(b)(ii)
RM'000	RM'000	RM'000	RM'000	RM'000	Fair value change reserve RM'000	Others RM'000	Warrant reserve RM'000		RM'000
1 January 2021	372,193	371,895	327,693	37,975	6,227	(63)	570	5,720	298
Loss for the year	(2,856)	(2,850)	-	(2,850)	-	-	-	-	(6)
Other comprehensive loss	(585)	(585)	-	(569)	(16)	(16)	-	-	-
Total comprehensive loss	(3,441)	(3,435)	-	(3,419)	(16)	(16)	-	-	(6)
31 December 2021	368,752	368,460	327,693	34,556	6,211	(79)	570	5,720	292

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2021 and accompanying notes attached to the Interim Financial Statements.

Condensed Consolidated Statements of Cash Flow
for the period ended 31 December 2022

	CUMULATIVE QUARTER	
	31.12.2022	31.12.2021
	RM'000	RM'000
Cash flows from operating activities		
Cash receipts from customers	45,218	44,658
Cash payments to suppliers and contractors	(22,031)	(11,396)
Cash payments to employees and for expenses	(11,393)	(10,949)
Cash generated from operations	<u>11,794</u>	<u>22,313</u>
Net income tax paid	(803)	(2,957)
Retirement benefits paid	(170)	-
Net cash generated from operating activities - continuing operations	<u>10,821</u>	<u>19,356</u>
Cash flows from investing activities		
Interest received	102	132
Dividend received	16	16
Purchase of property, plant and equipment	(55)	(5,573)
Purchase of investment properties	-	(9)
Proceed from disposal of property, plant and equipment	-	3
Proceed from disposal of investment properties	865	-
Net cash generated from investing activities - continuing operations	<u>928</u>	<u>(5,431)</u>
Net cash outflow from discontinued operation	(5,045)	-
Net cash used in investing activities	<u>(4,117)</u>	<u>(5,431)</u>
Cash flows from financing activities		
Drawdown of term loan	-	4,305
Repayment of term loans	(6,188)	(12,174)
Repayment of obligation under finance leases	(36)	(39)
Loan interests	(476)	(1,432)
Net cash used in financing activities - continuing operations	<u>(6,700)</u>	<u>(9,340)</u>
Net cash generated from discontinued operation		
- Drawdown of term loan	3,022	-
Net cash used in financing activities	<u>(3,678)</u>	<u>(9,340)</u>
Net increase in cash and cash equivalents	3,026	4,585
Cash and cash equivalents at beginning of year	<u>12,789</u>	<u>8,204</u>
Cash and cash equivalents at end of year	<u>15,815</u>	<u>12,789</u>
Represented by:		
Cash and bank balances	20,133	19,718
Bank overdrafts	(4,318)	(6,929)
Cash and cash equivalents at end of year	<u>15,815</u>	<u>12,789</u>

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”): INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of Pasdec Holdings Berhad ("the Company") and its subsidiaries ("the Group") since the year ended 31 December 2021.

A2. Standard and interpretations issued but not yet effective

The standards and interpretations issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Descriptions	Effective for annual period beginning on or after
Amendments to MFRS 3 Business Combinations: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment : Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets - Onerous Contract: Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018-2020	1 January 2022
MFRS 17 Insurance Contracts *	1 January 2023
Amendments to MFRS 4 Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9 *	1 January 2023
Amendments to MFRS 17 Insurance Contracts *	1 January 2023
Amendments to MFRS 17 Initial Application of MFRS 17 and MFRS 9 - Comparative Information *	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements : Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements : Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Income Taxes : Deferred Tax Related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements - Non Current Liabilities with Covenants	1 January 2024
Amendments to MFRS 10 and MFRS 128 : Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

* Not applicable to the Group's and Company's operations.

These new and amended standards will have no material impact on the financial statements of the Group upon their initial application.

A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2021 was not qualified.

A4. Seasonal or cyclical factors

The Group's performances were not materially affected by any significant seasonal or cyclical factors for the current quarter.

A5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income and cash flows of the Group that are unusual due to their nature, size or incidence during the current quarter under review.

A6. Changes in estimates

There were no material changes in estimates of amounts reported in prior interim periods that have a material effect in the current quarter results.

A7. Issuance or repayment of debt and equity securities

There were no issuance, cancellations, repurchases, resale, and repayment of debts and equity securities for the current year except for those disclosed in the Condensed Consolidated Statements of Cash Flow.

A8. Carrying amount of revalued assets

The valuation of property, plant and equipment have been brought forward without amendment from the financial statements for the financial year ended 31 December 2021.

A9. Segmental information

The Group is principally involved in property development, construction, investment holding and property management (others) activities. The reportable segments of continuing operations of the Group are as follows:-

- a) Properties;
- b) Construction; and
- c) Others.

The discontinued operation is construction of mini hydro power plant by a subsidiary, which has been categorised as assets held for sale.

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A10. Segmental information

The segmental information by activities for the Company and the Group for the year is as follows:-

CUMULATIVE PERIOD 12 MONTHS ENDED 31 DECEMBER 2022							
	Properties RM'000	Construction RM'000	Others RM'000	Elimination/ adjustment RM'000	Continuing operations RM'000	Discontinued operation RM'000	Total RM'000
REVENUE :							
External sales	21,699	3	26	-	21,728	-	21,728
Inter-segment sales	-	9,044	3,362	(12,406)	-	-	-
	21,699	9,047	3,388	(12,406)	21,728	-	21,728
SEGMENT RESULTS:							
Operating (loss)/profit	(3,935)	(1,059)	(1,038)	2,018	(4,014)	17,127	(21,141)
Other income	3,630	1,560	2,734	(3,108)	4,816	-	4,816
Interest income	106	2	1,599	(1,605)	102	-	102
Finance costs	(1,624)	(14)	(76)	1,238	(476)	-	(476)
Share of results of associates	-	-	-	1,500	1,500	-	1,500
(Loss)/profit before tax	(1,823)	489	3,219	43	1,928	17,127	(15,199)
Taxation	(886)	-	317	-	(569)	-	(569)
(Loss)/profit net of tax	(2,709)	489	3,536	43	1,359	17,127	(15,768)
Assets and Liabilities							
Segment assets	377,469	1,912	307,624	(337,105)	349,900	19,074	368,974
Cash and bank balances	15,132	257	4,325	-	19,714	(101)	19,613
Deposit with licensed banks	400	120	3,187	-	3,707	(3,187)	520
Tax recoverable	1,999	3	99	-	2,101	-	2,101
Total assets	395,000	2,292	315,235	(337,105)	375,422	15,786	391,208
Segment liabilities	106,096	3,533	38,400	(122,877)	25,152	8,379	33,531
Tax payable	-	-	1	-	1	-	1
Overdrafts	4,318	-	-	-	4,318	-	4,318
Loans and borrowings	526	-	-	-	526	-	526
Total liabilities	110,940	3,533	38,401	(122,877)	29,997	8,379	38,376
Depreciation	561	1	1,193	-	1,755	6	1,761

A10. Segmental information (continued)

The segmental information by activities for the Company and the Group for the year is as follows:-

CUMULATIVE PERIOD					
12 MONTHS ENDED 31 DECEMBER 2021					
	Properties	Construction	Others	Elimination/ adjustment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE :					
External sales	36,695	661	2,359	-	39,715
Inter-segment sales	-	1,747	2,959	(4,706)	-
	36,695	2,408	5,318	(4,706)	39,715
SEGMENT RESULTS:					
Operating loss	3,198	858	(4,735)	(4,829)	(5,508)
Other income	4,785	44	997	-	5,826
Interest income	373	2	2,206	(2,449)	132
Finance costs	(2,279)	(11)	(860)	1,718	(1,432)
Share of results of associates	-	-	-	(76)	(76)
Profit/(loss) before tax	6,077	893	(2,392)	(5,636)	(1,058)
Taxation	(1,562)	-	(236)	-	(1,798)
Profit/(loss) net of tax	4,515	893	(2,628)	(5,636)	(2,856)
Assets and Liabilities					
Segment assets	394,228	1,997	326,989	(328,085)	395,129
Cash and bank balances	8,669	89	5,615	-	14,373
Deposit with licensed banks	4,504	118	723	-	5,345
Tax recoverable	2,220	-	40	-	2,260
Total assets	409,621	2,204	333,367	(328,085)	417,107
Segment liabilities	140,150	3,893	37,742	(151,215)	30,570
Overdrafts	6,885	44	-	-	6,929
Loans and borrowings	4,807	-	6,049	-	10,856
Total liabilities	151,842	3,937	43,791	(151,215)	48,355
Depreciation	581	-	6	1,217	1,804

A11. Events after the reporting year

The unpredictable and frequent floods at Janda Baik from 2020 until to-date had affected and altered the physical condition at the Sungai Benus project site. After assessing the damages and rectification costs to repair the physical condition on site, as well as after calculating the costs to completion which has now escalated significantly from the original budgeted costs, the Board of Directors of the Company agreed to temporarily discontinue work on site. At the same time, the Company was approached by a potential buyer to purchase Pasdec Mega and is in negotiation process with the interested party. The transaction is expected to complete within the next 12 months.

A12. Changes in the composition of the Group

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

A13. Contingent liabilities

There were no changes in the nature of contingent liabilities as at the date of this announcement since the preceding financial year ended 31 December 2021.

A14. Capital commitments of the Group

As at reporting date, contractual commitment related to mini hydro project is as follows:

	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000
Approved and contracted for: Capital expenditure	<u>56,713</u>	<u>65,240</u>

This commitment will be delivered by the new owner (Note A11).

A15. Prospects of the coming financial year

After almost two years of the global pandemic that wrecked economic and social activities, year 2023 is the year of economic recovery, al bait the weak outlook. The global economic outlook remained weak due to ongoing military conflicts in Ukraine, aggressive tightening of the United States monetary policies, and an over-estimated recovery of the economy in China.

With the increase in interest rates hikes and the uncertain outlook and economy recovery, certain survey indicated a decline in sales of properties.

However, the Group expects positive changes to public policy, federal incentives, and economic prospects which would impact positively the property market.

A16. Corporate proposals announced

During the year under review, there was no corporate proposals announced.

A17. Related party transactions

During the current year under review, the Directors are of the opinion that the Group has no related party transactions which would have a material impact on the financial position and business of the Group.

Financial Report for the period ended 31 December 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

B1. Review of performance

	Individual Quarter		Changes		Cumulative Quarter		Changes	
	Current Quarter	Preceding year Quarter			Current year to-date	Preceding year to-date		
	31.12.2022	31.12.2021	RM'000	%	31.12.2022	31.12.2021	RM'000	%
Revenue	3,434	9,880	(6,446)	(65)	21,728	39,715	(17,987)	(45)
Gross profit	1,217	241	976	405	8,975	9,606	(631)	(7)
Profit/(loss) before interest and tax	1,495	3,937	(2,442)	62	2,404	374	2,030	(543)
(Loss)/profit before tax	1,396	3,760	(2,364)	63	1,928	(1,058)	2,986	282
(Loss)/profit net of tax	(16,091)	1,855	(17,946)	967	(15,768)	(2,856)	(12,912)	(452)
Loss attributable to ordinary equity holders of the parent	(16,088)	1,857	(17,945)	(966)	(15,761)	(2,850)	(12,911)	453

Performance of the financial year-to-date, 4Q 2022 vs financial year-to-date, 4Q 2021

The Group registered revenue of RM21.73 million during the current year under review compared to RM39.72 million for the same corresponding period last year.

The registered loss net of tax was RM15.77 million compared to loss net of tax RM2.86 million for the same corresponding period last year. The loss for the current year under review was mainly attributable to impairment loss on the mini hydro project cost of RM16.94 million.

Results by segments

The property segment registered revenue of RM21.70 million for the current year, a decrease by 41%, compared to RM36.70 million achieved for the same corresponding period last year. During the current year under review, 50 units of properties were sold compared to 94 units sold, during the same corresponding period last year.

For the current year under review, there was less number of inventories. Residential units in the inventories as of beginning 2022 were 52 units compared to 142 units as of beginning 2021. Lower sales were also registered due to relatively high rate of unsuccessful loan applications by the potential buyers. Residential units sold were 36 units for the current year under review compared to 92 units sold for the same period last year.

Commercial units in the inventories as of the beginning 2022 were 85 units compared to 87 units as of beginning 2021. 14 units were sold during the current year under review compared to 2 units sold during the same corresponding period last year.

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B2. Comparison of current quarter results with the preceding quarter

Q4 2022 vs Q3 2022

	Current Quarter 31.12.2022 RM'000	Immediate Preceding Quarter 30.09.2022 RM'000	Changes	
			RM'000	%
Revenue	3,434	5,362	(1,928)	(36)
Gross profit	1,217	1,606	(389)	(24)
Profit/(loss) before interest & tax	1,495	(1,137)	2,632	(231)
Profit/(loss) before tax	1,396	(1,225)	2,621	(214)
(Loss)/profit net of tax	(16,091)	(782)	(15,309)	1,958
(Loss)/profit attributable to ordinary equity holders of the Company	(16,088)	(781)	(15,307)	1,960

<u>Revenue</u>	Current Quarter 4Q 2022 RM'million	Immediate Preceding Quarter 3Q 2022 RM'million
Segments		
Properties	3.46	5.35
Construction	(0.03)	0.01
	<u>3.43</u>	<u>5.36</u>

The Group's revenue for property development decreased by 35% from RM5.35 million in 3Q 2022 to RM3.46 million in 4Q 2022.

Number of units sold during 4Q 2022 and 3Q 2022 were 6 and 16 units respectively.

The loss during the 4Q 2022 of RM16.09 million was mainly attributable to the impairment loss of work in progress of discontinued operation amounting to RM16.94 million.

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B3. Profit forecast and profit guarantee

The Group had not provided any profit forecast or profit guarantee in a public document.

B4. Notes to consolidated statement of comprehensive income

	31.12.2022	31.12.2021
	RM'000	RM'000
Loss for the year is arrived at after charging :-		
Depreciation	1,761	1,804
Interest expense	476	1,432
Allowance for expected credit loss:-		
Trade receivables	214	2,448
Loss from strike off of subsidiaries	-	56
Impairment loss of work in progress (mini hydro project costs)	16,936	-
and after crediting:-		
Interest income	102	132
Other income	4,816	5,826
Reversal of allowances for expected credit losses:-		
Trade receivables	1,866	96
Other receivables	466	796

B5. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		12 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Income tax				
- Current year	354	1,689	946	2,102
- Prior year under/(over) provision	6	216	(446)	(304)
	360	1,905	500	1,798
Real property gain tax	-	-	69	-
	360	1,905	569	1,798

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B6. Corporate proposal

There was no corporate proposal pending completion during the year under review.

B7. Status of utilisation of proceeds as at 31 December 2022 raised from the Rights Issue with Warrants are as follows:-

a)

No	Purposes	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance RM'000	Estimate Timeframe
1	Land premium	7,436	2,281	5,155	Within 12 months
2	Property development	18,000	18,000	-	Not applicable
3	Working capital purpose	13,501	13,501	-	Not applicable
4	Expenses for the Rights Issue with Warrants	1,100	1,100	-	Not applicable
Total		40,037	34,882	5,155	

1. Land premium

The land premium is in respect of 60 acres of land in Muadzam Shah, which is pending issuance of land title by Land Office.

2. Property development

(i) On-going project

Residential project, Balok Perdana 3A Phase 7 has commenced since April 2021 with 92% progress as at the reporting date and has fully utilised the fund raised from the Rights Issue with Warrants.

(ii) Completed project

Commercial project, Pesona Business Centre in Kuantan has been completed on 9 August 2022

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B7. Status of utilisation of proceeds as at 31 December 2022 raised from the Rights Issue with Warrants are as follows:- (continued)

3. New projects in hand

New projects		Estimated GDV RM'million	Estimated date of commencement
Residentials:-			
1.	Bandar Putra Package 6A9	37.96	January 2023
2.	Pasdec Avenue	108.45	February 2023
3.	Pasdec Damansara Zone 3A3	78.65	October 2023
Commercials:			
1.	Balok Perdana Commercial 2A2	10.40	March 2023
2.	Harbour Park	229.50	January 2024
Total		464.96	

b) As at the reporting date, remaining balance of the Right Issue with Warrants is RM5.16 million.

B8. Investment securities

Fair Value through Other Comprehensive Income

	As at 31.12.2022 Carrying amount Market value of quoted investments RM'000	As at 31.12.2021 Carrying amount Market value of quoted investments RM'000
At fair value:		
Unit trusts quoted in Malaysia	347	363
	347	363

B9. Trade receivables

The ageing analysis of the trade receivables for 31 December 2022 is as follows:

Ageing	Gross RM'000	Impairment losses RM'000	Net RM'000	%
Current	467	-	467	10%
31 to 60 days	672	-	672	14%
61 to 90 days	989	-	989	21%
More than 91 days	8,759	(6,216)	2,543	54%
Total	10,887	(6,216)	4,671	100%

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group and the Company. None of the Group's and of the Company's trade receivables that are neither past due nor impaired have been renegotiated during the year.

B10. Loans and borrowings

The Group's exposure in loans and borrowings is as follows:

Secured facilities	As at 31.12.2022 RM'000	Interest rates 31.12.2022	As at 31.12.2021 RM'000	Remarks
Current:				
1) Term loans	-	-	1,944	Working capital
2) Term loans	401	4.57%	4,210	Investment
3) Finance lease	38	2.90%	36	Purchase of a motor vehicle
Sub-Total	439		6,190	
Non-current:				
1) Term loans	-	-	4,104	Working capital
2) Term loans	-	-	437	Investment
3) Finance lease	87	2.90%	125	Purchase of a motor vehicle
Sub-Total	87		4,666	
Total	526		10,856	

B11. Share capital

	As at 31.12.2022	As at 31.12.2021
	No of ordinary shares	No of ordinary shares
	('000)	('000)
Issued and fully paid with no par value	<u>400,369</u>	<u>400,369</u>
	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000
Issued and fully paid with no par value	<u>327,693</u>	<u>327,693</u>

B12. Other reserves

a) Fair value change reserve

Fair value adjustment reserve represents the cumulative fair value changes of available-for-sale financial assets until they are disposed of or impaired.

b) Others

i) The others represent:

	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000
Share of revaluation and share option reserves of an associate	<u>570</u>	<u>570</u>
	<u>570</u>	<u>570</u>

ii) Warrant reserve

The Warrants of RM5.72 million in respect of 114,391,200 free detachable Warrants on the basis of 1 Warrant for every 1 Rights Share subscribed at a fair value of RM0.05 per Warrant, listed and quoted on the main market of Bursa Securities on 11 July 2018. The warrants are expiring on 3 July 2023.

B13. Financial guarantees

The Company's total amount of financial guarantees to subsidiaries were RM84,450,701 (2021: RM66,999,000).

B14. Material litigation

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

B15. Dividend

There was no dividend declared for the year under review.

B16. (Losses)/earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		12 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Basic (losses)/earnings per share				
(Losses)/earnings attributable to owners of the Company - continued operations (RM'000)	1,036	1,855	1,359	(2,856)
(Losses)/earnings attributable to owners of the Company - discontinued operation (RM'000)	(17,127)	-	(17,127)	-
Number of weightage average shares (unit '000)	400,369	400,369	400,369	400,369
Basic (losses)/earnings per share - continued operations (sen)	0.26	0.46	0.34	(0.71)
Basic (losses)/earnings per share - discontinued operation (sen)	(4.28)	-	(4.28)	-
	(4.02)	0.46	(3.94)	(0.71)

B17. Comparative information

Certain comparative figures have been reclassified to conform to current year presentation.

B18. Authority for issue

The financial report were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

By order of the Board

Shakerah Enayetali

Group Corporate Secretary & Governance