



**HCK CAPITAL GROUP BERHAD**

**Registration No: 199901010064 (484964-H)**

**Interim Financial Statement**

**For the Financial Period Ended 30 September 2022**

**HCK CAPITAL GROUP BERHAD**

(Incorporated in Malaysia)

Registration No: 199901010064 (484964-H)

**Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income  
For the Financial Period Ended 30 September 2022**

	Note	<u>Current Quarter</u>		<u>Cumulative Quarter</u>	
		<u>30.09.2022</u>	<u>30.09.2021</u>	<u>30.09.2022</u>	<u>30.09.2021</u>
		<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>
Revenue		33,789	22,587	95,618	82,927
Cost of sales		(22,657)	(12,916)	(68,035)	(56,490)
<b>Gross Profit</b>		<b>11,132</b>	<b>9,671</b>	<b>27,583</b>	<b>26,437</b>
Other operating income		824	822	2,596	2,943
Administrative and general expenses		(5,174)	(5,095)	(14,461)	(14,661)
Sales and marketing expenses		(826)	(901)	(2,806)	(1,991)
		<b>5,956</b>	<b>4,497</b>	<b>12,912</b>	<b>12,728</b>
Interest income		21	61	33	104
Interest expense		(2,247)	(3,831)	(6,693)	(6,840)
Share of results in associates, net of tax		-	156	-	537
<b>Profit before taxation</b>	B13	<b>3,730</b>	<b>883</b>	<b>6,252</b>	<b>6,529</b>
Tax expense	B6	(1,453)	(201)	(2,825)	(2,454)
<b>Profit after taxation</b>		<b>2,277</b>	<b>682</b>	<b>3,427</b>	<b>4,075</b>
<b>Attributable to:</b>					
Owners of the parent		1,155	470	1,840	3,531
Non-controlling interests		1,122	212	1,587	544
		<b>2,277</b>	<b>682</b>	<b>3,427</b>	<b>4,075</b>
<b>Earning per share (Sen)</b>					
- Basic		0.26	0.11	0.42	0.82
- Diluted		0.21	0.09	0.34	0.67

*The above condensed consolidated 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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For the Financial Period Ended 30 September 2022**

	<u>Current Quarter</u>		<u>Cumulative Quarter</u>	
	<u>30.09.2022</u>	<u>30.09.2021</u>	<u>30.09.2022</u>	<u>30.09.2021</u>
	<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>
Profit after taxation for the period	2,277	682	3,427	4,075
<b>Other comprehensive income</b>				
Item that may not be subsequently reclassified to profit or loss	-	-	-	-
<b>Total comprehensive income</b>	<u>2,277</u>	<u>682</u>	<u>3,427</u>	<u>4,075</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	1,155	470	1,840	3,531
Non-controlling interests	1,122	212	1,587	544
	<u>2,277</u>	<u>682</u>	<u>3,427</u>	<u>4,075</u>

*The above condensed consolidated statement 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.*

**HCK CAPITAL GROUP BERHAD**

(Incorporated in Malaysia)

Registration No: 199901010064 (484964-H)

**Unaudited Condensed Consolidated Statements of Financial Position****For the Financial Period Ended 30 September 2022**

	AS AT 30.09.2022 RM' 000 Unaudited	AS AT 31.12.2021 RM' 000 Audited
Note		
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investments in associates	-	-
Property, plant and equipment	12,358	355
Investment property	-	-
Land held for property development	143,974	138,933
Deferred tax assets	1,355	1,355
Goodwill	4,470	4,470
Intangible assets	8	10
Right of use asset	53,628	38,131
	215,793	183,254
<b>Current assets</b>		
Inventories	318,985	296,479
Inventories - Property development costs	144,159	138,636
Contract costs	10,839	6,522
Trade and other receivables	81,581	114,021
Contract assets	40,858	62,262
Current tax assets	1,704	872
Short term fund	163	554
Fixed deposit with a licensed bank	3,247	4,409
Cash and bank balances	50,919	16,856
	652,455	640,611
<b>TOTAL ASSETS</b>	868,248	823,865
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	187,553	186,165
Warrants reserve	8,945	8,979
Share option reserve	43	80
Retained earnings	48,887	47,047
	245,428	242,271
<b>Non-controlling interests</b>	2,136	549
<b>Total equity</b>	247,564	242,820
<b>Non-current liabilities</b>		
Deferred tax liabilities	3,376	3,376
Trade and other payables	38,053	36,157
Long term borrowings	B8 327,124	282,420
	368,553	321,953
<b>Current liabilities</b>		
Trade and other payables	169,293	177,523
Contract liabilities	60,276	22,755
Current tax liabilities	2,100	644
Short term borrowings	B8 20,462	58,170
	252,131	259,092
<b>Total liabilities</b>	620,684	581,045
<b>TOTAL EQUITY AND LIABILITIES</b>	868,248	823,865
Net assets per share attributable to owners of the parent (RM)	0.54	0.53

*The above condensed consolidated 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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**Unaudited Condensed Consolidation Statements of Changes in Equity  
For the Financial Period Ended 30 September 2022**

	← Attributable to Owners of the Parent →					Non-Controlling Interests RM'000	Total Equity RM'000	
	Share Capital RM'000	Non-Distributable Share Option Reserve RM'000	Translation Reserve RM'000	Warrants Reserve RM'000	Distributable Retained Earnings RM'000			Total RM'000
<b>As at 1 January 2021</b>	156,325	85	-	10,418	44,792	211,620	647	212,267
Contributions by and distributions to owners of the Company:								
- Conversions of warrants	27,638	-	-	-	-	27,638	-	27,638
- Employees' share options granted	46	-	-	-	-	46	-	46
- Share grant scheme exercised	712	-	-	-	-	712	-	712
- Transfer of share capital upon conversion of ESOS	5	(5)	-	-	-	-	-	-
- Transfer of share capital upon conversion of warrants	1,439	-	-	(1,439)	-	-	-	-
Disposal of the subsidiaries	-	-	-	-	-	-	-	-
	29,840	(5)	-	(1,439)	-	28,396	-	28,396
- Changes in a subsidiary's ownership interests that do not result in loss of control	-	-	-	-	(707)	(707)	(463)	(1,170)
Total comprehensive income	-	-	-	-	2,962	2,962	365	3,327
<b>As at 31 December 2021</b>	186,165	80	-	8,979	47,047	242,271	549	242,820
<b>As at 1 January 2022</b>	186,165	80	-	8,979	47,047	242,271	549	242,820
Contributions by and distributions to owners of the Company:								
- Conversions of warrants	735	-	-	-	-	735	-	735
- Employees' share options granted	359	-	-	-	-	359	-	359
- Share grant scheme exercised	223	-	-	-	-	223	-	223
- Transfer of share capital upon conversion of ESOS	37	(37)	-	-	-	-	-	-
- Transfer of share capital upon conversion of warrants	34	-	-	(34)	-	-	-	-
- Translation reserve	-	-	-	-	-	-	-	-
Share issued by subsidiaries to non-controlling interest / Disposal of the subsidiaries	-	-	-	-	-	-	-	-
- Changes in a subsidiary's ownership interests that do not result in loss of control	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	1,840	1,840	1,587	3,427
<b>As at 30 September 2022</b>	187,553	43	-	8,945	48,887	245,429	2,136	247,565

The above condensed consolidated 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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**Unaudited Condensed Consolidated Statement of Cash Flow  
For the Financial Period Ended 30 September 2022**

	<u>Cumulative Quarter</u>	
	30.09.2022	30.09.2021
	RM' 000	RM' 000
<b>Profit before taxation</b>	6,252	6,529
<b><u>Adjustments for :</u></b>		
Non-cash items	1,048	802
Non-operating items	6,914	6,797
<b>Total adjustments</b>	<b>7,962</b>	<b>7,599</b>
	<b>14,214</b>	<b>14,128</b>
<b><u>Changes in working capital</u></b>		
Changes in inventories	(22,506)	(3,888)
Changes in inventories - project development costs	(5,523)	(22,374)
Changes in contract costs	(4,317)	2,888
Changes in contract assets/(liabilities)	58,925	(54,422)
Changes in trade and other receivables	32,225	958
Changes in amount owing to directors	(12,679)	7,924
Changes in trade and other payables	6,330	17,761
<b>Total changes in working capital</b>	<b>52,455</b>	<b>(51,153)</b>
<b>Cash flow used in operations</b>	<b>66,669</b>	<b>(37,025)</b>
Tax paid (net of tax refund)	(2,200)	(3,074)
<b>Net cash flows generated from / (used in) operating activities</b>	<b>64,469</b>	<b>(40,099)</b>
<b><u>Investing activities</u></b>		
Interest received	33	43
Addition to property, plant and equipment	(12,085)	(65)
Addition in land held for development	(5,041)	(1,782)
Additional investments in associates	-	150
Additional in intangible asset	-	(80)
Disposal of a subsidiary, net of cash and cash equivalents disposal of	-	142
Placement of short-term deposit pledged to a licensed bank	1,162	(87)
<b>Net cash flows used in investing activities</b>	<b>(15,931)</b>	<b>(1,679)</b>

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**Unaudited Condensed Consolidated Statement of Cash Flow (Cont'd)****For the Financial Period Ended 30 September 2022**

	<u>Cumulative Quarter</u>	
	<b>30.09.2022</b>	<b>30.09.2021</b>
	<b>RM' 000</b>	<b>RM' 000</b>
<b><u>Financing activities</u></b>		
Proceeds from issuance of ordinary shares:-		
- pursuant to conversion of warrant	735	26,639
- pursuant to conversion of ESOS	359	-
Net drawdown/(repayment) of bank borrowings	(8,989)	31,587
Repayment of lease liabilities	(414)	(395)
Interest Paid	(6,557)	(6,840)
<b>Net cash flows (used in) / generated from financing activities</b>	<b>(14,866)</b>	<b>50,991</b>
Net increase in cash and cash equivalents	33,672	9,213
Cash and cash equivalents at beginning of year	15,810	4,730
	<b>49,482</b>	<b>13,943</b>
<b><u>Composition of cash and cash equivalents:</u></b>		
Short term fund	163	1,798
Cash and bank balances	50,919	13,745
Less: Bank balances held in escrow	(1,600)	(1,600)
<b>Cash and cash equivalents at end of period</b>	<b>49,482</b>	<b>13,943</b>

*The above condensed consolidated statements of cash flow 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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**UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2022****PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134****A1. Basis of Preparation**

The unaudited interim financial report has been prepared in accordance with the reporting requirement as set out in Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached herein for a better understanding of changes in financial position and performance of the Group.

The significant accounting policies adopted in the preparation the unaudited interim financial report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2021 except for the adoption of the following new MFRSs, amendments to MFRSs and IC Interpretations that are effective from 1 January 2022, as disclosed below:

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendme</b>
Amendments to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to MFRS 3: Reference to the Conceptual Framework
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018 - 2020:
Amendments to MFRS 1 First time adoption of Malaysian Financial Reporting Standards, MFRS 9
Financial instruments and MFRS 141 Agriculture

The adoption of the above MFRSs does not have any material impact on the financial statements of the Group.

As at the date of authorisation of the unaudited interim financial report, the following Standards were issued but not yet effective and have not been adopted by the Group:

<b>MFRSs, Amendments to MFRSs and IC Interpretations</b>	<b>Effective for financial periods beginning on or</b>
Amendments to MFRS 16: Leases - Lease Liabilities in a Sale and Leaseback	01 January 2024
MFRS 17 Insurance Contracts	01 January 2023
Amendments to MFRS 17: Insurance Contracts	01 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	01 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-	01 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	01 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	01 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01 January 2023

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have significant impact to the financial statements of the Group.



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**UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2022**

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A2. Valuation of Property, Plant and Equipment and Investment Properties**

There were no changes in the valuation on property, plant and equipment and investment properties during the current financial period under review.

**A3. Seasonal or Cyclical Factors**

The Group's performance is not materially affected by any seasonal or cyclical factors.

**A4. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

**A5. Changes in Estimates**

There were no changes in estimates that have had any material effect on the result for the current financial quarter and financial period under review.

**A6. Debt and Equity Securities**

Save for the following, there were no issuances, repurchases and repayments of debt and equity securities during the current financial quarter and financial period under review:

- (a) Issuance of 766,400 new ordinary shares from the exercise of Warrants as the exercise price of RM0.96 per warrant amounting to RM735,744.00
- (b) Issuance of 125,332 new ordinary shares from the Share Grant Plan ("SGP") under the Long Term Incentive Plan ("LTIP") at the issued price of ranging from RM1.22 per share to RM2.16 per share.
- (c) Issuance of 287,000 new ordinary shares from the Employee Share Option Scheme ("ESOS") under the Long Term Incentive Plan ("LTIP") at the issued price of RM1.25 per shares.

**A7. Dividend Paid**

No dividend was paid during the current financial quarter and previous corresponding financial quarter.

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**UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022****PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)****A8. Segmental Information**

	Properties RM'000	Others RM'000	Total RM'000
<b>Results for 9 months ended 30 September 2022</b>			
<b><u>Revenue</u></b>			
External	92,552	43	95,618
Inter-segment	-	2,244	2,244
	<u>92,552</u>	<u>2,287</u>	<u>97,862</u>
Consolidated adjustments and elimination			(2,244)
Consolidated revenue			<u>95,618</u>
<b><u>Results</u></b>			
Results before the following adjustments	13,208	(807)	12,401
Consolidated adjustments and elimination	1,357	4	1,361
Amortisation of intangible asset	-	(2)	(2)
Depreciation of property and equipment	(70)	(12)	(82)
Depreciation of right of use assets	(766)	-	(766)
Segment results	<u>13,729</u>	<u>(817)</u>	12,912
Interest income			33
Interest expense			(6,693)
Tax expense			(2,825)
Consolidated profit after taxation			<u>3,427</u>
<b>Results for 9 months ended 30 September 2021</b>			
<b><u>Revenue</u></b>			
External	81,431	1,496	82,927
Inter-segment	33,226	1,978	35,204
	<u>114,657</u>	<u>3,474</u>	<u>118,131</u>
Consolidated adjustments and elimination			(35,204)
Consolidated revenue			<u>82,927</u>
<b><u>Results</u></b>			
Results before the following adjustments	8,723	(570)	8,153
Consolidated adjustments and elimination	(3,126)	(339)	(3,465)
Amortisation of intangible asset	-	(1)	(1)
Depreciation of property and equipment	(14)	(14)	(28)
Depreciation of right of use assets	(158)	(4)	(162)
Segment results	<u>5,425</u>	<u>(928)</u>	4,497
Interest income			104
Interest expense			(6,840)
Share of results in associates			537
Tax expense			(2,454)
Consolidated profit after taxation			<u>(4,156)</u>

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**UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022****PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)****A8. Segmental Information (Cont'd)**

	Properties RM'000	Others RM'000	Total RM'000
<b>Segment assets and liabilities as at 30 September 2022</b>			
<b><u>Assets</u></b>			
Segment assets	861,503	3,686	865,189
Tax recoverable	1,621	83	1,704
Deferred tax assets	1,355	-	1,355
Consolidated total assets	<u>864,479</u>	<u>3,769</u>	<u>868,248</u>
<b><u>Liabilities</u></b>			
Segment liabilities	613,065	2,143	615,208
Tax liabilities	2,096	4	2,100
Deferred tax liabilities	3,376	-	3,376
Consolidated total liabilities	<u>618,537</u>	<u>2,147</u>	<u>620,684</u>
<b>Segment assets and liabilities as at 30 September 2021</b>			
<b><u>Assets</u></b>			
Segment assets	786,465	31,855	818,320
Tax recoverable	1,203	8	1,211
Deferred tax assets	-	-	-
Consolidated total assets	<u>787,668</u>	<u>31,863</u>	<u>819,531</u>
<b><u>Liabilities</u></b>			
Segment liabilities	550,767	23,775	574,542
Tax liabilities	953	42	995
Deferred tax liabilities	-	-	-
Consolidated total liabilities	<u>551,720</u>	<u>23,817</u>	<u>575,537</u>

**A9. Material Events Subsequent to The End of Interim Period**

There are no material event subsequent events that have not been reflected in the financial statements for the financial period ended 30 September 2022.

**A10. Changes in Composition of the Group**

There were no other changes in the composition of the Group during the current quarter ended 30 September 2022.

**A11. Changes in Contingent Assets and Contingent Liabilities**

There were no other changes in contingent assets and contingent liabilities since the end of previous financial year.

**A12. Capital Commitments**

There is no capital commitments provided for to the end of the financial period.

**A13. Related Party Transactions**

	Current Quarter		Cumulative Quarter	
	30/9/2022	30/9/2021	30/9/2022	30/9/2021
	RM'000	RM'000	RM'000	RM'000
Rental income from a non-controlling interest	-	-	-	-

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****QUARTER ENDED 30 SEPTEMBER 2022****UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2022****PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Review of performance****Current Quarter ended 30 September 2022**

For the current quarter under review, the Group recorded a revenue of RM33.79 million, which is RM11.2 million higher compared with the previous corresponding financial quarter. The increase were mainly due to the higher sales and workdone were achieved from its property projects.

The current quarter's Profit Before Tax ("PBT") of RM3.70 million are mainly from the recognition of property sales during current financial quarter.

**B2. Comment on financial results (current quarter compared with the preceding quarter)**

	Current Quarter 30/9/2022 RM'000	Immediate Preceding Quarter 30/6/2022 RM'000
Revenue	33,789	29,726
Profit Before Taxation	3,730	404

The Group recorded a revenue of RM33.79 million (compared to RM29.72 million in the immediate preceding quarter). The increase were mainly due to increase in progress in the development projects in the current quarter. The Group reported a PBT of RM3.73 million as compared to PBT of RM0.40 million, the increase were mainly due to higher sales and percentage of workdone were achieved from its property projects.

**B3. Future Prospects**

For the nine months ended 30 September 2022, the Group secured total sales of RM145 million and total bookings of RM136 million as at 30 September 2022. This achievement is remarkable despite the numerous challenges faces by the property industry such as labour shortages, high material costs and rising interest rates. With the strong bookings in the pipeline, the key focus will be on the swift conversion of these bookings with end financings.

The recent Joint Venture Arrangement made for a development ("Empire Remix 1") in Subang Jaya together with all the projects in the pipeline, the Group is expecting the momentum for sales to continue. In order to boost sales, the Group focus on those low to medium range priced of properties and actively participate in digital marketing and virtual technology, and enhancing product innovation and creativity.

**B4. Profit Forecast or Profit Guarantee**

The Group has not provided any profit forecast in a public document.

**B5. Variance from profit forecast or profit guarantee**

Not applicable.

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****QUARTER ENDED 30 SEPTEMBER 2022****UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2022****PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B6. Taxation**

	Current Quarter		Cumulative Quarter	
	30/9/2022 RM '000	30/9/2021 RM '000	30/9/2022 RM '000	30/9/2021 RM '000
Current income tax				
- for the financial period	1,455	630	2,827	2,454
- under/(over) provision in prior financial period	(2)	-	(2)	-
	<u>1,453</u>	<u>630</u>	<u>2,825</u>	<u>2,454</u>
Deferred tax (assets)/liabilities	-	(429)	-	-
	<u>1,453</u>	<u>201</u>	<u>2,825</u>	<u>2,454</u>

Income tax expense is recognised in each interim period based on the best estimate of the income tax payable for the full financial year.

**B7. Status of Corporate Proposals**

There was no corporate proposals proposed in the current financial quarter.

**B8. Borrowings and Debt Securities**

Details of Group's borrowings are as follows:

	As at 30 September 2022			As at 31 December 2021		
	Long term RM'000	Short term RM'000	Total RM'000	Long term RM'000	Short term RM'000	Total RM'000
<u>Secured</u>						
Term loans	310,839	14,981	325,820	282,195	42,614	324,809
Revolving credit	-	5,000	5,000	-	15,000	15,000
Lease liabilities	16,285	481	16,766	225	556	781
	<u>327,124</u>	<u>20,462</u>	<u>347,586</u>	<u>282,420</u>	<u>58,170</u>	<u>340,590</u>

All loans and borrowings are denominated in Ringgit Malaysia ("RM").

The increase mainly due to the rental commitment for international school in Ipoh.

**B9. Changes in Material litigation**

There was no material litigation against the Group as at the reporting date.

**B10. Proposed Dividend**

There was no dividend proposed in the current financial quarter and the previous corresponding financial quarter.

**HCK CAPITAL GROUP BERHAD**

(Incorporated in Malaysia)

Registration No: 199901010064 (484964-H)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****QUARTER ENDED 30 SEPTEMBER 2022****UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2022****PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B11. Basic earning per Ordinary share**

	Current Quarter		Cumulative Quarter	
	30/9/2022	30/9/2021	30/9/2022	30/9/2021
Profit after taxation attributable to ordinary equity owners of the parent (RM'000)	1,155	470	1,840	3,531
Weighted average number of ordinary shares in issue ('000)	440,478	427,003	440,478	427,003
Basic earning/(loss) per share (sen)	<u>0.26</u>	<u>0.11</u>	<u>0.42</u>	<u>0.83</u>
Profit/(Loss) after taxation attributable to ordinary equity owners of the parent (RM'000)	1,155	470	1,840	3,531
Weighted average number of ordinary shares in issue ('000)	440,478	427,003	440,478	427,003
Shares deemed to issued for no consideration ('000) - warrants	98,971	85,473	98,971	85,473
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	<u>539,449</u>	<u>512,476</u>	<u>539,449</u>	<u>512,476</u>
Diluted earning/(loss) per share (sen)	<u>0.21</u>	<u>0.09</u>	<u>0.34</u>	<u>0.69</u>

**B12. Auditors' report on preceding annual financial statement**

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

**B13. Profit Before Taxation**

	Current Quarter		Cumulative Quarter	
	30/9/2022 RM'000	30/9/2021 RM'000	30/9/2022 RM'000	30/9/2021 RM'000
This is arrived at after charging/(crediting):				
Interest income	(21)	(61)	(33)	(104)
Interest expense	2,247	3,831	6,693	6,840
Amortisation of intangible assets	2	1	2	22
Depreciation of property, plant and equipment	32	28	82	104
Depreciation of right of use assets	334	162	766	797
Loss on disposal of subsidiary	-	-	-	137

**HCK CAPITAL GROUP BERHAD**  
**PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER FYE2022 30/9/2022 RM'000	PRECEDING YEAR CORR. QTR FYE2021 30/9/2021 RM'000	CURRENT YEAR TO DATE FYE2022 30/9/2022 RM'000	PRECEDING YEAR CORRESPONDING FYE2021 30/9/2021 RM'000
1 Revenue	33,789	22,587	95,618	82,927
2 Profit before tax	3,730	883	6,252	6,529
3 Profit for the period	2,277	682	3,427	4,075
4 Profit attributable to ordinary equity	1,155	470	1,840	3,531
5 Basic earning per share (sen)	0.26	0.11	0.42	0.82
6 Proposed/Declared dividend per share (sen)	-	-	-	-
			<b>AS AT END OF CURRENT QUARTER</b>	<b>AS AT PRECEDING FINANCIAL YEAR END</b>
7 Net assets per share attributable to ordinary equity holders of the parent (RM)			0.54	0.53

**PART A3 : ADDITIONAL INFORMATION**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER FYE2022 30/9/2022 RM'000	PRECEDING YEAR CORR. QTR FYE2021 30/9/2021 RM'000	CURRENT YEAR TO DATE FYE2022 30/9/2022 RM'000	PRECEDING YEAR CORRESPONDING FYE2021 30/9/2021 RM'000
1 Gross interest income	21	61	33	104
2 Gross interest expense	2,247	3,831	6,693	6,840