

**IMPIANA HOTELS BERHAD**  
**Registration No: 200601021085 (740838-A)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER AND PERIOD-TO-DATE ENDED 30 JUNE 2022**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2022	Preceding Year Quarter 30.06.2021	Current Year To-Date 30.06.2022	Preceding Year To-Date 30.06.2021
<b>RM'000</b>				
Revenue	5,890	14,927	18,532	19,499
Other income	89	2,761	2,405	3,490
Operating expenses	(7,126)	(15,423)	(19,075)	(23,729)
Finance costs	(1,840)	(1,518)	(6,503)	(8,132)
Share of results of associated company	(391)	548	(595)	(1,594)
Operating profit before tax	<u>(3,378)</u>	<u>1,295</u>	<u>(5,236)</u>	<u>(10,467)</u>
Taxation	(116)	(240)	(360)	(263)
Net profit after tax	<u><u>(3,495)</u></u>	<u><u>1,054</u></u>	<u><u>(5,596)</u></u>	<u><u>(10,730)</u></u>
Other comprehensive income				
- Revaluation surplus, net of deferred tax	-	-	-	-
Total comprehensive loss for the period	<u><u>(3,495)</u></u>	<u><u>1,054</u></u>	<u><u>(5,596)</u></u>	<u><u>(10,730)</u></u>
Loss attributable to:				
Owners of the Company	(3,495)	1,054	(5,596)	(10,730)
Non-controlling interest	-	-	-	-
	<u>(3,495)</u>	<u>1,054</u>	<u>(5,596)</u>	<u>(10,730)</u>
Total comprehensive loss attributable to:				
Owners of the Company	(3,495)	1,054	(5,596)	(10,730)
Non-controlling interest	-	-	-	-
	<u>(3,495)</u>	<u>1,054</u>	<u>(5,596)</u>	<u>(10,730)</u>
Earnings per share attributable to Owners of the Company (sen):-				
Basic	(0.263)	0.121	(0.421)	(1.080)
Diluted	(0.257)	0.116	(0.411)	(1.075)

*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 period ended 30 June 2021 and the accompanying explanatory notes attached.*

**IMPIANA HOTELS BERHAD**  
**Registration No: 200601021085 (740838-A)**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022**

<b>RM'000</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	69,271	71,308
Intangible assets	5,660	6,376
Right-of-use assets	-	16
Investment in associate	39,420	38,826
Inventories	3,359	3,359
Total non-current assets	<u>117,711</u>	<u>119,886</u>
<b>Current assets</b>		
Inventories	24,584	25,389
Contract assets	55,416	54,736
Trade receivables	6,319	2,775
Other receivables, deposits and prepayments	2,425	292
Fixed deposits	684	670
Cash and bank balances	2,906	181
Total current assets	<u>92,334</u>	<u>84,043</u>
<b>TOTAL ASSETS</b>	<u><u>210,045</u></u>	<u><u>203,929</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	125,960	115,698
Irredeemable convertible preference share (ICPS)	5,070	5,070
Accumulated profit/(loss)	(114,606)	(109,010)
Revaluation reserve	29,837	29,837
Equity attributable to Owners of the Company	<u>46,261</u>	<u>41,595</u>
Non-controlling interest	<u>1</u>	<u>1</u>
Total equity	<u>46,262</u>	<u>41,596</u>
<b>Non-current liabilities</b>		
Deferred tax liability	6,028	6,028
Lease liabilities	-	-
Borrowings	71,489	68,014
Total non-current liabilities	<u>77,517</u>	<u>74,042</u>

*The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2021 and the accompanying explanatory notes attached.*

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022**  
**(CONT'D)**

<b>RM'000</b>	<b>As at 30.06.2022 (Unaudited)</b>	<b>As at 30.06.2021 (Audited)</b>
<b>Current liabilities</b>		
Trade payables	9,099	5,282
Other payables and accruals	54,343	58,433
Contract liabilities	694	1,028
Borrowings	4,470	4,586
Lease liabilities	-	8
Amounts due to directors	4,755	6,873
Amounts due to related co.	10,541	9,178
Tax payable	2,364	2,906
Total current liabilities	<u>86,266</u>	<u>88,294</u>
Total liabilities	<u>163,783</u>	<u>162,336</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>210,045</u>	<u>203,929</u>
Net assets per share attributable to owners of the Company (RM)	<u>0.032</u>	<u>0.034</u>

*The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2021 and the accompanying explanatory notes attached.*

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD-TO-DATE ENDED 30 JUNE 2022**

12 months period	<----- Attributable to Owners of the Company ----->				<----- Non-Distributable ----->			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Balance as of 1 July 2021	115,698	5,070	-	29,837	(109,010)	41,595	1	41,596
Total comprehensive profit/(loss) for the period	-	-	-	-	(5,596)	(5,596)	-	(5,596)
Issuance of ordinary shares pursuant to private placement	10,262	(0)	-	-	-	10,262	-	10,262
Balance as of 30 June 2022	125,960	5,070	-	29,837	(114,606)	46,261	1	46,262
<hr/>								
<b>12 months period</b>								
Balance as of 1 July 2020	101,412	5,070	-	30,386	(98,829)	38,039	-	38,039
Realisation of revaluation reserve	-	-	-	(549)	549	-	(0)	(0)
Total comprehensive profit/(loss) for the period	-	-	-	(549)	(10,181)	(10,730)	1	(10,729)
Balance as of 30 June 2021	115,698	5,070	-	29,837	(109,010)	41,595	1	41,596

*The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2021 and the accompanying explanatory notes attached.*

**IMPIANA HOTELS BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD-TO-DATE ENDED  
30 JUNE 2022**

<b>RM'000</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	(5,236)	(10,467)
Adjustments for:		
Bad debts written off	-	6
Amortisation of intangible assets	716	715
Depreciation of property, plant and equipment	2,037	1,949
Depreciation of right of use assets	16	62
Impairment loss on receivables	-	130
Interest expense	3,360	8,132
Waiver on rental	-	(27)
Other receivables written off	-	21
Participation fee, net of reduction of equity interest in indirect subsidiary	-	1
Loss/(gain) on disposal of property, plant and equipment	-	(43)
Reversal of impairment loss on trade receivables	-	(853)
Interest income	-	(18)
Share of results of associated company	(595)	1,594
<b>Operating profit before working capital changes</b>	<u>299</u>	<u>1,204</u>
Inventories	806	9,093
Contract assets	(1,015)	(37,777)
Receivables	(5,677)	17,578
Payables	(632)	13,668
Cash (used in)/generated from operations	<u>(6,219)</u>	<u>3,766</u>
Interest received	-	18
Interest paid	(428)	(460)
Income tax paid	(542)	(973)
<b>Net cash (used in)/generated from operating activities</b>	<u><b>(7,189)</b></u>	<u><b>2,351</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	-	(1,651)
Proceeds from disposal of property, plant and equipment	-	51
<b>Net cash used in investing activity</b>	<u><b>-</b></u>	<u><b>(1,600)</b></u>

*The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial period ended 30 June 2021 and the accompanying explanatory notes attached.*

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD-TO-DATE ENDED  
30 JUNE 2022 (CONT'D)**

<b>RM'000</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of borrowings	-	3,799
Repayment of borrowings	-	(668)
Proceeds from issuances of shares	10,262	14,286
Increase in FD pledged	(14)	(18)
Repayment to Directors	(2,118)	(50)
Repayment to Directors' related company	1,363	(12,625)
Lease liabilities	(8)	(42)
<b>Net cash generated from financing activities</b>	<b>9,486</b>	<b>4,681</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	2,296	5,432
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>(3,861)</b>	<b>(9,293)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>(1,564)</b>	<b>(3,861)</b>
 <b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD  COMPRISE:</b>		
Cash and bank balances	2,906	181
Fixed deposit pledged to licensed banks	684	670
	3,590	851
Less : Fixed deposit pledged to licensed banks	(684)	(670)
Less : Bank overdraft	(4,470)	(4,042)
	<b>(1,564)</b>	<b>(3,861)</b>

*The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial period ended 30 June 2021 and the accompanying explanatory notes attached.*

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**NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULT FOR THE QUARTER AND 3 MONTHS ENDED 30 JUNE 2022**

**A1. BASIS OF PREPARATION**

These condensed consolidated interim financial statements (Condensed Report), other than for financial instruments, have been prepared under the historical cost convention. Certain financial instruments have been carried at fair value in accordance with the Malaysian Financial Reporting Standards (MFRS) 139

These condensed consolidated interim financial statements (Condensed Report) have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

These Condensed Report should be read in conjunction with the audited financial statements for the financial period ended 30 June 2021. The explanatory notes attached to the Condensed Report 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 period ended 30 June 2021.

**A2. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and presentations adopted by the Group in the preparation of the Condensed Report are consistent with those followed in the preparation of the Group's audited financial statements for the financial period ended 30 June 2021.

**Accounting pronouncements that are effective and adopted during the financial period**

The Group has adopted the following new accounting pronouncements that are mandatory for the current financial period:

MFRS 16	Leases
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 119	Employee Benefits - Plan Amendments, Curtailment or Settlement
Amendments to MFRS 128	Investment in Associates and Joint Ventures - Long-term Interest in Associates and Joint Ventures
Amendments to IC Interpretation 23	Uncertainty over Income Tax Treatments
Annual Improvements to MFRSs 2015-2017 Cycle	
Amendments to MFRS 16	Covid-19 Related Rent Concessions
Amendments to MFRS 9 & 7	Interest Rate Benchmark Reform
Amendments to MFRS 3	Business Combinations
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to References to the Conceptual Framework in MFRS Standards	

**Agenda Decision on MFRS 123 Borrowing Costs relating to over time transfer of constructed good**

In March 2019, IFRS Interpretation Committee ("IFIRC") published an agenda decision on borrowing costs confirming receivables, contract assets and inventories for which revenue is recognised over time are non-qualifying assets. On 20 March 2019, the Malaysian Accounting Standards Board ("MASB") decided that an entity shall apply the change in accounting policy as a result of the IFIRC Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020.

The Group is assessing the impact on the change in accounting policy pursuant to IFIRC Agenda Decision on borrowing costs incurred on property under construction where control is transferred over time.

**Accounting pronouncements that are issued but not yet effective and have not been early adopted**

**Effective for financial periods beginning on or after 1 June 2021**

Amendments to MFRS 9, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2
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**Effective for financial periods beginning on or after 1 January 2022**

Annual Improvements to MFRSs 2018-2020

**Effective for financial periods beginning on or after 1 January 2023**

MFRS 17	Insurance Contracts
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
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associates or Joint Venture

The Group will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Group upon their initial applications.

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**A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The Company's external Auditors, Messrs Moore Stephens Associates PLT have highlighted a material uncertainty related to going concern, which indicates that the Group and the Company incurred a net loss of RM10,730,489 and RM22,355,944 during the financial year ended 30 June 2021 and, as of that date, the Group's and the Company's current liabilities exceeded its current assets by RM4,248,641 and RM16,370,404. These events or conditions, along with the matters as set forth in Note 2(e) to the financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as a going concern.

**A4. SEASONAL AND CYCLICAL FACTORS**

Save for the impact of the COVID-19 pandemic as disclosed in this interim financial report, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and current financial period-to-date.

**A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There were no material items of an unusual nature and amount during the current quarter and period-to-date ended 30 June 2022.

**A6. MATERIAL ESTIMATES AND CHANGES IN ESTIMATES**

There were no material changes in the estimates used in the current quarter and period-to-date ended 30 June 2022.

**A7. ISSUANCES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES**

There were no issuances, cancellation, repurchases, resales and repayment of debt and equity securities during the current quarter and period-to-date ended 30 June 2022.

**A8. DIVIDEND PAID**

There were no dividends paid during the current and previous corresponding quarter.

**A9. SEGMENTAL INFORMATION**

MFRS 8 requires separate reporting of segmental information for operating segments. Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the top management and the Board of Directors.

The segmental analysis for the current quarter and period-to-date ended 30 June 2022 is as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To-Date	Preceding Year To-Date
<b>Segment Revenue and Results</b>	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
- Hotel Operation	2,340	801	7,094	4,470
- Hotel Management	902	701	3,037	1,604
- Property Sales	2,648	13,425	8,401	13,425
	<u>5,890</u>	<u>14,927</u>	<u>18,532</u>	<u>19,499</u>
<b>Total Revenue</b>	<b>5,890</b>	<b>14,927</b>	<b>18,532</b>	<b>19,499</b>
<b>RM '000</b>				
Profit/(Loss) After Tax				
- Hotel Operation	(457)	(4,932)	(2,597)	(6,585)
- Hotel Management	368	521	1,298	1,019
- Property Sales	(1,562)	428	(1,537)	(3,475)
- Other Unallocated Expenses	(1,843)	5,037	(2,759)	(1,689)
	<u>(3,495)</u>	<u>1,054</u>	<u>(5,596)</u>	<u>(10,730)</u>
<b>Total Loss/Profit After Tax</b>	<b>(3,495)</b>	<b>1,054</b>	<b>(5,596)</b>	<b>(10,730)</b>

During current year quarter, the revenue of RM5.89 million was mainly contributed from the Hotel Operation segment under Impiana Ipoh Sdn Bhd of RM2.34 million & the Property Sales segment under Impiana Cherating Sdn Bhd of RM2.64 million, while the Hotel Management segment registered revenue of RM0.90 million. Compared to the preceding year's quarter revenue of RM14.92 million, the current quarter's revenue of RM5.89 million represents a decrease of more than 100% due to the large amount recognized for Property Sales in the preceding year's quarter from the en-bloc sale of 126 units at Impiana Residences Cherating. The Hotel Operation segment outperformed the preceding year's quarter by more than 100% as a result of the lifting of many Covid 19 restrictions during the current year quarter, resulting in better occupancy at Impiana Hotel Ipoh.

The overall group registered a loss after tax of RM3.49 million as compared to profit after tax of RM1.05 million in the preceding year's quarter. This negative variance is again a result of the large amount contributed by the Property Sales segment from the en-bloc sales registered in the preceding year's quarter.



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**A10. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the quarter and period-to-date ended 30 June 2022.

**A11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

There were no revaluation of property, plant and equipment during the quarter and period-to-date ended 30 June 2022.

**A12. RELATED PARTY TRANSACTIONS**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter 30.06.2022	Quarter 30.06.2021	To-Date 30.06.2022	To-Date 30.06.2021
<b>RM '000</b>				
Hotel management fees received and receivable from:				
- Impiana Resort Patong (IPC)	84	4	297	28
- Impiana Resort Villas Kata Noi (IPV)	27	5	54	29
- Impiana Resort Chaweng Noi (IRS)	14	2	30	7
- Impiana Private Villas Seminyak (TVB)	93	3	119	21
- Impiana Private Villas Cemagi	10	1	19	5
- Impiana Private Villas Ubud	-	-	-	-

The transactions were entered in the normal course of business and have been established under normal commercial terms that are no less favourable than those arranged with independent third parties. The transactions were also transacted within the threshold as per the approved Recurrent Related Party Transactions ("RRPT") mandate.

**A13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

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

**A14. CAPITAL COMMITMENT**

There were no capital commitment by the Group during the quarter and period-to-date ended 30 June 2022.

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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. FINANCIAL REVIEW FOR CURRENT QUARTER AND CUMULATIVE QUARTER**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To-Date	To-Date
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
<b>RM'000</b>				
Revenue	5,890	14,927	18,532	19,499
Operating Loss Before Tax	(3,378)	1,295	(5,236)	(10,467)
Taxation	(116)	(240)	(360)	(263)
Loss After Tax	(3,495)	1,054	(5,596)	(10,730)
Loss Attributable to Owners of the Company	(3,495)	1,054	(5,596)	(10,730)

For the fourth quarter of FYE 2021/2022, the group registered a revenue of RM5.89 million, which represents a more than 100% decrease from the RM14.92 million revenue in the same quarter of the preceding FYE 2020/2021, due mainly to the large amount recognized in the Property Sales segment from the en-bloc sale of 126 units in Impiana Residences Cherating secured in the preceding year's quarter.

The group incurred a loss after tax of RM3.49 million during the quarter under review as compared to profit after tax of RM1.05 million of the preceding year. This negative variance is again the result of the large amount contributed by the Property Sales segment in the preceding year's quarter from the en-bloc sale of 126 Impiana Cherating Residences units.

**B2. FINANCIAL REVIEW FOR CURRENT QUARTER AND PRECEDING QUARTER**

	Individual Quarter	
	Current Year	Preceding Year
	Quarter	Quarter
	30.06.2022	31.03.2021
<b>RM'000</b>		
Revenue	5,890	14,927
Loss before tax	(3,378)	1,295
Loss after tax	(3,495)	1,054
Loss Attributable to owners of the Company	(3,495)	1,054

The Group's revenue in the fourth (4th) quarter of FYE 2021/2022 was RM5.89 million as compared to RM14.92 million recorded in the preceding quarter in FYE 2020/2021.

The Group registered a loss after tax of RM3.49 million during the current quarter compared with RM1.05 million profit after tax during the immediate preceding quarter in FYE 2020/2021.

**B3. CURRENT PROSPECTS**

The current Quarter has seen an increase in occupancy rates with the resumption of international travel. The removal of quarantine and testing requirements will also bode well for the hospitality industry. Nonetheless, a return to full pre-Covid conditions is not expected happen anytime soon. Until then, the industry will see gradual improvements in occupancy and rates. City business hotels will not enjoy the same rate of improvement as resort hotels due to the slower recovery in business travel. Nevertheless, the company is optimistic that business can only improve from this point.

This is also true for the company's property development business. With construction gaining momentum, the company expects to achieve a faster rate of completion progress and with that, progress billings that will enhance revenue generation. While conditions are still challenging, the company is cautiously optimistic and welcomes gradual but steady improvement.

Despite better conditions in the hospitality and property development segments, previously implemented cost-saving measures are still in place and will continue to remain in place until conditions return to near pre-Covid levels as the company has adapted to operating more efficiently.

**B4. PROFIT FORECAST**

Not applicable as no profit forecast was issued.

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**B5. LOSS BEFORE TAXATION**

Loss before taxation have been determined after charging/(crediting) amongst other items the following:-

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To-Date	To-Date
RM '000	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Amortisation of Intangible Assets	716	259	716	715
Interest Expense	3,360	1,281	3,360	1,500
Depreciation of Property, Plant and Equipment	2,037	(24)	2,037	308
Depreciation of Right of Use Assets	16	(9)	16	62
Share of Loss from an Associate	(391)	(548)	(595)	1,397

Other than the above, the items listed under Appendix 9B Note 16 of the Listing Requirement of Bursa Malaysia Securities Berhad are not applicable.

**B6. TAXATION**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To-Date	To-Date
RM '000	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Income Tax				
- current period expense	(116)	(240)	(360)	(263)
	(116)	(240)	(360)	(263)

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% of the estimated assessable profit for the financial period.

**B7. GROUP BORROWINGS**

Group's total borrowing as at 30 June 2022 are as follows:

	30.06.2022 (Unaudited)			30.06.2021 (Audited)		
	Short term	Long term	Total	Short term	Long term	Total
	Secured					
- Term Loan	2,598	71,489	74,087	2,621	68,014	70,635
- Hire Purchase	-	-	-	-	-	-
- Bank Overdraft	1,873	-	1,873	1,964	-	1,964
	4,470	71,489	75,959	4,586	68,014	72,599

**B8. TRADE RECEIVABLES**

The Group's normal credit term ranges from 30 to 60 days (30.06.2020: 30 to 60 days). Other credit term are assessed and approved on a case to case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

RM '000	As at 30.06.2022 (Unaudited)	As at 30.06.2021 (Audited)
Neither past due nor impaired	190	771
1 to 90 days past due but not impaired	2,944	853
91 to 180 days past due but not impaired	3,185	185
181 to 365 days past due but not impaired		966
> 365 days past due but not impaired *		
	6,129	2,004
	6,319	2,775

\* This amount is retention sums on contracts.

Trade receivables are non-interest bearing and normal credit terms offered by the Group is 30 days from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

**IMPIANA HOTELS BERHAD**  
**Registration No: 200601021085 (740838-A)**  
**(Incorporated in Malaysia)**

**B9. MATERIAL LITIGATION**

On January 2022, our Company's wholly-owned subsidiary, Impiana Cherating, has been served an Adjudication Claim filed with the Asian International Arbitration Centre (AIAC) Kuala Lumpur, from Axventure Sdn Bhd ("Axventure" or the "Claimant"). The claim is for works done up until year 2020 by Axventure as the contractor for Phases 1 and 2 of the proposed redevelopment of Impiana Resort & Residences Cherating. The Claimant sought for recovery of payment of outstanding sum of RM1,882,180.31, including other reliefs.

An Adjudication Decision was delivered on 7 February 2022 in favour of the Claimant and Impiana Cherating was ordered to pay an outstanding sum of RM1,947,373.18 (including interest, legal cost, and other incidental costs) as total costs of the adjudication proceeding.

In March 2022, Axventure proceeded to file an Originating Summons in the High Court of Kuala Lumpur (Summons No. WA-26C-68-03/2022) to register and enforce the Adjudication Decision against Impiana Cherating ("Execution Application") after rejecting Impiana Cherating's proposed settlement plan. On 9 May 2022, Impiana Cherating filed a Notice of Application to the Court for a stay of the Claimant's Adjudication Decision pursuant to Section 16(1)(a) of the CIPA Act 2012, pending disposal of Impiana Cherating's application to set aside the Adjudication Decision ("Setting Aside Application").

In respect of both the Setting Aside Application and the Execution Application, the Court has set 26 July 2022 to hear both applications. During the hearing on 26 July 2022, the Court held that it will not proceed with the Setting Aside Application. Further the Court has directed Impiana Cherating to make payment of the outstanding sum to the Claimant by 29 July 2022 failing which the Court will strike out Impiana Cherating's Setting Aside Application and allow the Execution Application at the new hearing date on 29 July 2022.

During the hearing on 29 July 2022, the Court had struck off the Setting Aside Application by the Defendant and allowed the Execution Application by the Plaintiff. Our Management is in discussion with the Plaintiff for a settlement proposal of the outstanding sum.

**B10. DERIVATIVE FINANCIAL INSTRUMENT**

The Group does not have any derivative financial instrument as at the end of reporting period.

**B11. OFF BALANCE SHEET FINANCIAL INSTRUMENT**

There is no off balance sheet financial instrument which has a material impact to the financial statement under review as at the end of financial period and up to date of this announcement.

**B12. DIVIDEND PAYABLE**

No interim dividend has been declared for the current financial period-to-date-ended 30 June 2022.

**B13. EARNINGS/(LOSS) PER SHARE ("EPS")/("LPS")**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2022	Preceding Year Quarter 30.06.2021	Current Year To-Date 30.06.2022	Preceding Year To-Date 30.06.2021
<b>RM '000</b>				
Profit / (Loss) attributable to Owners of the Company (RM '000)	(3,495)	1,054	(5,596)	(10,730)
Basic:				
Weighted average number of Ordinary Shares in issue ('000)	1,328,981	872,609	1,328,981	872,609
Basic EPS/ (LPS) (sen)	(0.263)	0.121	(0.421)	(1.230)
Diluted:				
Weighted average number of Ordinary Shares in issue ('000)	1,362,265	905,892	1,362,265	905,892
Diluted EPS/ (LPS) (sen)	(0.257)	0.116	(0.411)	(1.184)

**B14. AUTHORISED FOR ISSUE**

The interim financial statements were reviewed by the Audit Committee ("AC") and duly authorised for issue by the Board of Directors ("BOD") in accordance with a resolution of the Directors dated 26 August 2022.