RHONE MA HOLDINGS BERHAD (Registration No. 201401040077 (1116225-A))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2022

	Note	Individual quarter		Cumulative quarter	
		Current year quarter	Preceding year quarter	Current year-to-date	Preceding year-to-date
		30/06/2022 RM'000	30/06/2021 RM'000	30/06/2022 RM'000	30/06/2021 RM'000
Revenue		46,830	38,832	93,051	76,567
Cost of sales		(34,347)	(27,802)	(66,648)	(53,406)
Gross profit		12,483	11,030	26,403	23,161
Other operating income		757	173	923	482
Distribution costs		(3,782)	(3,250)	(6,303)	(5,971)
Administration expenses		(4,562)	(4,551)	(10,872)	(9,754)
Finance costs		(392)	(366)	(800)	(741)
Profit before tax		4,504	3,036	9,351	7,177
Tax expense	B5	(1,200)	(733)	(2,517)	(1,757)
Profit for the financial period		3,304	2,303	6,834	5,420
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		3,304	2,303	6,834	5,420
Profit attributable to:					
Owners of the parent		3,019	1,953	6,475	4,968
Non-controlling interests		285	350	359	452
		3,304	2,303	6,834	5,420
Total comprehensive income attributable to:					
Owners of the parent		3,019	1,953	6,475	4,968
Non-controlling interests		285	350	359	452
		3,304	2,303	6,834	5,420
Earnings per ordinary share attributable to owners of the parent:					
- Basic (sen)	B15	1.36	0.97	3.03	2.47
- Diluted (sen)	B15	1.00	0.69	2.21	1.77

The Unaudited 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 these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	As at 30/06/2022 RM'000	Audited As at 31/12/2021 RM'000
Non-current asset			
Property, plant and equipment		77,965	78,523
Right-of-use assets		10,886	11,141
Investment property		5,546	5,567
Biological assets		3,518	3,367
Goodwill		3,941	3,941
Other investment	B9	74	24
		101,930	102,563
Current assets			
Inventories		49,255	33,246
Trade and other receivables		37,542	38,578
Current tax assets		274	799
Cash and bank balances and short term funds		30,259	20,620
		117,330	93,243
Total assets		219,260	195,806
Equity			
Share capital		117,272	103,618
Reorganisation debit balance	B17	(59,489)	(59,489)
Retained earnings		93,711	87,236
Total attributable to owners of the parent		151,494	131,365
Non-controlling interests		8,147	7,788
Total equity		159,641	139,153
Non-current liabilities			
Borrowings	B10	23,553	25,698
Lease liabilities		32	177
Deferred tax liabilities		1,918	1,918
Deferred income		394	400
		25,897	28,193
Current Liabilities			
Trade and other payables		23,423	19,835
Borrowings	B10	8,493	7,087
Lease liabilities		315	315
Deferred income		14	14
Current tax liabilities		1,477	1,209
		33,722	28,460
Total liabilities		59,619	56,653
Total equity and liabilities		219,260	195,806

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022 (CONTINUED)

	Note	As at 30/06/2022	Audited As at 31/12/2021
Net assets per share attributable to owners of the parent (RM)	B16	0.68	0.65

The Unaudited Condensed Consolidated Statement 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 these interim financial statements.

RHONE MA HOLDINGS BERHAD (Registration No. 201401040077 (1116225-A))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2022

	<---------- Attributable to owners of the parent ---------->					
	<-------- Non-distributable ------->		Distributable			
	Share capital RM'000	Reorganisation debit balance RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non-controlling interest RM'000	Total equity RM'000
Balance as at 1 January 2022	103,618	(59,489)	87,236	131,365	7,788	139,153
Profit for the financial period	-	-	6,475	6,475	359	6,834
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	6,475	6,475	359	6,834
Transactions with owners:						
Issuance of ordinary shares - private placement	13,458	-	-	13,458	-	13,458
Issuance of ordinary shares - exercise of warrants	196	-	-	196	-	196
Total transactions with owners	13,654	-	-	13,654	-	13,654
Balance as at 30 June 2022	117,272	(59,489)	93,711	151,494	8,147	159,641
Balance as at 1 January 2021	103,618	(59,489)	79,985	124,114	6,537	130,651
Profit for the financial period	-	-	4,968	4,968	452	5,420
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	4,968	4,968	452	5,420
Transactions with owners:						
Dividends paid	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
Balance as at 30 June 2021	103,618	(59,489)	84,953	129,082	6,989	136,071

The Unaudited Condensed Consolidated Statement 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 these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2022

	Current year-to-date 30/06/2022 RM'000	Preceding year-to-date 30/06/2021 RM'000
Cash flows from operating activities		
Profit before tax	9,351	7,177
Adjustments for:		
Depreciation	1,840	1,609
Inventories written off	108	18
Inventories written (back)/down	(202)	15
Impairment losses on trade receivables	92	240
Fair value gain on other investment	-	(1)
Interest expense	800	741
Loss on disposal of biological assets	24	147
Fair value changes on biological assets	(229)	(279)
Interest income	(53)	(84)
Unrealised loss/(gain) on foreign currency exchange	217	(187)
Operating profit before working capital changes	11,948	9,396
Changes in working capital:		
Inventories	(15,915)	(4,066)
Trade and other receivables	945	2,926
Trade and other payables	3,364	(695)
Cash generated from operations	342	7,561
Tax paid	(1,724)	(1,292)
Net cash (used in)/from operating activities	(1,382)	6,269
Cash flows from investing activities		
Purchase of property, plant and equipment	(983)	(2,529)
Interest received	53	84
Acquisition of quoted shares	(50)	-
Purchase of biological assets	-	(599)
Proceeds from disposal of biological assets	54	84
Net cash used in investing activities	(926)	(2,960)
Cash flows from financing activities		
Net repayment of borrowings	(740)	(2,137)
Interest paid	(791)	(727)
Payment of lease liabilities	(176)	(227)
Proceeds from issuance of shares	13,654	-
Net cash from/(used in) financing activities	11,947	(3,091)
Net increase in cash and cash equivalents	9,639	218
Cash and cash equivalents at beginning of financial period	20,620	24,476
Cash and cash equivalents at end of financial period	30,259	24,694

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

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

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

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 and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021.

A2. Significant accounting policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited financial statements of the Group for the financial year ended 31 December 2021, except for the adoption of the following amendments to MFRSs during the financial year:

- Annual Improvements to MFRS Standards 2018 - 2020
- 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*

The adoption of the above amendments had no significant impact to the financial statements of the Group.

A3. Auditors' report

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2021.

A4. Seasonal or cyclical factors

The business operations of the Group were not materially affected by any seasonal and cyclical factors during the current quarter and financial year-to-date under review.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter and financial year-to-date under review.

A6. Changes in estimates

There were no changes in estimates that have a material effect in the current quarter and financial year-to-date under review.

A7. Debt and equity securities

On 8 February 2022, Public Investment Bank Berhad ("PIVB") had on behalf of the Board of Directors of the Company, announced that the Company proposes to undertake a proposed private placement of up to 28,120,300 new ordinary shares in the Company ("Placement

Share(s)"), representing up to 10% of the enlarged number of issued shares in the Company ("Proposed Private Placement").

The Company further announced on 14 February 2022 that Bursa Malaysia Securities Berhad ("Bursa Securities") had, via its letter dated 14 February 2022, approved the listing and quotation of up to 28,120,300 Placement Shares to be issued pursuant to the Proposed Private Placement on the Main Market of Bursa Securities, subject to the conditions set out in Bursa Securities' letter.

On 11 March 2022, the Company announced that the private placement of up to 28,120,300 new shares in the Company representing up to 10% of the enlarged number of issued shares of the Company ("Private Placement") has been fixed at RM0.67 per Placement Share and will comprise up to 20,086,000 Placement Shares.

On 14 March 2022, the Company announced that the Private Placement has been completed following the listing of and quotation for 20,086,000 Placement Shares on the Main Market of Bursa Securities with effect from 9.00 a.m. on 14 March 2022. Pursuant to the Private Placement, the issued shares of the Company increased from 200,860,000 ordinary shares to 220,946,000 ordinary shares.

On 5 April 2022, the issued shares of the Company further increased from 220,946,000 ordinary shares to 221,226,000 ordinary shares pursuant to the issuance of 280,000 new ordinary shares arising from the exercise of 280,000 warrants by a warrant holder.

Save for the above, there were no other issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current quarter and financial year-to-date under review.

A8. Dividend

There was no dividend paid during the current quarter under review.

On 24 December 2021, the Board of Directors declared an interim single tier dividend of 1.0 sen per ordinary share totalling RM2.01 million in respect of the financial year ended 31 December 2021. The dividend had been accounted for in equity as an appropriation of retained earnings in the financial year ended 31 December 2021 and was paid on 25 January 2022 to shareholders registered at the close of business on 13 January 2022.

A9. Segmental information

The Group's operating segments are animal health products and equipment, food ingredients and others. These operating segments are required to be organised and managed separately according to the nature of products and services as well as specific expertise which require different business and marketing strategies. The segmental results are as follows:

	Individual quarter		Cumulative quarter	
	Current year quarter	Preceding year quarter	Current year-to-date	Preceding year-to-date
	30/06/2022 RM'000	30/06/2021 RM'000	30/06/2022 RM'000	30/06/2021 RM'000
Revenue				
Animal health products and equipment	36,219	31,365	70,431	60,811
Food ingredients	9,473	5,925	18,165	11,971
Others	1,138	1,542	4,455	3,785
	46,830	38,832	93,051	76,567

	Individual quarter		Cumulative quarter	
	Current year quarter 30/06/2022 RM'000	Preceding year quarter 30/06/2021 RM'000	Current year-to-date 30/06/2022 RM'000	Preceding year-to-date 30/06/2021 RM'000
Profit before tax				
Animal health products and equipment	3,930	2,737	7,862	6,130
Food ingredients	732	384	1,783	820
Others	(158)	(85)	(294)	227
	4,504	3,036	9,351	7,177

A10. Property, plant and equipment

(i) Acquisitions and disposals

There were no material acquisitions and disposals during the current quarter and financial year-to-date under review.

(ii) Impairment losses

There were no material impairment losses during the current quarter and financial year-to-date under review.

(iii) Valuation

The Group has not carried out any valuation on its property, plant and equipment during the current quarter and financial year-to-date under review.

A11. Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current quarter that have not been reflected in this interim financial report.

A12. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter and financial year-to-date under review.

A13. Contingent liabilities and contingent assets

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

A14. Capital commitments

The capital commitments of the Group as at the end of the quarter under review were as follows:

	RM'000
Approved and contracted for:	
- Construction of GMP-compliant plant in Nilai, Negeri Sembilan	2,495
- Machineries and equipment	1,110
	3,605

A15. Significant related party transactions

The related party transactions during the current quarter and financial year-to-date under review are as follows:

	Individual quarter		Cumulative quarter	
	Current year quarter 30/06/2022 RM'000	**Preceding year quarter 30/06/2021 RM'000**	**Current year-to-date 30/06/2022 RM'000**	**Preceding year-to-date 30/06/2021 RM'000**
Nor Livestock Farm Sdn Bhd ("NLF") purchases milk replacer from Nor Lazuli Nutrition ("NLN")	-	-	-	8
NLN purchases rice straw from NLF	-	11	-	26
One Lazuli Sdn Bhd ("OLSB") purchases feed from NLN	-	5	-	9
OLSB provides transportation services to NLN	-	5	-	8
NLF purchases anti-inflammatory medication, antibiotics, anti-parasitics and dairy milk machine parts from OLSB	-	24	-	37
NLN rents an office space from OLSB	-	3	-	6
NLF rents an office space from OLSB	-	1	-	1
NLF rents a farm land from Raja Mariam Binti Raja Rustam Shahrome, Dr Mai Lam @ Rosli Mai Lam and Melissa Aini Mai	8	8	15	15
NLN rents a factory building from Raja Mariam Binti Raja Rustam Shahrome, Dr Mai Lam @ Rosli Mai Lam and Melissa Aini Mai	8	8	15	15
OLSB rents an office space from Raja Mariam Binti Raja Rustam Shahrome	45	45	90	90

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

The Group recorded revenue of approximately RM46.83 million for the current quarter, an increase of approximately RM8.00 million compared to the revenue of approximately RM38.83 million in the preceding year's corresponding quarter. Revenue from animal health products and equipment increased by approximately RM4.85 million from approximately RM31.37 million in the preceding year's corresponding quarter to approximately RM36.22 million in the current quarter. Revenue from food ingredients increased by approximately RM3.54 million from approximately RM5.93 million in the preceding year's corresponding quarter to approximately RM9.47 million in the current quarter.

In line with the increase in revenue, the Group's profit before tax for the current quarter of approximately RM4.50 million was approximately RM1.46 million higher compared to the profit before tax of approximately RM3.04 million reported for the preceding year's corresponding quarter.

For the financial year-to-date under review, the Group recorded revenue of approximately RM93.05 million, an increase of approximately RM16.48 million compared to the revenue of approximately RM76.57 million in the corresponding period of the preceding year. Revenue from animal health products and equipment increased by approximately RM9.62 million from approximately RM60.81 million in the corresponding period of the preceding year to approximately RM70.43 million in the current period. Revenue from food ingredients increased by approximately RM6.20 million from approximately RM11.97 million in the preceding year's corresponding period to approximately RM18.17 million in the current period.

Consistent with the increase in revenue, the Group's profit before tax for the financial year-to-date under review of approximately RM9.35 million was approximately RM2.17 million higher compared to the profit before tax of approximately RM7.18 million reported for the preceding year's corresponding period.

B2. Material changes in the quarterly results compared to the immediate preceding quarter

The Group's revenue of approximately RM46.83 million for the current quarter was approximately RM0.61 million higher compared to the revenue of approximately RM46.22 million reported for the preceding quarter. The increase in revenue is mainly due to higher revenue from animal health products and equipment which increased by approximately RM2.01 million from approximately RM34.21 million in the preceding quarter to approximately RM36.22 million in the current quarter, but the increase was compensated by decrease in revenue from dairy farming which is categorised under others, of approximately RM1.62 million.

The Group's profit before tax for the current quarter of approximately RM4.50 million was approximately RM0.35 million lower compared to the profit before tax of approximately RM4.85 million reported for the preceding quarter. This was mainly due to the decrease in gross profit as a result of increases in product costs compared to the preceding quarter.

B3. Prospects

The continued expansion of our operations through our future plans would provide a platform to grow and sustain our business. The Group will continue to focus on strengthening its production capabilities, product competitiveness and market position, while constantly seeking ways to mitigate the risks associated with its business. The Group will also continue to improve its internal controls and processes based on prudent management practices. In addition to improving on current operations, the Group is vigilant in identifying new business opportunities that has the potential for continuous growth and expansion.

In line with the projected growth of the Malaysian economy, the livestock industry is also anticipated to grow due to the corresponding growing Malaysian population resulting in the demand for meat as a source of protein to soar. The estimated increase in livestock in Malaysia is expected to result in correlating increase in demand for animal pharmaceutical and veterinary products, including animal feed to meet the rising needs. This is expected to augur well for the Group to ride on the growth trajectory in line with the government's endeavour to develop a sustainable livestock industry in the country for national food security. We are also anticipating growth in our dairy production business segment due to the projected uptrend in the local market. The production of milk in Malaysia was expected to increase in line with the government's aim to increase the country's fresh milk self-sufficiency level to 100% within five years and this will create abundant opportunities for the Group to capitalise on.

Based on the above, the Board is cautiously optimistic on the prospects and outlook of the Group as it enters into a post Covid-19 landscape. However, the Group remains cognisant of the emergence of new Covid-19 variants and will exercise caution in managing the Group's business operations and aims to improve its efficiency and resilience in order to mitigate risks of a re-imposition of lockdown measures.

B4. Profit forecast

The Group has not issued any profit forecast in any form of public documentation and announcement.

B5. Tax expense

	Individual quarter		Cumulative quarter	
	Current year quarter 30/06/2022 RM'000	Preceding year quarter 30/06/2021 RM'000	Current year-to-date 30/06/2022 RM'000	Preceding year-to-date 30/06/2021 RM'000
Current tax				
Current year	1,200	733	2,517	1,757

The effective tax rates of the Group for the current quarter and financial year-to-date of 26.64% and 26.92% respectively were higher than the statutory tax rate of 24.00% as certain subsidiaries were in loss making positions and that certain expenses were not allowable for tax purposes.

B6. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Individual quarter		Cumulative quarter	
	Current year quarter	Preceding year quarter	Current year-to-date	Preceding year-to-date
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging / (crediting):				
Depreciation	934	870	1,840	1,609
Inventories written off	61	5	108	18
Inventories written (back)/down	(321)	14	(202)	15
Impairment losses on trade receivables	2	120	92	240
Interest expense	392	366	800	741
Loss on disposal of biological assets	11	89	24	147
Fair value changes on biological assets	(115)	(142)	(229)	(279)
Fair value changes on other investment	-	(1)	-	(1)
Interest income	(23)	(42)	(53)	(84)
(Gain)/loss on foreign currency exchange	(201)	362	(86)	366

Save for the 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.

B7. Status of corporate proposals

There is no corporate proposal announced but not completed as at the date of this report.

B8. Utilisation of proceeds

The status of utilisation of proceeds of approximately RM13.46 million from the Company's Private Placement of 20,086,000 new ordinary shares at RM0.67 each as at 30 June 2022 is as follows:

Details of the utilisation of proceeds	Proposed utilisation	Actual utilisation	Deviation	Balance unutilised	Estimated timeframe for utilisation
	RM'000	RM'000	RM'000	RM'000	
Establishment of a milk processing plant	7,500	-	-	7,500	Within 36 months
Marketing expenses	2,500	-	-	2,500	Within 36 months
Working capital	3,008	-	42 (1)	3,050	Within 12 months
Estimated expenses for the Private Placement	450	(408)	(42) (1)	-	Within 1 month
Total	13,458	(408)	-	13,050	

Note:
(1) The actual expenses incurred for the Private Placement were less than the estimated expenses by approximately RM0.04 million due mainly to lower than expected incidental charges incurred in conjunction with the Private Placement. The surplus of funds for the payment of expenses for the Private Placement were adjusted to the amount allocated for working capital.

The utilisation of the proceeds as disclosed above should be read in conjunction with the Company's announcement dated 8 February 2022 and 11 February 2022.

B9. Other investment

	As at 30/06/2022 RM'000	As at 31/12/2021 RM'000
Financial asset at fair value through profit or loss		
Quoted shares in Malaysia	100	50
Less: Impairment loss	(26)	(26)
	74	24

B10. Borrowings

	As at 30/06/2022 RM'000	As at 31/12/2021 RM'000
Non-current liabilities (secured)		
Term loans	23,553	25,698
Current liabilities (secured)		
Bank overdrafts	3,914	2,508
Term loans	4,579	4,579
	8,493	7,087
Total borrowings	32,046	32,785

All borrowings are denominated in Ringgit Malaysia.

B11. Material litigation

There was no litigation which has a material effect on the financial position of the Group and the Board was not aware of any proceedings pending or of any fact likely to give rise to any proceedings as at the date of this report.

B12. Dividend

A final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2021 was approved by shareholders at the Company's Annual General Meeting on 14 June 2022. The dividend was paid on 15 July 2022 and had been accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2022.

B13. Derivative financial instruments

The Group does not have any derivative financial instruments as at the end of the current quarter.

B14. Gains/losses arising from fair value changes of financial liabilities

There were no material gains or losses arising from fair value changes of financial liabilities during the current quarter and financial year-to-date under review.

B15. Earnings per share

	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
Profit attributable to owners of the parent (RM'000)	3,019	1,953	6,475	4,968
Weighted average number of ordinary shares in issue ('000)	221,214	200,860	213,534	200,860
Shares under warrant deemed to have been issued for no consideration ('000)	80,064	80,344	80,064	80,344
Weighted average number of ordinary shares for computing diluted earnings per share ('000)	301,278	281,204	293,598	281,204
Earnings per share				
- Basic (sen)	1.36	0.97	3.03	2.47
- Diluted (sen)	1.00	0.69	2.21	1.77

B16. Net assets per share

Net assets per share attributable to owners of the parent is arrived at by dividing the total equity attributable to owners of the parent at the end of the financial period by the number of ordinary shares in issue at the end of the financial period.

	As at 30/06/2022	As at 31/12/2021
Total equity attributable to owners of the parent (RM'000)	151,494	131,365
Number of ordinary shares in issue ('000)	221,226	200,860
Net assets per share attributable to owners of the parent (RM)	0.68	0.65

B17. Reorganisation debit balance

The reorganisation debit balance arose from the acquisition of RMM on 28 September 2016 based on the difference between the share capital issued by the Company and the share capital issued by RMM amounting to approximately RM59.49 million.