

CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No:199601024340 (396692-T)

INTERIM FINANCIAL STATEMENTS
for the Financial period Ended 31 December 2022

CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the Financial Period Ended 31 December 2022

CONDENSED STATEMENTS OF FINANCIAL POSITION

	As at 31.12.2022 RM'000 (Unaudited)	As at 31.12.2021 RM'000 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Investment in an associate	29,461	35,221
Investment properties	3,992	16,104
Property, plant and equipment	212,093	204,635
Goodwill	1,396	380
Deferred tax assets	2,095	1,792
	<hr/> 249,037	<hr/> 258,132
CURRENT ASSETS		
Inventories	106,260	57,162
Biological assets	16,652	13,560
Trade receivables	50,307	35,967
Other receivables, deposits and prepayments	16,034	9,649
Current tax assets	2,415	2,844
Short term investment	8,045	-
Deposits with licensed banks	11,084	6,319
Cash and bank balances	51,988	51,463
	<hr/> 262,785	<hr/> 176,964
TOTAL ASSETS	<hr/> 511,822	<hr/> 435,096
EQUITY AND LIABILITIES		
Share capital	158,969	158,969
Treasury shares	(5,453)	(2,432)
Foreign exchange translation reserve	(6,053)	(3,433)
Retained profits	215,374	161,053
	<hr/> 362,837	<hr/> 314,157
Total Equity Attributable to Owners of the Company		
Non-controlling interests	306	92
	<hr/> 363,143	<hr/> 314,249
TOTAL EQUITIES		

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

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CONDENSED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	As at 31.12.2022 RM'000 (Unaudited)	As at 31.12.2021 RM'000 (Audited)
NON-CURRENT LIABILITIES		
Lease liabilities	11,373	15,896
Bank borrowings	7,063	7,133
Deferred tax liabilities	11,014	8,381
	<hr/> 29,450	<hr/> 31,410
CURRENT LIABILITIES		
Trade payables	46,606	27,252
Other payables, deposits and accruals	14,815	21,959
Bank borrowings:-		
- bank overdrafts	6,016	576
- other borrowings	35,242	32,605
Lease liabilities	5,544	3,107
Provision for employee benefits	1,507	857
Current tax liabilities	9,499	3,081
	<hr/> 119,229	<hr/> 89,437
TOTAL LIABILITIES	<hr/> 148,679	<hr/> 120,847
TOTAL EQUITIES & LIABILITIES	<hr/> 511,822	<hr/> 435,096
Net assets per share (RM)	<hr/> 0.58	<hr/> 0.50

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

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CONDENSED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

	Share Capital RM'000	Treasury Shares RM'000	Foreign Exchange Translation Reserve RM'000	Distributable Retained Profits RM'000	Attributable to owners of the Company RM'000	Non- controlling Interest RM'000	Total Equity RM'000
At 31 December 2022							
Balance at 1.1.2022	158,969	(2,432)	(3,433)	161,053	314,157	92	314,249
Profit after taxation	-	-	-	62,113	62,113	-	62,113
-remeasurement of defined benefit plans	-	-	-	13	13	-	13
- foreign currency translation difference	-	-	(2,620)	-	(2,620)	-	(2,620)
Total comprehensive income for the financial period	-	-	(2,620)	62,126	59,506	-	59,506
Contributions by and distributors to owners of the Company:-							
- Purchase of treasury shares	-	(3,021)	-	-	(3,021)	-	(3,021)
Dividends:-							
-by the Company	-	-	-	(7,805)	(7,805)	-	(7,805)
Changes in subsidiary's ownership interests that do not result in loss of control	-	-	-	-	-	214	214
Total Transactions with owners	-	(3,021)	-	(7,805)	(10,826)	214	(10,612)
Balance at 31.12.2022	158,969	(5,453)	(6,053)	215,374	362,837	306	363,143

The Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED STATEMENTS OF CHANGES IN EQUITY (CONT'D) (UNAUDITED)

	Share Capital RM'000	Treasury shares RM'000	Foreign exchange Translation Reserve RM'000	Distributable Retained Profits RM'000	Attributable to owners of the Company RM'000	Non- controlling Interest RM'000	Total Equity RM'000
At 31 December 2021							
Balance at 1.1.2021							
- as previously stated	158,969	(2,432)	(4,666)	149,061	300,932	92	301,024
Profit after taxation	-	-	-	24,788	24,788	-	24,788
Other comprehensive income for the period:-							
-remeasurement of defined benefit plans	-	-	-	31	31	-	31
- foreign currency translation difference	-	-	1,269	-	1,269	-	1,269
Total comprehensive income for the financial period	-	-	1,269	24,819	26,088	-	26,088
Contributions by and distributors to owners of the Company:-							
-Purchase of treasury shares	-	-	-	-	-	-	-
Dividends:-							
-by the Company	-	-	-	(12,533)	(12,533)	-	(12,533)
Total Transactions with owners	-	-	-	(12,533)	(12,533)	-	(12,533)
Balance at 31.12.2021	158,969	(2,432)	(3,397)	161,347	314,487	92	314,579

The Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

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Interim Report for the Financial Period Ended 31 December 2022

CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.12.2022 (Unaudited) RM'000	Preceding year Corresponding Quarter 31.12.2021 (Unaudited) RM'000	Current Year to-Date 31.12.2022 (Unaudited) RM'000	Preceding year Corresponding Year to-Date 31.12.2021 (Unaudited) RM'000
Revenue	234,947	187,674	878,000	691,471
Cost of sales	(187,399)	(152,968)	(700,086)	(559,772)
Gross profit	47,548	34,706	177,914	131,699
Other income	2,790	2,466	25,176	5,921
Administrative expenses	(5,837)	(6,375)	(28,270)	(22,826)
Other operating expenses	(26,429)	(21,277)	(96,135)	(85,225)
Share of results in an associate	908	891	5,338	5,244
Finance costs	(1,223)	(1,431)	(3,085)	(2,911)
Profit before taxation	17,757	8,980	80,938	31,902
Income tax expense	(4,781)	(1,809)	(18,825)	(7,114)
Profit after taxation	12,976	7,171	62,113	24,788
Other comprehensive income for the financial period:-				
- Remeasurement of defined benefit plans	13	31	13	31
- foreign currency translation difference	(5,133)	46	(2,620)	1,269
Total comprehensive income for the financial period	7,856	7,248	59,506	26,088
Profit after taxation attributable to:				
- Owners of the Company	12,976	7,171	62,113	24,788
- Non-controlling interests	-	-	-	-
	12,976	7,171	62,113	24,788
Total comprehensive income attributable to:				
- Owners of the Company	7,856	7,248	59,506	26,088
- Non-controlling interests	-	-	-	-
	7,856	7,248	59,506	26,088

The Condensed Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Preceding year	Current	Preceding year
	Year Quarter	Corresponding	Year to-Date	Corresponding
	31.12.2022	Quarter	31.12.2022	Year to-Date
	(Unaudited)	31.12.2021	(Unaudited)	31.12.2021
		(Unaudited)		(Unaudited)
Earnings per share(Sen):				
- Basic	2.08	1.14	9.96	3.96
- Diluted	N/A	N/A	N/A	N/A

The Condensed Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

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Interim Report for the Financial Period Ended 31 December 2022

CONDENSED STATEMENTS OF CASH FLOWS

	12-months period ended	
	<u>31.12.2022</u>	<u>31.12.2021</u>
	(Unaudited)	(Unaudited)
	RM'000	RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	80,938	31,902
Adjustments for non-cash items:-		
Non-cash items	13,685	25,009
Interest expenses	2,264	1,999
Interest expenses on lease liabilities	821	912
Interest income	(301)	(999)
Share of results in an associate	(5,338)	(5,244)
Operating profit before working capital changes	92,069	53,579
Increase in current assets	(56,258)	(6,372)
Increase in current liabilities	14,329	319
Employee benefits paid	-	(119)
Cash from operations	50,140	47,407
Interest paid	(3,085)	(2,911)
Interest received	301	999
Income tax refunded	-	-
Income tax paid	(12,996)	(8,634)
Net cash from operating activities	34,360	36,861
<u>CASH FLOWS FOR INVESTING ACTIVITIES</u>		
Proceeds from disposal of property, plant and equipment	1,258	188
Proceeds from disposal of investment properties	18,000	-
Purchase of short term investment	(8,045)	-
Acquisition of a subsidiary, net cash and cash equivalents acquired	(28,217)	-
Dividend received	11,098	-
Purchase of property, plant and equipment	(17,139)	(20,578)
Net cash for investing activities	(23,045)	(20,390)
Balance carried forward	11,315	16,471

The Condensed Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED STATEMENTS OF CASH FLOWS (CONT'D)

	12-months period ended	
	<u>31.12.2022</u>	<u>31.12.2021</u>
	(Unaudited)	(Unaudited)
	RM'000	RM'000
Balance brought forward	11,315	16,471
<hr/>		
CASH FLOWS FOR FINANCING ACTIVITIES		
Dividend paid	(7,805)	(12,533)
Drawdown from borrowings	9,456	-
Purchase of treasury shares	(3,020)	-
Repayment of lease liabilities	(2,583)	(2,806)
Repayment of borrowings	(6,890)	(3,844)
<hr/>		
Net cash for financing activities	(10,842)	(19,183)
<hr/>		
Net increase/(decreas) in cash and cash equivalents	473	(2,712)
Effect of exchange rate changes on cash and cash equivalents	(622)	385
Cash and cash equivalents at beginning of the financial period	57,205	59,127
<hr/>		
Cash and cash equivalents at end of the financial period	57,056	56,800
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The Condensed Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

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Interim Report for the Financial Period Ended 31 December 2022

A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. BASIS OF PREPARATION

The condensed consolidated interim financial statements as contained in this interim financial report are unaudited and have been prepared under historical cost convention except otherwise stated.

These unaudited interim financial statements have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: *Interim Financial Reporting* issued by Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements ("MMLR") issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia").

These unaudited interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

A2. SEASONALITY OR CYCLICALITY OF OPERATIONS

The Group's business operations were not affected by any significant seasonality or cyclicity factors in the current financial period.

A3. UNUSUAL ITEMS

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual in nature, size, or incidence for the financial period under review.

A4. MATERIAL CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect on the results of the Group for the period under review.

A5. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, resale or repayments of debts and equity securities for the period under review.

A6. DIVIDENDS PAID

No dividend has been paid for the current quarter during the financial period under review.

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Interim Report for the Period Financial Quarter Ended 31 December 2022

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

A7. SEGMENT REPORTING

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Managing Director as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 5 main reportable segments as follows:-

- Poultry Segment – involved in the rearing and production of poultry products.
 - Prawn Segment – involved in the rearing and production of prawn and seafood products.
 - Food Service Segment – involved in the supply and trading of food products and related services.
 - Retail Segment – involved in the trading of coldstorage products.
 - Corporate Segment – involved in the provision of management services.
- (a) Each reportable segment asset is measured based on all assets (including goodwill) of the segment other than investment in an associate and tax-related assets.
- (b) Each reportable segment liability is measured based on all liabilities of the segment other than tax-related liabilities.
- (c) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly head office expenses.
- (d) Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**A8. SEGMENT REPORTING (CONT'D)
INDIVIDUAL QUARTER**

3 months period ended 31 December 2022	Poultry	Prawn	Food Service	Retail	Corporate	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE							
External revenue	27,897	24,648	5,988	176,384	30	-	234,947
Inter-segment revenue	54,431	7,260	1	29,334	91	(91,117)	-
Total segment revenue	82,328	31,908	5,989	205,718	121	(91,117)	234,947
RESULTS							
Segment results	967	3,589	861	15,154	(2,499)	-	18,072
Finance costs							(1,224)
Share of results in an associate							908
Profit before taxation							<u>17,756</u>

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**A8. SEGMENT REPORTING (CONT'D)
INDIVIDUAL QUARTER**

3 months period ended 31 December 2021	Poultry	Prawn	Food Service	Retail	Corporate	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE							
External revenue	19,085	6,173	1,736	160,680	-	-	187,674
Inter-segment revenue	49,214	4,849	3	23,081	91	(77,238)	-
Total segment revenue	68,299	11,022	1,739	183,761	91	(77,238)	187,674
RESULTS							
Segment results	(903)	316	(51)	10,353	(195)	-	9,520
Finance costs							(1,430)
Share of results in an associate							891
Profit before taxation							8,981

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**A8. SEGMENT REPORTING (CONT'D)
CUMULATIVE QUATER**

12 months period ended 31 December 2022	Poultry	Prawn	Food Service	Retail	Corporate	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE							
External revenue	105,321	58,045	22,469	692,045	120	-	878,000
Inter-segment revenue	222,278	22,510	8	113,293	4,366	(362,455)	-
Total segment revenue	327,599	80,555	22,477	805,338	4,486	(362,455)	878,000
RESULTS							
Segment results	8,952	6,082	2,896	68,412	(7,657)	-	78,685
Finance costs							(3,085)
Share of results in an associate							5,338
Profit before taxation							<u>80,938</u>

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**A8. SEGMENT REPORTING (CONT'D)
CUMULATIVE QUARTER**

12 months period ended 31 December 2021	Poultry	Prawn	Food Service	Retail	Corporate	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE							
External revenue	83,659	20,493	5,910	581,409	-	-	691,471
Inter-segment revenue	197,659	18,788	11	82,109	366	(298,933)	-
Total segment revenue	281,318	39,281	5,921	663,518	366	(298,933)	691,471
RESULTS							
Segment results	(5,853)	936	85	35,561	(1,160)	-	29,569
Finance costs							(2,911)
Share of results in an associate							5,244
Profit before taxation							<u>31,902</u>

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**A8. SEGMENT REPORTING (CONT'D)
INDIVIDUAL QUARTER**

ASSETS	Poultry RM'000	Prawn RM'000	Food Service RM'000	Retail RM'000	Corporate RM'000	Consolidated RM'000
31 December 2022						
Segment assets						
Unallocated assets:-	1,342	(688)	(320)	11,186	(5,518)	6,002
Investment in an associate						908
Goodwill						1,016
Deferred tax assets						(14)
Current tax assets						-
Consolidated total assets						<u>7,912</u>
31 December 2021						
Segment assets	3,021	(122)	957	38	741	4,635
Unallocated assets:-						
Investment in an associate						891
Goodwill						-
Deferred tax assets						-
Current tax assets						12
Consolidated total assets						<u>5,538</u>

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

A8. SEGMENT REPORTING (CONT'D) CUMULATIVE QUARTER

ASSETS	Poultry RM'000	Prawn RM'000	Food Service RM'000	Retail RM'000	Corporate RM'000	Consolidated RM'000
31 December 2022						
Segment assets						
Unallocated assets:-	97,311	61,628	16,357	285,987	15,172	476,455
Investment in an associate						29,461
Goodwill						1,396
Deferred tax assets						2,095
Current tax assets						2,415
Consolidated total assets						<u>511,822</u>
31 December 2021						
Segment assets	90,032	20,925	7,801	266,840	11,049	396,647
Unallocated assets:-						
Investment in an associate						34,932
Goodwill						380
Deferred tax assets						1,593
Unallocated assets						1,150
Consolidated total assets						<u>434,702</u>

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**A8. SEGMENT REPORTING (CONT'D)
INDIVIDUAL QUARTER**

LIABILITIES	Poultry RM'000	Prawn RM'000	Food Service RM'000	Retail RM'000	Corporate RM'000	Consolidated RM'000
31 December 2022						
Segment liabilities	2,514	(2,733)	(829)	(2,372)	(1,419)	(4,839)
Unallocated liabilities:-						
Deferred tax liabilities						2,624
Current tax liabilities						(1,739)
Unallocated liabilities and adjustments						3,898
Consolidated total liabilities						(56)
31 December 2021						
Segment liabilities	(298)	(1,218)	423	(313)	(1,120)	(2,526)
Unallocated liabilities:-						-
Deferred tax liabilities						29
Current tax liabilities						(1,335)
Unallocated liabilities and adjustments						2,122
Consolidated total liabilities						(1,710)

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**A8. SEGMENT REPORTING (CONT'D)
CUMULATIVE QUARTER**

LIABILITIES	Poultry	Prawn	Food Service	Retail	Corporate	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31 December 2022						
Segment liabilities	32,739	9,205	2,391	80,903	5,026	130,264
Unallocated liabilities:-						
Deferred tax liabilities						11,014
Current tax liabilities						9,499
Unallocated liabilities and adjustments						(2,098)
Consolidated total liabilities						<u>148,679</u>
31 December 2021						
Segment liabilities	27,430	2,291	951	60,490	18,488	109,650
Unallocated liabilities:-						
Deferred tax liabilities						9,802
Current tax liabilities						1,604
Unallocated liabilities and adjustments						(933)
Consolidated total liabilities						<u>120,123</u>

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

A8. SEGMENT REPORTING (CONT'D)

Accordingly, no further segmental analysis is available for disclosures except for the following entity-wide disclosures as required by MFRS 8:-

GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments and deferred tax assets.

<i>Revenue</i>	3-months ended		Cumulative Quarter	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM'000	RM'000	RM'000	RM'000
Australia	-	725	1,141	1,023
Indonesia	37,252	39,340	169,403	138,632
Japan	17,268	1,742	32,713	6,020
Taiwan	1,863	-	5,715	523
Korea	435	688	2,146	1,685
Hong Kong	5	-	429	-
Malaysia	178,124	145,179	666,453	543,588
	234,947	187,674	878,000	691,471

<i>Non-current assets</i>	As at	
	31.12.2022	31.12.2021
	(Unaudited)	(Unaudited)
	RM'000	RM'000
Indonesia	87,105	37,753
Malaysia	159,837	218,310
	246,942	256,063

MAJOR CUSTOMERS

There is no single customer that contributed 10% or more to the Group's revenue.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

A9. PROPERTY, PLANT AND EQUIPMENT

a) Acquisition and Disposals

During the 12-months period ended 31 December 2022, the Group acquired assets at a total cost of RM17.6 million, whilst total disposals amounted RM12.9 million.

b) Impairment Losses

Neither losses from impairment of property, plant and equipment nor reversal of such impairment losses were recognised for the period under review.

c) Valuations

The Group did not carry out any additional valuation on its property, plant and equipment during the period under review.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter and financial period under review.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent liabilities or contingent assets as at the date of this report.

A13. CAPITAL COMMITMENTS

There were no material changes in capital commitments since the end of the previous financial quarter except as disclosed in the explanatory notes.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

A14. RELATED PARTY DISCLOSURES

The Group carried out the following significant transactions with the related parties during the period under review:-

	3-months ended		Cumulative Quarter	
	31.12.2022 (Unaudited) RM'000	31.12.2021 (Unaudited) RM'000	31.12.2022 (Unaudited) RM'000	31.12.2021 (Unaudited) RM'000
Purchase of products	36,159	29,331	144,718	120,910
Sales	308	-	308	-
Rental paid	23	-	90	-
Freight charges	332	313	1,516	1,469

A15. CASH AND CASH EQUIVALENTS

	As at	
	31.12.2022 (Unaudited) RM'000	31.12.2021 (Unaudited) RM'000
Cash and bank balances	51,988	49,879
Deposits with licensed banks	11,084	7,497
Bank overdrafts, secured	(6,016)	(576)
	<hr/> 57,056	<hr/> 56,800

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. REVIEW OF OPERATING PERFORMANCE

a) Analysis of the results for the 3-months ended 31 December 2022 against 3-months ended 31 December 2021

	←--Individual Quarter--→			
	Current Year Quarter 31.12.2022 (Unaudited) RM'000	Preceding Year Quarter 31.12.2021 (Unaudited) RM'000	Variances	
			RM'000	%
Revenue	234,947	187,674	47,273	25
Gross profits	47,548	34,706	12,842	37
Profit before taxation	17,757	8,980	8,777	98
Profit after taxation	12,976	7,171	5,805	81
Profit after taxation attributable to owners of the Company	12,976	7,171	5,805	81

Revenue

Group revenue for the quarter under review ("Q4FY2022") increased by 25.2% to RM234.9 million from the corresponding quarter last year ("Q4FY2021"). The significant growth in revenue was due to a myriad of factors, namely; contribution from the recently acquired subsidiary PT Bonanza Pratama Abadi ("PT Bonanza") that boosted the prawn segment, markedly improved performance in the poultry and retail segments due to the recovery in consumer demand, and re-opening of schools in Sarawak that drove the performance of the food service segment.

The retail segment grew 9.8% during the quarter, partly due to more matured contributions from three (3) CCKLocal supermarkets (in Kuching, Kota Kinabalu and Sibul) and four (4) CCK Fresh Mart retail stores that came on stream in the previous few quarters. Additionally, an overall recovery in consumer demand coupled with the re-opening of food and beverage outlets drove wholesale volumes which also boosted the performance of the retail segment.

In Q4FY2022, the number of stores remained the same.

The Group's retail network in Malaysia ended the quarter with the following –

	Q4 2021	Q4 2022
CCKLocal Supermarkets	2	3
CCK Fresh Mart retail stores	63	63
CCK wholesale stores	6	6
Total touch points	71	72

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. REVIEW OF OPERATING PERFORMANCE (CONT'D)

a) Analysis of the results for the 3-months ended 31 December 2022 against 3-months ended 31 December 2021 (Cont'd)

Revenue from our Indonesian manufacturing operations (Pontianak and Jakarta) amounted to RM37.3 million in Q4FY2022, a downtick of 5.3% from RM39.3 million in Q4FY2021. Performance was hampered by a reduction in overall sales volumes as weaker consumer sentiment affected demand for our in-house manufactured processed products.

Domestically, demand for poultry products improved due to the re-opening of food and beverage outlets, demand from institutional clients and improved consumer sentiment. This led to a 20.5% increase in total segment revenue for Q4FY2022 against the same period last year. Poultry sales via our own retail stores (intersegment sales) also increased, tracking the overall improvement in the retail segment.

The prawn segment's revenue grew by 299.3% to RM24.6 million for Q4FY2022. The outperformance was due to the contribution from the recently acquired PT Bonanza that boosted overall segment export volumes to Japan and Taiwan. Domestic sales via our own retail channels also increased in tandem with the performance of the retail segment.

The food service segment reported a revenue of RM6.0 million in Q4FY2022, a significant improvement from RM1.7 million in Q4FY2021. This strong performance was due to the reopening of government schools in Sarawak.

Profit before tax

Profit before tax ("PBT") increased by 97.7% to RM17.8 million due the contribution from PT Bonanza that boosted the prawn segment, re-opening of schools in Sarawak that drove the performance of the food service segment, return to profitability of the poultry segment, and the robust performance of the retail segment. Overall gross profit margins improved to 20.2% during the quarter from 18.5% in Q4FY2021.

The retail segment contributed significantly to the Group's performance in Q4FY2022, reporting a PBT of RM15.2 million. This 46.4% growth in segment profitability against the same period last year was due to a more favourable product mix and increased sales volumes in our retail and wholesale channels driven by an overall improvement in consumer sentiment.

The poultry segment reported a PBT of RM1.0 million, overturning a loss of RM0.9 million in Q4FY2021. This return to profitability was largely due to the subsidy scheme from the Government of Malaysia ("GOM") in relation to the price ceilings for chicken and eggs. This segment also benefited from an overall increase in sales volumes, effective cost control measures and a favourable product mix.

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. REVIEW OF OPERATING PERFORMANCE (CONT'D)

a) Analysis of the results for the 3-months ended 31 December 2022 against 3-months ended 31 December 2021 (Cont'd)

The prawn segment delivered a PBT of RM3.6 million, a significant increase from Q4FY2021. This was due to the contribution from the recently acquired PT Bonanza. Contributions from PT Bonanza boosted overall segment profitability as export volumes to Japan and Taiwan increased. The prawn segment also benefited from economies of scale post acquisition and stronger domestic sales via our own retail channels.

The food service segment returned to profitability, reporting a PBT of RM0.9 million against a loss in Q4FY2021. The turnaround was due to the reopening of government schools in Sarawak.

Operating and administrative expenses increased due to the additional running costs incurred by PT Bonanza, facilities in Pontianak, Indonesia that was commissioned in FY2021, and retail outlets that came on stream in the last few quarters.

Share of results in our associate company, Gold Coin (Sarawak) Sdn Bhd, remained largely unchanged from the same period last year, contributing a PBT of RM0.9 million in Q4FY2022.

b) Analysis of the results for the 12-months ended 31 December 2022 against 12-months ended 31 December 2021

	←--Cumulative Quarter--→			
	Current Year Quarter 31.12.2022 (Unaudited) RM'000	Preceding Year Quarter 31.12.2021 (Unaudited) RM'000	Variances	
			RM'000	%
Revenue	878,000	691,471	186,529	27
Gross profits	177,914	131,699	46,215	35
Profit before taxation	80,938	31,902	49,036	154
Profit after taxation	62,113	24,788	37,325	151
Profit after taxation attributable to owners of the Company	62,113	24,788	37,325	151

Revenue

Group revenue for the 12-month period ended 31 December 2022 ("FY2022") increased by 27.0% to RM878.0 million from the corresponding period last year ("FY2021"). The record revenue during the period was due to a significant improvement in performance from all business segments. Notably, a general recovery in consumer demand due to the upliftment of movement controls in Sarawak led to an outperformance in the retail segment and an improvement in the poultry segment.

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. REVIEW OF OPERATING PERFORMANCE (CONT'D)

b) Analysis of the results for the 12-months ended 31 December 2022 against 12-months ended 31 December 2021 (Cont'd)

The food service segment benefited from the re-opening of schools in Sarawak whilst the prawn segment was boosted by a recovery in export volume, growth in domestic sales, and the contribution from PT Bonanza in Q3FY2022 and Q4FY2022.

The retail segment achieved a revenue of RM692.1 million during FY2022, 19.0% higher than FY2021. More matured contributions from three (3) CCKLocal supermarkets (in Kuching, Kota Kinabalu and Sibul) and four (4) CCK Fresh Mart retail stores, a sharp recovery in demand from both the retail and wholesale channels, and strong demand for our in-house manufactured processed products in Indonesia contributed to the performance of the segment. Notably, our Indonesian manufacturing operations benefited from the additional production capacity that come on stream in January 2021. Revenue from our Indonesian manufacturing operations (Pontianak and Jakarta) amounted to RM169.4 million, accounting for 19.3% of total Group revenue.

Tracking the performance of the retail segment, demand for poultry products improved in FY2022 due to the re-opening of food and beverage outlets, demand from institutional clients and improved consumer sentiment. Poultry sales via our own retail stores (intersegment sales) also contributed to segment performance, leading to a 16.5% increase in total segment revenue to RM327.6 million for the period.

The prawn segment's revenue grew by 183.2% to RM58.1 million for FY2022. This significant growth was due to the contribution from our recently acquired subsidiary PT Bonanza that was completed in Q3FY2022. The performance of PT Bonanza boosted overall segment export volumes to Japan and Taiwan. Exports (ex. PT Bonanza) to other markets continued to gain momentum whilst domestic sales via our own retail channels also increased in tandem with the recovery in overall demand.

The food service segment benefited from the re-opening of schools in Sarawak, as FY2022 revenue grew 280.2% to RM22.5 million.

Profit before tax

Group PBT for FY2022 increased by 153.7% to RM80.9 million. This significant growth in overall profitability was largely due to an outperformance from the retail segment and a turnaround in the poultry segment. Additionally, the contribution from PT Bonanza in Q3FY2022 and Q4FY2022 boosted the prawn segment whilst the re-opening of schools in Sarawak drove the performance of the food service segment. Gross profit margins for FY2022 inched up to 20.3% from 19.1% in FY2021.

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. REVIEW OF OPERATING PERFORMANCE (CONT'D)

b) Analysis of the results for the 12-months ended 31 December 2022 against 12-months ended 31 December 2021 (Cont'd)

The retail segment continued to be the largest contributor to Group PBT, reporting a segment PBT of RM68.4 million. This translated to a 92.4% growth in profitability versus FY2021. The significant growth was driven by a myriad of factors, namely; increased contributions from new CCKLocal supermarkets and CCK Fresh Mart stores, strong demand for our in-house manufactured processed products in Indonesia, an overall improvement in consumer sentiment driving sales volumes in our retail and wholesale channels, and a one-off gain from disposal of investment property amounting to RM6.0 million in Q3FY2022.

The poultry segment reported a PBT of RM9.0 million for FY2022, overturning a loss before tax ("LBT") of RM5.9 million in FY2021. The return to profitability was largely due to the subsidy scheme from the Government of Malaysia in relation to the price ceilings for chicken and eggs. In addition, a recovery in sales volumes, effective cost control measures and a favourable product mix also benefitted the poultry segment.

The prawn segment recorded a PBT of RM6.1 million, a significant increase from the RM0.9 million in FY2021. Notably, the bulk of segment profits was achieved in the Q3FY2022 and Q4FY2022 due to the contribution from PT Bonanza which boosted export volumes to Japan and Taiwan. This resulted in a more favorable sales mix and greater economy of scale that increased the overall profitability of the segment.

The food service segment reported PBT of RM2.9 million in FY2022, significantly higher than the same period last year. This was due to the re-opening of schools in Sarawak.

Operating and administrative expenses increased due to the additional running cost incurred by PT Bonanza, facilities in Pontianak, Indonesia that was commissioned in FY2021, and retail outlets that came on stream in the last few quarters.

Share of results in our associate company, Gold Coin (Sarawak) Sdn Bhd, increased marginally to RM5.3 million in FY2022. Effective cost pass-through mechanisms and favorable adjustments in selling prices mitigated the hike in raw material prices.

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B2. COMPARISON WITH THE IMMEDIATE PRECEDING QUARTER'S RESULTS

	←-----Individual Quarter-----→			
	Current Year Quarter 31.12.2022 (Unaudited) RM'000	Immediate Preceding Quarter 30.9.2022 (Unaudited) RM'000	Variances	
			RM'000	%
Revenue	234,947	235,617	(670)	-0
Gross profits	47,548	48,718	(1,170)	-2
Profit before taxation	17,757	33,756	(15,999)	-47
Profit after taxation	12,976	26,391	(13,415)	-51
Profit after taxation attributable to owners of the Company	12,976	26,391	(13,415)	-51

Revenue

Revenue amounted to RM235.0 million, largely unchanged from the immediate preceding quarter ("Q3FY2022"). Better performances from the poultry and prawn segments offset the marginal declines in the food service and retail segments.

The retail segment delivered a revenue of RM176.4 million in Q4FY2022. This was RM1.5 million lower than Q3FY2022. The marginal decline was due to lower production and sales volume from our Indonesian manufacturing operations (classified under the retail segment) which was effectively offset by a strong performance from our domestic retail channels.

The poultry segment experienced a slight uptick due to a favorable fluctuations in the product mix and higher sales volume from both institutional clients and our own retail channels. This led to a 2.1% increase in total segment revenue versus Q3FY2022.

The prawn segment's revenue increased by 1.7% to RM24.6 million as contributions from the recently acquired PT Bonanza remained strong. An increase in exports to Japan offset the decrease in exports to Australia, Korea, Hong Kong and Taiwan whilst domestic sales via our own retail channels remained robust.

The food service segment declined by 15.7% to RM6.0 million in Q4FY2022 due to the lower activity of government schools in Sarawak (year-end school break).

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B2. COMPARISON WITH THE IMMEDIATE PRECEDING QUARTER'S RESULTS (CONT'D)

Profit before tax

PBT declined 47.4% to RM17.8 million in Q4FY2022 from the immediate preceding quarter. This significant spike in profitability in Q3FY2022 leading to the high base effect was due to a one-off gain from disposal of investment property and a subsidy scheme from the GOM. Overall gross profit margins declined to 20.2% from 20.7% in Q3FY2022.

The retail segment reported a PBT of RM15.2 million. This 43.9% decline in segment profitability against Q3FY2022 was due to the high base effect (one-off gain from disposal of investment property amounting to RM6.0 million) and lower a reduction in overall sales volumes from our Indonesian manufacturing operations.

The poultry segment reported a PBT of RM1.0 million, significantly lower than Q3FY2022 due to the high base effect as a result of the subsidy scheme from the GOM.

The prawn segment was boosted stronger export sales to Japan resulting in a better sales mix, leading to a segment PBT of RM3.6 million, an increase of 70.5% increase in profitability against Q3FY2022.

The food service segment delivered a profit of RM0.9 million, marginally lower than Q3FY2022 due the lower activity of government schools in Sarawak (year-end school break).

Share of results in our associate company, Gold Coin (Sarawak) Sdn Bhd, remained largely unchanged at RM0.9 million against Q3FY2022.

B3. FUTURE PROSPECTS

With Covid-19 and movement restrictions firmly behind us, consumer sentiment has turned positive as dining out has resumed and schools have re-opened. This is likely to benefit the food and beverage industry. In addition, Sarawak is in phase four (4) of the National Recovery Plan, allowing public and private sector workplaces to operate at 100% capacity.

That said, the volatility of the US dollar against the Malaysian Ringgit remains a concern as it leads to fluctuations in prices of corn and soy. This is further exacerbated by heightened inflation that has led to an overall increase in raw material input costs as well as along the supply chain. This phenomenon is likely to persist into the next financial year and will affect the cost structures of both the retail and poultry segments.

The Board and Management teams are taking proactive steps to mitigate the risks in this challenging and fast changing operating environment whilst optimising efficiency and productivity across all our key business segments.

Taking into account the above, the Board is cautiously optimistic with regards to the coming financial year.

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B4. VARIANCE OF ACTUAL FINANCIAL RESULTS FROM FINANCIAL ESTIMATES, FORECASTS, PROJECTIONS OR INTERNAL TARGETS

The disclosure requirements for explanatory notes for the variance of the actual financial results after tax and minority interest against financial estimates, forecasts, projections or internal targets are not applicable to the Group.

B5. INCOME TAX EXPENSE

	3-months ended		Cumulative Quarter	
	31.12.2022 (Unaudited) RM'000	31.12.2021 (Unaudited) RM'000	31.12.2022 (Unaudited) RM'000	31.12.2021 (Unaudited) RM'000
Current tax	4,781	1,809	18,825	7,114
Effective tax rate	26%	20%	23%	22%

The effective tax rate of the Group for the current financial quarter was lower than the statutory tax rate principally due to tax losses incurred by certain subsidiary companies.

B6. STATUS OF CORPORATE PROPOSALS

There were no significant developments or changes in the corporate proposals.

B7. GROUP BORROWINGS

Details of the secured Group borrowings are as follows:-

	RM Denomination		Foreign Denomination	
	As at 31.12.2022 (Unaudited) RM'000	As at 31.12.2021 (Unaudited) RM'000	As at 31.12.2022 (Unaudited) RM'000	As at 31.12.2021 (Unaudited) RM'000
Current:-				
- bank overdrafts	6,016	576	-	-
- banker's acceptance	35,242	25,785	-	-
- revolving credit	-	6,000	-	-
	41,258	32,361	-	-
Non-current:-				
- term loans	7,063	7,938	-	-
	48,321	40,299	-	-

The foreign denominated borrowings of the Group is Indonesian Rupiah ("RP") and it has been translated at rate of RP0.000282 (31.12.2021: RP0.000293)

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. MATERIAL LITIGATION

There was no litigation against the Group during the current quarter.

B9. DIVIDEND PAYABLE

The Board of Directors did not recommend any payment of dividend during the current quarter and financial period under review.

B10. EARNINGS PER SHARE

Basic:-

The basic earnings per share is based on the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the current quarter.

	3-months ended		Cumulative quarter	
	31.12.2022 (Unaudited)	31.12.2021 (Unaudited)	31.12.2022 (Unaudited)	31.12.2021 (Unaudited)
Profit attributable to owners of the Company (RM'000)	12,976	7,171	62,113	24,788
Weighted average number of ordinary shares at 1 January ('000)	630,718	630,718	630,718	630,718
Effect of treasury shares held	(7,104)	(4,073)	(7,104)	(4,073)
Weighted average number of ordinary shares at 31 December ('000)	623,614	626,645	623,614	626,645
Basic earnings per share (Sen)	2.08	1.14	9.96	3.96

Diluted:-The diluted earnings per share was not applicable as there were no dilutive potential ordinary shares outstanding during the current quarter.

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:-

	3-months ended		Cumulative Quarter	
	31.12.2022 (Unaudited) RM'000	31.12.2021 (Unaudited) RM'000	31.12.2022 (Unaudited) RM'000	31.12.2021 (Unaudited) RM'000
After charging/(crediting)-				
Allowance for impairment losses on receivables	(41)	(10)	133	290
Allowance for impairment losses on receivables no longer required	(28)	(1)	(84)	(32)
Bad debt written off	-	(19)	31	19
Depreciation and amortisation	4,865	5,189	20,104	14,110
Depreciation of right of use assets	2,799	2,835	2,799	2,835
Loss/(gain) on fair value changes in biological assets	121	(1,147)	(3,092)	2,748
(Gain)/loss on disposal of property, plant and equipment	(467)	(13)	(382)	(166)
Gain on disposal of investment properties	-	-	(5,979)	-
(Gain)/loss on foreign exchange:-				
- realised	-	-	-	-
- unrealised	(42)	2	(44)	(5)
Provision of employee benefit	98	-	116	-
Property, plant and equipment written off	-	38	83	51
Interest expense	403	518	2,264	1,999
Interest expense on lease liabilities	821	912	821	912
Interest income	(256)	(619)	(301)	(999)

B12. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2021 was not subject to any qualification.

B13. FINANCIAL INSTRUMENTS

The Group does not have any derivative financial instruments.

B14. AUTHORISATION FOR ISSUE

The quarterly report was authorised for issue by the Board of Directors on 22 February 2023.