

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2022**

	NOTE	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMMULATIVE QUARTER 3 MONTHS ENDED	
		CURRENT YEAR 31/3/2022 UNAUDITED RM'000	PRECEEDING YEAR 31/3/2021 UNAUDITED RM'000	CURRENT YEAR 31/3/2022 UNAUDITED RM'000	PRECEEDING YEAR 31/3/2021 UNAUDITED RM'000
Continuing Operations					
Revenue	9, 14 & 15	35,582	28,763	35,582	28,763
Cost of Sales		(30,533)	(25,863)	(30,533)	(25,863)
Gross Profit		<u>5,049</u>	<u>2,900</u>	<u>5,049</u>	<u>2,900</u>
Other income	23	70	145	70	145
Administrative expenses		(3,672)	(2,906)	(3,672)	(2,906)
Selling & marketing expenses		-	-	-	-
	9	<u>1,447</u>	<u>139</u>	<u>1,447</u>	<u>139</u>
Finance costs		(1,034)	(931)	(1,034)	(931)
Interest income		121	45	121	45
Profit/(Loss) before tax	9	<u>534</u>	<u>(747)</u>	<u>534</u>	<u>(747)</u>
Income tax expense	19	(302)	(48)	(302)	(48)
Profit/(loss) for the period		<u>232</u>	<u>(795)</u>	<u>232</u>	<u>(795)</u>
Other comprehensive income/(loss), net of tax:					
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other comprehensive income/(loss), net of tax		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income/(loss) for the period					
		<u>232</u>	<u>(795)</u>	<u>232</u>	<u>(795)</u>
Profit/(Loss) attributable to:					
Owners of the parent	14 & 15	232	(783)	232	(783)
Non-Controlling Interest		-	(12)	-	(12)
		<u>232</u>	<u>(795)</u>	<u>232</u>	<u>(795)</u>
Total comprehensive income attributable to:					
Owners of the parent		232	(783)	232	(783)
Non-Controlling Interest		-	(12)	-	(12)
		<u>232</u>	<u>(795)</u>	<u>232</u>	<u>(795)</u>
Earnings per share attributable to owners of the parent:					
Basic (sen)	27	<u>0.07</u>	<u>(0.24)</u>	<u>0.07</u>	<u>(0.24)</u>
Fully diluted (sen)	27	<u>0.06</u>	<u>(0.23)</u>	<u>0.06</u>	<u>(0.23)</u>

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED 31 MARCH 2022**

	Note	As at 31 March 2022 (Unaudited) RM'000	As at 31 December 2021 (Audited) RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		3,807	3,935
Right-of-use assets		1,969	2,085
Inventories		14,139	13,960
Investment property		1,148	1,234
Goodwill		-	-
Other non-current asset		12,454	13,505
Total non-current assets		<u>33,517</u>	<u>34,719</u>
Current assets			
Inventories		54,361	61,730
Contract assets		16,766	12,213
Trade receivables	22	37,466	33,816
Other receivables		5,187	4,348
Tax recoverable		446	468
Deposits, cash and bank balances		45,065	47,559
Total current assets		<u>159,291</u>	<u>160,134</u>
TOTAL ASSETS		<u>192,808</u>	<u>194,853</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		102,495	188,500
Warrants reserve		3,588	3,588
Retained earnings/(Accumulated losses)		228	(88,004)
Equity attributable to owners of the parent		<u>106,311</u>	<u>104,084</u>
Non-controlling interest		<u>-</u>	<u>-</u>
Total equity		<u>106,311</u>	<u>104,084</u>
Non-current liabilities			
Bank borrowings	21	18,416	15,646
Lease liabilities		887	1,045
Deferred tax liabilities		2,286	2,424
		<u>21,589</u>	<u>19,115</u>
Current liabilities			
Bank borrowings	21	53,152	58,873
Lease liabilities		408	373
Trade payables		6,898	6,601
Other payables		3,997	4,821
Amount due to directors		-	9
Tax payable		453	977
Total Liabilities		<u>64,908</u>	<u>71,654</u>
Total Liabilities		<u>86,497</u>	<u>90,769</u>
TOTAL EQUITY AND LIABILITIES		<u>192,808</u>	<u>194,853</u>
Net assets per share attributable to owners of the parent		0.3149	0.3204

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2022**

	Note	Attributable to owners of the parent			Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
		Capital RM'000	Non- Distributable Warrants Reserve RM'000	Retained Earnings/ (Accumulated Losses) RM'000			
At 1 January 2021		160,229	3,619	(80,178)	83,670	(108)	83,562
Total comprehensive income for the financial period		-	-	(783)	(783)	(12)	(795)
Transaction with owners							
Private placement		28,240	-	-	28,240	-	28,240
At 31 March 2021		188,469	3,619	(80,961)	111,127	(120)	111,007
At 1 January 2022		188,500	3,588	(88,004)	104,084	-	104,084
Total comprehensive income for the financial period		-	-	232	232	-	232
Transaction with owners							
Private placement		1,995	-	-	1,995	-	1,995
Share capital reduction		(88,000)	-	88,000	-	-	-
At 31 March 2022		102,495	3,588	228	106,311	-	106,311

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2022**

	Note	Current Year To-Date (Unaudited) 31 March 2021 RM'000	Preceding Year To-Date (Unaudited) 31 March 2021 RM'000
Net profit/(loss) before tax	9	534	(747)
Adjustments for non-cash flow:			
Depreciation and amortisation		299	299
Non-cash items		(23)	(122)
Interest expense		1,034	931
Interest income		(121)	(45)
Operating profit before changes in working capital		1,723	316
Changes to working capital			
Net (increase)/decrease in current assets		(1,852)	2,741
Net decrease in current liabilities		(527)	(4,306)
Net cash flows used in operating activities		(656)	(1,249)
Interest received		121	45
Interest paid		(1,034)	(931)
Tax paid		(942)	(5)
Net cash used in operating activities		(2,511)	(2,140)
Investing activities			
Purchase of property, plant and equipment		(28)	(116)
Proceeds from sale of property, plant and equipment		24	-
Net cash outflow from disposal of subsidiary company		-	(1)
Increase in fixed deposits with licensed banks		(3)	(20,237)
Net cash used in investing activities		(7)	(20,354)
Financing activities			
Net (repayments)/proceeds on bank borrowings		(2,566)	(1,178)
Lease liabilities paid		(65)	(98)
Issuance of new shares		1,995	28,240
Amount due to directors		(9)	(2)
Other non-current asset		1,051	-
Net cash generated from financing activities		406	26,962
Net changes in cash and cash equivalents		(2,112)	4,468
Effects of exchange rate changes		-	-
Cash and cash equivalents at beginning of the period		15,673	12,586
Cash and cash equivalents at the end of the period		13,561	17,054
Cash and cash equivalents comprise:			
Cash and bank balances		25,476	24,647
Fixed deposits with licensed banks		19,589	20,237
Overdraft	22	(11,915)	(7,593)
		33,150	37,291
Less: Fixed deposits with licensed banks		(19,589)	(20,237)
		13,561	17,054
Included in the cash flows from operating activities are:			
Cash receipts from customers		27,379	23,184
Cash payments to suppliers, contractors and employees		42,642	27,333

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

A) Notes in accordance to requirements under Financial Reporting Standards (“FRS”) No. 134 - Interim Financial Reporting

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the 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 year ended 31 December 2021.

2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2021.

On 1 January 2022, the Group adopted the following FRSs, Amendments to FRSs and IC Interpretations:-

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16: COVID-19-Related Rent Concessions Beyond 30 June 2021	1 April 2021
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant & Equipment – Proceeds Before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
• Amendments to MFRS 1	
• Amendments to MFRS 9	
• Amendments to Illustrative Examples accompanying MFRS 16	
• Amendments to MFRS 141	

The adoption of the above amendments and Annual Improvements to Standards did not have any material impact on the Group and the Company’s financial statements upon their initial application.

The following MFRSs, Amendments to FRSs and IC Interpretations were issued by the MASB but are not yet effective to the Group:

Description	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101 Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and FMRS 128: Sale or Contribution of Assets between an Investor and its Associates and Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above new MFRSs and amendments to MFRSs when they become effective. The initial application of the above-mentioned MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

3. Auditors' Report on Preceding Annual Financial Statements

The audited financial statements for the year ended 31 December 2021 were reported without any qualification.

4. Comments about Seasonal or Cyclical factors

The Company operations are not affected by any seasonal or cyclical factors.

5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2022.

6. Changes in Estimates

There were no changes in estimates that had any material effect to the financial statements in the quarter under review.

7. Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities for current quarter and financial year to-date, except as follows:

	Individual Period (1 st Quarter)		Cumulative Period (3 months)	
	Current Year 31/3/2022 RM'000	Preceding Year 31/3/2021 RM'000	Current Year 31/3/2022 RM'000	Preceding Year 31/3/2021 RM'000
Private placement	1,995	28,175	1,995	28,175
Warrant C exercised	-	65	-	65
Total	1,995	28,240	1,995	28,240

8. Dividends paid

No dividend has been declared for the current quarter ended 31 March 2022.

9. Segmental information

The Group is organized into three main business divisions:

- (i) Poultry – This consists of contract farming, and trading of live broilers, feeds, day-old chicks, medications and vaccines.
- (ii) Property development – This consists of development and construction of residential and commercial properties.
- (iii) Healthcare – This consists of setting up and running of hospitals and clinics.

Segment information for the three months ended 31 March 2022 was as follows:

	<u>Poultry</u>	<u>Property development</u>	<u>Healthcare</u>	<u>Others</u>	<u>Sub-Total</u>	<u>Eliminations</u>	<u>Group</u>
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000
2022							
Revenue							
External	24,078	11,504	-	-	35,582	-	35,582
Internal	-	2,046	-	-	2,046	(2,046)	-
Total Revenue	24,078	13,550	-	-	37,628	(2,046)	35,582
Results							
Segment results	579	1,766	(222)	(373)	1,750	(26)	1,724
Interest income	-	17	-	104	121	-	121
Interest expense	(421)	(434)	(2)	(177)	(1,034)	-	(1,034)
Non-cash income/(expense)	(77)	(146)	(1)	(53)	(277)	-	(277)
Profit/(loss) before tax	81	1,203	(225)	(499)	560	(26)	534
Taxation	-	(440)	-	-	(440)	138	(302)
Segment profit/(loss)	81	763	(225)	(499)	120	112	232

Segment information for the three months ended 31 March 2021 was as follows:

	<u>Poultry</u>	<u>Property development</u>	<u>Healthcare</u>	<u>Others</u>	<u>Sub-Total</u>	<u>Eliminations</u>	<u>Group</u>
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000
2021							
Revenue							
External	24,100	4,369	294	-	28,763	-	28,763
Internal	-	4,271	-	-	4,271	(4,271)	-
Total Revenue	24,100	8,640	294	-	33,034	(4,271)	28,763
Results							
Segment results	367	(119)	(362)	(194)	(308)	209	(99)
Interest income	3	7	-	35	45	-	45
Interest expense	(205)	(509)	(36)	(181)	(931)	-	(931)
Non-cash income/(expense)	(85)	(143)	(126)	(30)	(384)	622	238
Profit/(loss) before tax	80	(764)	(524)	(370)	(1,578)	831	(747)
Taxation	-	2	-	-	2	(50)	(48)
Segment profit/(loss)	80	(762)	(524)	(370)	(1,576)	781	(795)

10. Subsequent Events

As at the date of this report, there were no material events subsequent to the current quarter ended 31 March 2022, except as follows:

On 20 April 2022, the Company announced the proposed disposal of SM Broilers Sdn Bhd to FCH Holdings Sdn Bhd, a company which Datuk Fong Kiah Yeow and Fong Ngan Teng each holds a 25% equity interest. As such the proposed disposal is deemed a related party transaction pursuant to Paragraph 10.08 – Related Party Transactions of the Main Market Listing Requirements of Bursa Securities. Hence, the proposed disposal would require the approval of non-interested members of the Company at an Extraordinary General Meeting to be held on 30 June 2022.

11. Changes to the composition of the Group

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

12. Contingent Liabilities

The Company provides corporate guarantee to financial institutions for all unsecured credit facilities granted to subsidiaries amounting to RM54.33 million as at 31 March 2022.

13. Capital Commitments

There were no material capital commitments not provided for in the interim financial statements as at 31 March 2022.

14. Review of Current Quarter Events and Performance

The Group’s performance for the current year’s first quarter ended 31 March 2022 compared to the preceding year’s first quarter ended 31 March 2021 is shown in Table 1 and Table 2.

Table 1: Financial review for current quarter and financial year to date

	Individual Period (1 st Quarter)		Changes (Amount/%)	Cumulative Period (3 Months)		Changes (Amount/%)
	Current Year 31/3/2022 RM’000	Preceding Year 31/3/2021 RM’000		Current Year 31/3/2022 RM’000	Preceding Year 31/3/2021 RM’000	
Revenue	35,582	28,763	+6,819, +24%	35,582	28,763	+6,819, +24%
Profit/(Loss) before interest and tax	1,447	139	+1,308, +>100%	1,447	139	+1,308, +>100%
Profit/(Loss) before tax	534	(747)	+1,281, +>100%	534	(747)	+1,281, +>100%
Profit/(Loss) after tax	232	(795)	+1,027, +>100%	232	(795)	+1,027, +>100%
Loss attributable to Ordinary Equity Holders of the Parent	232	(783)	+1,015, +>100%	232	(783)	+1,015, +>100%

Table 2: Revenue by Segment (Current Quarter and Corresponding Quarter)

Description	3 months ended	3 months ended	Increase/(Decrease)	
	31-Mar-22	31-Mar-21	RM’000	%
	RM’000	RM’000		
Revenue				
- Poultry	24,078	24,100	(22)	(0)
- Property development	11,504	4,369	7,135	>100
- Healthcare	-	294	(294)	(100)
	35,582	28,763		

For the current quarter ended 31 March 2022, the poultry segment recorded a lower revenue of RM24.08 million as compared with RM24.10 million in the corresponding quarter ended 31 March 2021, an insignificant decrease. The decrease was mainly due to decrease in sales volume of live broilers resulting from decrease in trading of live broilers activity during the quarter ended 31 March 2022 as compared to the corresponding quarter ended 31 March 2021.

The property development segment posted a higher revenue of RM11.50 million in the current quarter ended 31 March 2022 as compared to the revenue of RM4.37 million in the corresponding quarter ended 31 March 2021, an increase of more than 100%. This was due to higher recognition of revenue on the percentage of completion basis during the current quarter ended 31 March 2022 as compared to the corresponding quarter ended 31 March 2021.

The healthcare division has no revenue in the current quarter ended 31 March 2022 as the Group had ceased operations of its healthcare division since the end of the second quarter of the financial year ended 31 December 2021.

As total revenue increased, the Group posted a profit attributable to owners of the parent of RM0.23 million during the current quarter ended 31 March 2022 as opposed to a loss attributable to owners of the parent of RM0.78 million in the corresponding quarter ended 31 March 2021. The profit during the current quarter ended 31 March 2022 was mainly due to increase in revenue from the property development division as compared to the corresponding quarter ended 31 March 2021.

15. Comparison to Preceding Quarter's Results

The Group's performance for the current quarter ended 31 March 2022 compared to the previous quarter ended 31 December 2021 is as shown in Table 4 and Table 5 below:

Table 4: Financial review for current quarter compared with the immediately preceding quarter

	3 months ended 31 March 2022 RM'000	3 months ended 31 December 2021 RM'000	Changes (Amount/%)
Revenue	35,582	46,848	-11,266, -24%
Profit before interest and tax	1,447	6,680	-5,233, -78%
Profit before tax	534	1,053	-519, -49%
Profit/(Loss) after tax	232	420	-188, -45%
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	232	420	-188, -45%

Table 5: Revenue by Segment (Current Quarter Compared With The Immediately Preceding Quarter)

Description	3 months ended 31-Mar-22 RM'000	3 months ended 31-Dec-21 RM'000	Increase/(Decrease)	
			RM'000	%
Revenue				
- Poultry	24,078	23,847	+231	+1
- Property development	11,504	23,001	-11,497	-50
- Healthcare	-	-	-	-
	35,582	46,848		

For the current quarter ended 31 March 2022, the poultry segment posted a higher revenue of RM24.08 million compared to the turnover of RM23.85 million recorded in the previous quarter ended 31 December 2021, increase of 1%. The increase was mainly due to increase in average selling price of live broilers during the current quarter ended 31 March 2022.

The property development segment posted a lower revenue of RM11.50 million in the current quarter ended 31 March 2022 as compared to the revenue of RM23.00 million in the preceding quarter ended 31 December 2021, a decrease of 50%. This was mainly due to lower revenue recognised on the percentage of completion method during the current quarter ended 31 March 2022 as compared to the previous quarter ended 31 December 2021.

As a result of the decrease in revenue, the Group posted a lower profit attributable to owners of the parent of RM0.23 million during the current quarter ended 31 March 2022 compared to a profit attributable to owners of the parent of RM0.42 million during the preceding quarter ended 31 December 2021.

16. Prospects

The Group intends to concentrate solely on property development activities and as such had on 20 April 2022 announced the proposed disposal of SM Broilers Sdn Bhd to FCH Holdings Sdn Bhd, a company which Datuk Fong Kiah Yeow and Fong Ngan Teng each holds a 25% equity interest. As such the proposed disposal is deemed a related party transaction pursuant to Paragraph 10.08 – Related Party Transactions of the Main Market Listing Requirements of Bursa Securities. Hence, the proposed disposal would require the approval of non-interested members of the Company at an Extraordinary General Meeting to be held on 30 June 2022.

Revenue from property development activities during the current quarter ended 31 March 2022 was much lower compared to the previous quarter ended 31 December 2021. Furthermore, prices of building materials have increased significantly and will have a major impact on the project development costs. As such, the Group is bracing itself for a tough second quarter ending 30 June 2022.

17. Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

18. Profit/(Loss) before tax

	Current Year	Preceding Year	Current	Preceding
	Quarter ended	Quarter ended	Year to-date	Year to-date
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortization	299	299	299	299
Gain on disposal of properties, plant and equipment	(23)	-	(23)	-
Impairment loss on trade receivables	-	-	-	-
Interest income	(121)	(45)	(121)	(45)
Interest expense	1,034	931	1,034	931

19. Taxation

The income tax (expense)/income to the Group for the current quarter under review is as follows:

	Quarter ended	Year to-date	Quarter ended	Year to-date
	31 Mar 2022	31 Mar 2022	31 Mar 2021	31 Mar 2021
	RM '000	RM '000	RM '000	RM '000
Current tax	(440)	(440)	-	-
Deferred tax	138	138	(48)	(48)
Total tax income/(expense)	(302)	(302)	(48)	(48)

20. Corporate Proposals

There were no corporate proposals in the current quarter under review, other than the following:

Proposed Capital Reduction

The Proposed Capital Reduction which was disclosed in the previous quarter's report was duly approved by the members of the Company at an extraordinary general meeting held on 23 November 2021. The sealed order of the High Court of Malaya confirming the Capital Reduction has been lodged with the Registrar of Companies on 6 January 2022. Pursuant thereto, the Capital Reduction shall therefore take effect and be deemed completed on 20 January 2022, as confirmed by the Notice of Confirming Reduction of Share Capital dated 20 January 2022 pursuant to Section 116(7) of the Companies' Act 2016.

The effects of the Capital Reduction on the financial statements of the Company and the Group are as follows:

	<u>Company</u>		<u>Group</u>	
	Share Capital	(Accumulated Losses)/Retained Earnings	Share Capital	(Accumulated Losses)/Retained Earnings
	RM'000	RM'000	RM'000	RM'000
As at 31 Dec 2021	188,500	(80,438)	188,500	(88,004)
Issue of new shares	1,995	-	1,995	-
Capital reduction	(88,000)	88,000	(88,000)	88,000
Profit/(loss) for QE 31/3/2021	-	(367)	-	232
As at 31 Mar 2022	102,495	7,195	102,495	228

Private Placement Pursuant to Circular to Shareholders dated 27 July 2021

The proposed private placement of up to 82,298,500 new ordinary shares in Sinmah Capital Berhad (“the Company”), representing approximately 25% of the existing number of issued shares of the Company was approved by shareholders of the Company at an extraordinary general meeting held on 24 August 2021. The proceeds of the proposed private placement (net of expenses) are to be utilised for future viable investment within 24 months from the receipt of placement funds.

On 21 January 2022, the Company allotted 12,700,000 new ordinary shares in the Company to a third-party investor pursuant to the said private placement at an issue price of RM0.1571 per share. The proceeds of RM1,995,170 was received on 21 January 2022. Hence, the last date for utilisation of the proceeds of RM1,995,170 shall be on the 20 January 2024.

Utilisation of proceeds up to the date of this report is as follows:

	Planned Utilisation	Actual Utilisation	Balance to be Utilised
	RM'000	RM'000	RM'000
For future viable investment	1,995	-	1,995

21. Group Borrowings

Group borrowings and debt securities as at the end of the reporting period:

(a) The borrowings of the Group are secured by way of fixed and floating charges over certain assets and negative pledges over assets of the Group, corporate guarantees from the Company’s certain existing operating subsidiaries, persona guarantees of certain directors of the Company and undertaking by the holding company to fully repay the facilities should the Company be unable to meet its obligations.

(b) Group borrowings as at the end of the reporting period are as follows:-

	Short Term RM'000	Long term RM'000	Total RM'000
Bank overdraft	11,915	-	11,915
Bankers acceptance	24,099	-	24,099
Revolving credit	11,000	-	11,000
Term loans	6,138	18,416	24,554
	<u>53,152</u>	<u>18,416</u>	<u>71,568</u>

22. Trade Receivables

	Financial Period Ended 31 Mar 2022 RM'000	Financial Year Ended 31 Dec 2021 RM'000
Trade receivables		
Third parties	48,336	44,686
Impairment losses		
- brought forward	(10,870)	(6,352)
- impaired during the period/year	-	(4,518)
- reversed during the period/year	-	-
- disposal of subsidiary	-	-
	<u>(10,870)</u>	<u>(10,870)</u>
	<u>37,466</u>	<u>33,816</u>

The Group’s normal credit term for trade receivables ranges from 30 to 120 days. They are recognised at their original invoice amounts which represents their fair values upon initial recognition. There are no trade receivables due from related parties.

The Group has no significant concentration of credit risk that may arise from exposures to a single receivable or groups of receivables.

Ageing analysis of trade receivables is as follows:

	Financial Period Ended 31 Mar 2022 RM'000	Financial Year Ended 31 Dec 2021 RM'000
Neither past due nor impaired	16,677	15,892
Past due not impaired:		
Up to 60 days past due	5,323	7,298
More than 60 days	15,466	10,626
	<u>20,789</u>	<u>17,924</u>
	37,466	33,816
Impaired	<u>10,870</u>	<u>10,870</u>
	<u>48,336</u>	<u>44,686</u>

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group.

As at 31 March 2022, trade receivables of approximately RM20,789,000 (31 December 2021: RM17,924,000) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default.

The trade receivables of the Group that are individually assessed to be impaired amounting to approximately RM10,870,000 relates to customers that are in financial difficulties, have defaulted on payments and / or have disputed on billings. These balances are expected to be recovered through the Group's debt recovery process.

Commentaries on the recoverability of trade receivables which exceeded the average credit term granted

All trade receivables which exceeded the average credit terms are closely monitored by the Group's credit control team. Delinquent cases are handed over promptly to external lawyers for further recovery action.

23. Other Income

	Current Year Quarter Ended 31 Mar 2022 RM'000	Preceding Year Quarter Ended 31 Mar 2021 RM'000	Current Year Cumulative Period Ended 31 Mar 2022 RM'000	Preceding Year Cumulative Period Ended 31 Mar 2021 RM'000
Other income comprises the following:				
Rental income	39	23	39	23
Miscellaneous other income	8	-	8	-
Bad debts recovered	-	-	-	-
Gain on disposal of property, plant and equipment	23	-	23	-
Gain on disposal of subsidiary	-	122	-	122
	<u>70</u>	<u>145</u>	<u>70</u>	<u>145</u>

24. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 24 May 2022.

25. Material Litigations

There was no material litigation for the quarter under review.

26. Dividend

No interim dividend has been declared for the quarter ended 31 March 2022 (31 March 2021: Nil).

27. Earnings Per Share

Basic earnings/(loss) per share

The basic earnings/(loss) per share is calculated by dividing the profit for the period attributable to owners of the parent by the weighted average number of ordinary shares in issue during the current quarter and current year-to-date respectively as follows:

	Current Year Quarter Ended 31 Mar 2022 RM'000	Preceding Year Quarter Ended 31 Mar 2021 RM'000	Current Year To-Date 31 Mar 2022 RM'000	Preceding Year To-Date 31 Mar 2021 RM'000
Profit/(Loss) attributable to owners of the parent (RM'000)	232	(783)	232	(783)
Weighted average number of shares ('000)	334,925	324,579	334,925	324,579
Basic earnings/(loss) per share (sen)	0.07	(0.24)	0.07	(0.24)

28. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 May 2022.