

Condensed consolidated statement of comprehensive income
For the year ended 31 December 2022

	Current quarter		Cumulative quarter	
	3 months ended 31.12.22 (Unaudited) RM'000	3 months ended 31.12.21 (Unaudited) RM'000	12 months ended 31.12.22 (Unaudited) RM'000	12 months ended 31.12.21 (Audited) RM'000
Revenue	77,620	127,143	357,087	363,002
Cost of sales	(69,479)	(93,132)	(295,728)	(286,354)
Gross profit	8,141	34,011	61,359	76,648
Other operating income	420	2,558	1,545	3,444
Administrative expenses	(3,213)	(4,507)	(9,148)	(8,520)
Other operating expenses	(1,782)	(2,585)	(2,186)	(2,585)
Operating profit	3,566	29,477	51,570	68,987
Interest income	340	109	985	375
Finance costs	(484)	(577)	(1,773)	(2,884)
Net finance costs	(144)	(468)	(788)	(2,509)
Profit before tax	3,422	29,009	50,782	66,478
Income tax expense	(6,089)	(4,129)	(17,548)	(12,629)
Profit net of tax	(2,667)	24,880	33,234	53,849
Other comprehensive income				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(23)	227	(23)	(61)
Other comprehensive income for the period, net of tax	(23)	227	(23)	(61)
Total comprehensive (loss)/ income for the period/yea	(2,690)	25,107	33,211	53,788
(Loss)/profit attributable to:				
Owners of the parent	(2,462)	23,912	31,556	50,610
Non-controlling interests	(205)	968	1,678	3,239
	(2,667)	24,880	33,234	53,849
Total comprehensive income attributable to:				
Owners of the parent	(2,477)	24,053	31,541	50,570
Non-controlling interests	(213)	1,054	1,670	3,218
	(2,690)	25,107	33,211	53,788
Earnings per share (EPS) attributable to owners of the parent (sen per share)				
Basic	(0.80)	7.74	10.21	16.38

These condensed consolidated statement 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 these interim financial statements.

CEPATWAWASAN GROUP BERHAD
Registration No. 200101000743 (536499-K)

Condensed consolidated statement of financial position as at 31 December 2022

	31.12.22	31.12.2021
	(Unaudited)	(Audited)
	RM'000	RM'000
ASSETS		
Property, plant and equipment	312,999	326,602
Investment properties	43,340	43,340
Intangible assets	17,358	17,358
Deferred tax assets	4,647	6,539
Total non-current assets	378,344	393,839
Biological assets	2,603	4,385
Inventories	21,099	16,628
Trade and other receivables	12,575	16,911
Tax recoverable	1,048	1,690
Short term investments	20,932	18,076
Deposits placed with licensed banks	41,406	16,154
Cash and bank balances	19,367	22,565
Total current assets	119,030	96,409
TOTAL ASSETS	497,374	490,248
EQUITY		
Equity attributable to owners of the parent		
Share capital	318,446	318,446
Treasury shares	(11,097)	(11,097)
Retained earnings	170,128	150,930
Other reserve	(80,925)	(80,777)
Foreign currency translation reserve	(294)	(279)
Total equity attributable to owners of the parent	396,258	377,223
Non-controlling interests	7,630	8,026
Total equity	403,888	385,249
LIABILITIES		
Lease liabilities	2,642	2,521
Loans and Borrowings	24,809	33,126
Deferred tax liabilities	26,717	27,056
Total non-current liabilities	54,168	62,703
Trade and other payables	24,971	26,789
Loans and Borrowings	10,800	11,233
Lease liabilities	894	748
Taxation	2,653	3,526
Total current liabilities	39,318	42,296
Total liabilities	93,486	104,999
TOTAL EQUITY AND LIABILITIES	497,374	490,248
Net assets per share attributable to owner of the parent (RM)	1.28	1.22

These condensed consolidated statement 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 these interim financial statements.

Condensed consolidated statement of cash flows for the year ended 31 December 2022

	12 months ended 31.12.2022 (Unaudited) RM'000	12 months ended 31.12.2021 (Audited) RM'000
Cash flows from operating activities		
Profit before tax	50,782	66,478
Adjustments for:		
Gain on termination of lease liabilities	-	(23)
Depreciation and amortisation	21,185	21,581
Fair value gain on biological assets	1,782	(2,205)
Finance cost	1,773	2,884
Interest income	(985)	(375)
Impairment on slow moving inventories	-	1,310
Inventories written off	-	341
Property, plant and equipment written off	509	934
Gain on disposal of Property, plant and equipment	(83)	-
Reversal of allowance for expected credit loss	(3)	(51)
Operating profit before working capital changes	<u>74,960</u>	<u>90,874</u>
Change in inventories	(4,471)	(1,797)
Change in receivables	4,360	(4,027)
Change in payables	(1,813)	7,727
Cash from operations	<u>73,036</u>	<u>92,777</u>
Income taxes paid	(16,548)	(9,018)
Income taxes refund	322	383
Interest received	970	375
Interest paid	(1,773)	(3,213)
Net cash from operating activities	<u>56,007</u>	<u>81,304</u>
Cash flows investing activities		
Acquisition of property, plant and equipment	(7,027)	(6,214)
Acquisition of non-controlling interests	-	(541)
Change in Short term investment	(2,855)	(4,193)
Withdrawal of fixed deposits with licensed banks	-	13
Proceeds from disposal of property, plant and equipment	85	-
Net cash used in investing activities	<u>(9,797)</u>	<u>(10,935)</u>
Cash flows from financing activities		
Acquisition of subsidiary's treasury shares	(213)	(226)
Dividend paid to equity holders of the Company	(12,359)	(7,724)
Dividend paid to non-controlling interests	(2,000)	(1,600)
Drawdown of loans and borrowings	20,100	-
Repayment of loans and borrowings	(28,850)	(46,687)
Repayment of leases liabilities	(801)	(885)
Net cash flows used in financing activities	<u>(24,123)</u>	<u>(57,122)</u>
Net increase in cash and cash equivalents	22,087	13,247
Net foreign exchange difference	(33)	(65)
Cash and cash equivalents at beginning of financial period	34,635	21,453
Cash and cash equivalents at end of financial period	<u>56,689</u>	<u>34,635</u>
Cash and cash equivalents at the end of the financial year comprise the following:		
Deposits placed with licensed banks	41,406	16,154
Cash and bank balances	19,367	22,565
	<u>60,773</u>	<u>38,719</u>
Deposits pledged with licensed banks	(4,084)	(4,084)
Cash and cash equivalents at end of financial year	<u>56,689</u>	<u>34,635</u>

These condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

Condensed consolidated statement of changes in equity for the year ended 31 December 2022

	Attributable to owners of the parent						Retained earnings	Non-controlling interests
	Non-distributable			Distributable				
	Equity attributable to owners of the parent, total	Share capital	Treasury shares	Other reserve	Foreign currency translation reserve			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2021	341,552	334,168	318,446	(11,097)	(80,635)	(239)	107,693	7,384
Effect of Subsidiary treasury share transaction	(226)	(142)	-	-	(142)	-	-	(84)
Effect of acquisition of Non Controlling interest	(541)	351	-	-	-	-	351	(892)
Dividend paid to non-controlling interests	(1,600)	-	-	-	-	-	-	(1,600)
Dividend paid to equity holders of the Company	(7,724)	(7,724)	-	-	-	-	(7,724)	-
At 31 December 2021	385,249	377,223	318,446	(11,097)	(80,777)	(279)	150,930	8,026
At 1 January 2022	385,249	377,223	318,446	(11,097)	(80,777)	(279)	150,930	8,026
Total comprehensive income	33,211	31,541	-	-	-	(15)	31,556	1,670
Effect of Subsidiary treasury share transaction	(214)	(148)	-	-	(148)	-	-	(66)
Effect of acquisition of Non Controlling interest	-	-	-	-	-	-	-	-
Dividend paid to non-controlling interests	(2,000)	-	-	-	-	-	-	(2,000)
Dividend paid to equity holders of the Company	(12,358)	(12,358)	-	-	-	-	(12,358)	-
At 31 December 2022	403,888	396,258	318,446	(11,097)	(80,925)	(294)	170,128	7,630

The above 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 these interim financial statements.

CEPATWAWASAN GROUP BERHAD
Registration No. 200101000743 (536499-K)

Notes to the condensed consolidated interim financial statements

1. Basis of preparation

These condensed consolidated interim financial statements for the period ended 31 December 2022 have been prepared in accordance with Financial Reporting Standard (“FRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements of the Group 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 financial year ended 31 December 2021.

2. Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2021 except for the adoption of new MFRS, amendments to published standards and IC Interpretations for the Group for the financial year beginning 1 January 2022:

Amendments to MFRSs	Effective Date
Amendments to MFRS1: First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)	1 Jan 2022
Amendments to MFRS 3: Business Combinations-Reference to Conceptual Framework	1 Jan 2022
Amendments to MFRS 9: Financial Instruments (Annual improvements to MFRS Standard 2018-2020)	1 Jan 2022
Amendments to Illustrative Examples accompanying MFRS 16 : Leases (Annual Improvements to MFRS Standards 2018-2020)	1 Jan 2022
Amendments to MFRS116: Property, plant and equipment –Proceeds before intended use	1 Jan 2022
Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets-Onerous Contracts- Cost of Fulfilling a Contract	1 Jan 2022
Amendments to MFRS 141 Agriculture (Annual Improvements to MFRS Standards 2018-2020)	1 Jan 2022

The adoption of above amendment to MFRS did not have a material impact on the financial statements of the Group.

At the date of authorization of these interim financial statements, the following MFRS were issued but not yet effective and have not been applied by the Group:

Amendments to MFRSs	Effective Date
MFRS 17: Insurance Contracts	1 Jan 2023
Amendments to MFRS 17: Insurance contracts-Initial Application of MFRS17	1 Jan 2023
Amendments to MFRS 9 : Comparative Information	1 Jan 2023
Amendments to MFRS101: Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies	1 Jan 2023
Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors-Definition of Accounting Estimates	1 Jan 2023
Amendments to MFRS 112: Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 Jan 2023

3. Auditors' report on preceding annual financial statements

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

4. Segment information

The Group has three reportable segments, as described below, which are the Group's strategies business units. The strategic business units offer different products and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments:

- a. Plantation - Cultivation of oil palm
- b. Oil Mill - Milling and sales of oil palm products
- c. Power Plant - Power generation and sales of biomass by-products

Information about reportable segments

	Results for the 3 months ended 31 December							
	Plantation		Oil Mill		Power Plant		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	8,425	15,846	63,762	93,890	5,334	17,133	77,521	126,869
Inter-segment revenue	12,331	16,256	-	-	-	-	12,331	16,259
Segment profit	4,253	20,311	2,342	3,537	(2,059)	6,570	4,536	30,418

	3 months ended 31.12.2022 (Unaudited) RM'000	3 months ended 31.12.2021 (Unaudited) RM'000
Segment profit is reconciled to consolidated loss before tax as follows:		
Segment profit	4,536	30,418
Other non-reportable segments	(340)	(400)
Elimination of inter-segment profits	20	199
Unallocated corporate expenses	(794)	(1,208)
Consolidated profit before tax	3,422	20,009

4. Segment information (cont'd)

	Results for the 12 months ended 31 December							
	Plantation		Oil Mill		Power Plant		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	33,751	45,739	280,369	266,557	42,306	49,735	356,426	362,031
Inter-segment revenue	59,226	47,393	-	-	-	-	59,226	47,393
Segment profit	38,031	49,493	5,758	6,363	9,149	13,915	52,938	69,771
Segment Assets	231,377	231,983	41,534	43,438	129,754	142,766	402,665	418,187
Segment Liabilities	33,233	31,369	17,773	19,117	7,181	9,971	58,187	60,457

	12 months ended 31.12.2022 (Unaudited) RM'000	12 months ended 31.12.2021 (Unaudited) RM'000
Segment profit is reconciled to consolidated loss before tax as follows:		
Segment profit	52,938	69,771
Other non-reportable segments	525	(1,537)
Elimination of inter-segment profits	(505)	218
Unallocated corporate expenses	(2,176)	(1,974)
Consolidated profit before tax	<u>50,782</u>	<u>66,478</u>

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 under review.

6. Changes in estimates

There was no estimation of amount used in the preceding reporting quarter having a material impact in the current reporting quarter.

7. Comments about seasonal or cyclical factors

The Group considers the seasonal or cyclical factors affecting the results of the operations of the Group comprising the cultivation of oil palm and processing of fresh fruit bunches to include general climatic conditions, age profile of oil palms, the cyclical nature of annual production and the movements in commodity prices.

8. Dividend paid

There were no dividends paid during the current quarter.

During the year, the Board approved the following single-tier ordinary dividend on 28 March 2022 and paid on 29 April 2022:-

- (i) single-tier ordinary dividend of 1.0 sen per ordinary share totalling RM3,089,670 in respect of the financial year ended 31 December 2021;
- (ii) single-tier special dividend of 1.0 sen per ordinary share totalling RM3,089,670 in respect of the financial year ended 31 December 2021; and
- (iii) single-tier special dividend of 2.0 sen per ordinary share totalling RM6,179,340 in respect of the financial year ending 31 December 2022 and paid on 29 April 2022.

9. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period under review.

10. Changes in composition of the Group

There were no changes in the composition of the Group during the quarter ended 31 December 2022.

11. Capital commitments

The amount of capital commitments not provided for in the unaudited interim financial statements as at 31 December 2022 is as follows:

	RM'000
Approved and contracted for	2,504
Approved but not contracted for	15,402
	<u>17,906</u>

12. Changes in contingent liabilities and contingent assets

There were no changes in other contingent liabilities or contingent assets since the last annual statement of financial position as at 31 December 2021.

On 10 May 2021, a group of residents of Kampung Segaliud in Sandakan("Plaintiffs"), sued a subsidiary of the Company, Prolific Yield Sdn. Bhd.(“Prolific”) and another third party (collectively referred to as “Defendants”) for negligence and breach of duty for alleged discharge of industrial effluent from their palm oil mill and thereby causing pollution to the nearby Segaliud River. Prolific has strongly denied the said claim as they maintain that at all material times they had set up and operated a safe and adequate industrial effluent treatment system duly approved and licensed by the relevant authorities and in compliance with the terms and conditions of the said license and all applicable relevant laws and regulations.

The trial was held in Sandakan High Court from 4 July 2022 to 6 July 2022. Thereafter on 1 December 2022, the High Court dismissed the said claim against Prolific and further awarded RM30,000 costs to Prolific.

CEPATWAWASAN GROUP BERHAD
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Information required by Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. Review of performance

The performance of the Group is tabulated below:-

	Current Quarter		%	Preceding Quarter	%	Cumulative Quarter		%
	4 th Qtr22	4 th Qtr21				4 th Qtr22	3 rd Qtr21	
	RM'000	RM'000	+/-	RM'000	+/-	RM'000	RM'000	+/-
Financial Performances :-								
Revenue	77,620	127,143	-39%	77,546	*	357,087	363,002	-2%
Operating profit	3,566	29,477	-88%	8,170	-56%	51,570	68,987	-25%
Profit before tax	3,422	29,009	-88%	8,009	-57%	50,782	66,478	-24%
(Loss)/profit after tax	(2,667)	24,880	-100%	3,324	-100%	33,234	53,849	-38%
(Loss)/profit attributable to Owners of the parent	(2,462)	23,912	-100%	2,976	-100%	31,556	50,610	-38%
Non Financial Performances :-								
Own FFB Production (mt)	29,023	30,463	-5%	23,758	22%	96,813	106,660	-9%
CPO Production (mt)	14,578	15,571	-6%	12,793	14%	49,214	51,968	-5%
PK Production (mt)	3,527	3,818	-8%	2,761	28%	11,448	12,348	-7%
CPO sales (mt)	14,484	15,691	-8%	12,747	14%	49,198	52,163	-6%
PK sales (mt)	3,519	3,803	-7%	2,989	18%	11,489	12,322	-7%
CPO Price per mt (RM)	3,906	5,072	-23%	4,107	-5%	4,984	4,427	13%
PK Price per mt (RM)	2,044	3,760	-46%	2,404	-15%	3,060	2,892	6%
Mill OER	20.13%	20.60%	*	20.28%	*	19.97%	20.03%	*
Electricity Export(MWh)	6,676	15,994	-58%	13,314	-50%	43,998	50,787	-13%

* Less than +/- 1%

1. Review of performance (Cont'd)

Current Quarter vs. Previous Year Corresponding Quarter

For this quarter under review, the Group recorded decreases in revenue of RM49.52 million (39%) and Profit before tax of RM25.59 million (88%) from RM127.14 million and RM29.01 million in the preceding year corresponding quarter to RM77.62 million and RM3.42 million respectively. The decreases in revenue and profit before tax were mainly due to the decrease in average selling prices of CPO, PK and FFB by 23%, 46% and 32% respectively while cost of FFB Production is 15% higher as compared to the preceding year corresponding quarter. In addition, the shutdown of biomass plant for maintenance and repair since October 2022 caused a further decline in the Group's revenue and profit before for tax for the quarter under review.

Performance of the respective operating business segments for this quarter under review as compared to the preceding year corresponding quarter is analyzed as follows:

- i) Plantation – Segment profit decreased by RM16.06 million (79%) from Segment profit of RM20.31 million to Segment profit of RM4.25 million due to decrease in average selling price of FFB by 32% and an increase in FFB production cost by 15% due to hike in fertilizer and labour cost in the current quarter. In addition, FFB production also decreased by 5%. Furthermore, loss from fair value adjustments of biological assets of RM1.78 million in the current quarter as compared to a gain of RM2.20 million in preceding year corresponding quarter further contributed to a less favorable comparative results.
- ii) Oil Mill – Segment profit decreased marginally by RM1.19 million (34%) from Segment profit of RM3.54 million to Segment profit of RM2.34 million mainly due to lower processing margin as a result of decline in Mill OER.
- iii) Power Plant – Segment profit decreased by RM8.63 million (>100%) from Segment profit of RM6.57 million to Segment loss of RM2.06 million due to shutdown maintenance and repair of biomass plant since October 2022. The shutdown of biomass plant also significantly reduced the production of EFB Oil. Power Export to SEB decreased by 58% and EFB Oil sales volume decreased by 70%. The Biomass power plant has resumed operation as of 15 February 2023.

Current Year-to-date vs. Previous Year-to-date

For this financial year under review, the Group recorded decreases in revenue of RM5.92 million (2%) and Profit before tax of RM15.70 million (24%) from RM363.00 million and RM66.48 million in the preceding year to RM357.09 million and RM50.78 million respectively. The decrease were mainly due to decrease in FFB Productions by 9% while Cost of FFB production increased by 27% as a result of hike in fertilizer and labour cost. Contribution from Power plant also declined due to decrease in Power Export (13%) and EFB Oil Sales volume (24%).

Performance of the respective operating business segments for this financial year under review as compared to the preceding year is analyzed as follows:

- i) Plantation – Segment profit decreased by RM11.46 million (23%) from Segment profit of RM49.49 million to Segment profit of RM38.03 million mainly due to decrease in FFB Productions by 9% while Cost of FFB production increased by 27% as a result of hike in fertilizer and labour cost. In addition, loss from fair value adjustments of biological assets of RM1.68 million was recorded in the current year as compared to a gain of RM2.30 million in preceding year.
- ii) Oil Mill – Segment Profit decreased marginally by RM0.60 million (10%) from Segment profit of RM6.36 million to Segment profit RM5.76 million mainly due to lower processing margin as a result of decline in Mill OER and decrease in FFB processing volume by 5%.

iii) Power Plant – Segment profit decreased by RM4.77 million (34%) from Segment profit of RM13.92 million to Segment profit of RM9.15 million with the decrease in Power Export (13%) and EFB Oil Sales volume (24%).

2. Comment on material change in profit before tax against immediate preceding quarter

The Group recorded a profit before tax of RM3.42 million in the quarter under review as compared to a profit before tax RM8.00 million in the immediate preceding quarter, a decrease in profit of RM4.59 million (57%) mainly due to shutdown maintenance and repair of biomass plant since October 2022. Power Export to SEB decreased by 50% and EFB Oil sales volume decreased by 70%. In addition, loss from fair value adjustments of biological assets of RM1.68 million was recorded in the current quarter.

3. Commentary on prospects

CPO prices have fallen more than 40% from its peak of RM6,324 in June 2022 following a policy shift in Indonesia to ease its export rules to encourage shipments and reduce its high palm oil inventories. Whilst the increasing CPO output from Indonesia is pushing down CPO prices, the lingering severe shortage in manpower also continues to hamper Malaysia's FFB production.

With the escalating production costs caused by the significant increase in fertilizer price and the introduction of RM1,500 minimum wage affecting the FFB production cost, the Group expects a challenging financial year ending 2023.

4. Profit forecast or profit guarantee

Not applicable as there was no profit forecast or guarantee published.

5. Profit for the period

	Current quarter		Cumulative quarter	
	3 months ended 31.12.2022 (Unaudited) RM'000	3 months ended 31.12.2021 (Unaudited) RM'000	12 months ended 31.12.2022 (Unaudited) RM'000	12 months ended 31.12.2021 (Audited) RM'000
Profit for the period is arrived at after charging:				
Depreciation and amortization	5,413	5,511	21,185	21,581
Impairment of Inventories	-	24	-	1,310
Inventories write off	-	341	-	341
Property, plant and equipment written off	197	934	509	934
Adjustment on Expected Credit Loss	-	(51)	(3)	(51)
Gain on disposal of Property, plant and equipment	(83)	-	(83)	-
Fair Value adjustment on Biological assets	1,782	(2,205)	1,782	(2,205)

Save as disclosed above, the other items as required under Appendix 9B, Part A(16) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

6. Income tax expense

	Current quarter		Cumulative quarter	
	3 months ended 31.12.2022 (Unaudited) RM'000	3 months ended 31.12.2021 (Unaudited) RM'000	12 months ended 31.12.2022 (Unaudited) RM'000	12 months ended 31.12.2021 (Audited) RM'000
Income tax				
- Current provision	4,982	4,390	13,242	9,977
- Under-provision of tax in prior years	(14)	(7)	2,755	246
	<u>4,968</u>	<u>4,383</u>	<u>15,997</u>	<u>10,223</u>
Deferred tax				
- Relating to origination and reversal of temporary differences	1,086	(234)	1,447	2,287
- Under-provision of deferred tax in prior years	35	(20)	104	119
	<u>1,121</u>	<u>(254)</u>	<u>1,551</u>	<u>2,406</u>
Total income tax expense	<u>6,089</u>	<u>4,129</u>	<u>17,548</u>	<u>12,629</u>

The Group's effective tax rate of the current and cumulative quarter is higher than the statutory tax rate of 24% due to reversal of deferred tax assets arising from Investment incentive in one of Subsidiaries recognised in previous financial year.

7. Borrowings

	As at 31.12.2022 (Unaudited) RM'000	As at 31.12.2021 (Audited) RM'000
Short term borrowings – Secured		
Revolving credit	3,300	3,300
Term loans	7,500	7,933
	<u>10,800</u>	<u>11,233</u>
Long term borrowings – Secured		
Term loans	24,809	33,126
	<u>24,809</u>	<u>33,126</u>
Total borrowings	<u>35,609</u>	<u>44,359</u>

The Group's total borrowings include a loan amount of RMNil million (31.12.2021: RM1.25 million) under the Green Technology Financing Scheme for the renewable power plants.

8. Trade Receivables and other receivables

	As at 31.12.2022 (Unaudited) RM'000	As at 31.12.2021 (Audited) RM'000
Current		
Third parties	8,060	13,364
Less : Allowance for impairment	(226)	(227)
	<u>7,834</u>	<u>13,137</u>
Other receivables, net	4,741	3,774
	<u>12,575</u>	<u>16,911</u>
Ageing analysis of Current trade receivables :-		
Neither past due nor impaired	7,840	12,341
1 to 30 days	18	739
31 to 60 days	31	57
61 to 90 days	-	-
More than 91 days	171	227
	<u>8,060</u>	<u>13,364</u>
Less : Allowance for impairment	(226)	(227)
	<u>7,834</u>	<u>13,137</u>

Trade receivables are non-interest bearing and generally on 7 to 30 days terms.

9. Disclosure of derivatives

The Group did not enter into any derivative contract and accordingly there were no outstanding derivatives (including financial instruments designated as hedging instruments) as at 31 December 2022.

10. Material litigation

There are no pending material litigations as at 23 February 2023.

11. Dividend payable

The Board approved the following dividend payments to be paid on 28 April 2023: -

- (i) Special "Bumper profit" single-tier ordinary dividend of 2.0 sen per ordinary share totalling RM3,089,670 in respect of the financial year ended 31 December 2022; and
- (ii) Single-tier dividend of 2.0 sen per ordinary share totalling RM3,089,670 in respect of the financial year ending 31 December 2023; and

12. Earnings per share

(a) Basic

Basic earnings per share amounts are calculated by dividing the Group's Profit/(Loss) for the period/year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period/year excluding treasury shares held by the Company.

	Current quarter		Cumulative quarter	
	3 months	3 months	12 months	12 months
	ended	ended	ended	ended
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(Loss)/profit for the period attributable to owners of the parent used in computation of earnings per share (RM'000)	<u>(2,462)</u>	<u>23,912</u>	<u>31,556</u>	<u>50,610</u>
Weighted average number of ordinary shares in issue ('000)	<u>308,967</u>	<u>308,967</u>	<u>308,967</u>	<u>308,967</u>
Basic earnings per share (sen per share)	<u>(0.80)</u>	<u>7.74</u>	<u>10.21</u>	<u>16.38</u>

(b) Diluted

The Group has no dilutive potential ordinary shares in issue as at balance sheet date and therefore, diluted earnings per share have not been presented.

13. Authorisation for issue

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 24 February 2023.