



WIDAD GROUP BERHAD

Registration No.: 200901014295 (857363-U)

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JULY TO 30 SEPTEMBER 2022

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WIDAD GROUP BERHAD

Registration No.: 200901014295 (857363-U)

Interim financial statements for the 3rd quarter ended 30 September 2022. The figures have not been audited.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	QUARTER ENDED		YEAR-TO-DATE	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
	RM'000	RM'000	RM'000	RM'000
Revenue	26,830	34,254	128,365	82,560
Cost of sales	(24,495)	(15,142)	(86,053)	(41,182)
Gross Profit	2,335	19,112	42,312	41,378
Other income	384	130	857	578
Administrative expenses	(8,313)	(10,638)	(20,935)	(23,935)
Other expenses	-	-	(8,833)	-
Operating profit / (loss)	(5,594)	8,604	13,401	18,021
Finance income	4,413	98	14,168	322
Finance costs	(1,428)	(2,298)	(11,173)	(7,007)
Profit / (loss) before tax	(2,609)	6,404	16,396	11,336
Tax income / (expense)	1,690	(2,964)	(3,494)	(5,167)
Profit / (loss) for the financial year	(919)	3,440	12,902	6,169
Other comprehensive gain/(loss), net of tax				
<i>Item that will be reclassified subsequently to profit or loss</i>				
Fair value gain/(loss) on cash flow hedge	-	3,440	(83)	6,169
Other comprehensive gain/(loss) for the year, net of tax	-	3,440	(83)	6,169
Total comprehensive income/(loss) for the financial year	(919)	6,880	12,819	12,338
Earnings per share (sen)				
- Basic	(0.03)	0.13	0.47	0.24
- Diluted	(0.03)	0.11	0.41	0.20

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

WIDAD GROUP BERHAD

Registration No.: 200901014295 (857363-U)

Interim financial statements for the 3rd quarter ended 30 September 2022. The figures have not been audited.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30.09.2022	Audited 31.12.2021
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	18,220	19,429
Right-of-use assets	42,046	42,548
Contract assets	390,058	411,795
Fixed deposit with licensed banks	40,400	22,551
Deferred tax assets	8,721	8,721
Total non-current assets	<u>499,445</u>	<u>505,044</u>
Current assets		
Contract assets	204,608	168,088
Trade receivables	41,960	42,489
Other receivables	13,568	7,351
Derivative financial asset	-	413
Fixed deposit with licensed banks	25,140	8,245
Cash and bank balances	125,214	134,020
Total current assets	<u>410,490</u>	<u>360,606</u>
Total assets	<u>909,935</u>	<u>865,650</u>
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to owners of the Company		
Share capital	182,033	182,033
Cash flow hedge reserve	-	413
Retained earnings	188,372	175,470
Total equity	<u>370,405</u>	<u>357,916</u>
Non-current liabilities		
Borrowings	339,027	126,529
Lease liabilities	1,055	591
Deferred tax liabilities	72,377	72,377
Total non-current liabilities	<u>412,459</u>	<u>199,497</u>
Current liabilities		
Contract liabilities	21,988	20,085
Trade payables	13,497	17,654
Other payables	7,988	12,630
Borrowings	70,554	237,564
Lease liabilities	23	392
Tax payable	13,021	19,912
Total current liabilities	<u>127,071</u>	<u>308,237</u>
Total liabilities	<u>539,530</u>	<u>507,734</u>
Total equitiy and liabilities	<u>909,935</u>	<u>865,650</u>
Net Tangible Assets per share (RM)	<u>0.13</u>	<u>0.13</u>

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.

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Interim financial statements for the 3rd quarter ended 30 September 2022. The figures have not been audited.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Group			
	Non-distributable		Distributable	TOTAL EQUITY
	SHARE CAPITAL	CASH FLOW HEDGE	RETAINED EARNINGS	
	RM'000	RM'000	RM'000	
As at 1 January 2022	182,033	413	175,470	357,916
Profit for the financial period	-	-	12,902	12,902
Other comprehensive income for the quarter	-	(413)	-	(413)
Balance as at 30 September 2022	182,033	-	188,372	370,405

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.

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Interim financial statements for the 3rd quarter ended 30 September 2022. The figures have not been audited.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	30.9.2022	Audited
	RM'000	31.12.2021
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit / (Loss) before tax	16,396	68,048
Adjustments for;		
Bargain purchase on acquisition of subsidiaries	-	(115,032)
Deposit written off	-	440
Depreciation of property, plant and equipment	2,268	2,523
Depreciation of right-of-use assets	502	1,159
Impairment loss on contract assets	-	15,973
Finance costs	10,714	19,794
Finance income	(29)	(840)
Finance income arising from contract customer	(14,105)	(14,863)
Operating profit before working capital changes	15,746	(22,798)
Changes in working capital;		
Contract balances	(678)	48,618
Payables	(8,603)	(7,774)
Receivables	(1,924)	11,433
Cash generated from operations	4,541	29,479
Finance costs paid	(2,739)	(3,738)
Interest received	29	43
Tax paid	(10,385)	(13,832)
Net cash flows from operating activities	(8,554)	11,952
INVESTING ACTIVITIES		
Acquisition of company	(3,500)	(85,581)
Refund from proposed acquisition of subsidiaries	-	6,100
Interest received	-	678
Placement of maintenance reserve fund	1,706	(19,833)
Placement of Designated Accounts	-	(11,791)
Purchase of property, plant and equipment	(1,059)	(3,844)
Purchase of right-of-use assets	-	(44)
(Advance to)/Repayment from holding company	-	(13)
Withdrawal/(Placement) of fixed deposit	(7,030)	17,411
Net cash flows from investing activities	(9,883)	(96,917)

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.

WIDAD GROUP BERHAD

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Interim financial statements for the 3rd quarter ended 30 September 2022. The figures have not been audited.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

	30.9.2022	Audited 31.12.2021
	RM'000	RM'000
FINANCING ACTIVITIES		
Repayment to holding company	-	(12)
Interest paid	-	(15,588)
Drawdown of borrowings	-	186,303
Repayment of borrowings	(266,295)	(152,210)
Repayment of lease liabilities	96	(251)
(Placement)/Withdrawal of Designated Bank Accounts	(58,681)	(1,373)
Proceeds from issuance of shares pursuant to private placement and upon exercise of warrants, net of share issuance expenses	-	92,271
Proceeds from issuance of Sukuk Wakalah	310,000	-
Net cash flow from financing activities	(14,880)	109,140
CASH AND CASH EQUIVALENTS		
Net changes	(33,317)	24,175
Balance brought forward	92,377	68,202
Carried forward	59,060	92,377

Cash and cash equivalent comprise of:

	30.9.2022	31.12.2021
	RM'000	RM'000
Cash and bank balances	125,214	134,020
Fixed deposit with licensed bank	65,540	30,796
Bank overdraft	(9,890)	(11,022)
	180,864	153,793
Less:		
Designated Bank Account	(72,713)	(14,032)
Fixed deposit with licensed bank	(27,550)	(27,550)
Maintenance Reserve Fund	(21,540)	(19,834)
	59,060	92,377

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.

EXPLANATORY NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022

EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of Preparation

These interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 ("FYE 2021") and the accompanying explanatory notes attached to the interim financial report.

The accompanying explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since FYE 2021.

A2 Significant Accounting Policies

A2.1 Adoption of Amendments/Improvements to MFRS

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the FYE 2021.

A3 Audit Report of Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2021 was not subject to any qualification.

A4 Seasonal or Cyclical Factors

The business operations of the Group during the financial period under review have not been materially affected by any significant seasonal or cyclical factors.

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 in the current quarter under review.

A6 Material Changes in Estimates

There were no material changes in estimates in the current quarter and period under review.

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EXPLANATORY NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)****A7 Debts and Equity Securities**

On 30 March 2022, the Company's wholly-owned subsidiary, Widad Concession Sdn Bhd, issued a RM310 million Sukuk Wakalah.

Other than the above, there is no issuance, cancellation, repurchase, resale and repayment of debt and equity securities in the current quarter and period under review.

A8 Dividend

There were no dividends declared or paid in the current quarter and period under review.

A9 Segmental Reporting

Primary reporting basis by business segments:

Current Quarter	IFM*	Construction	Concession	Total
	RM'000	RM'000	RM'000	RM'000
Revenue	7,485	16,913	2,433	26,830
Segment results;				
Other income	-	-	-	384
Depreciation	-	-	-	(941)
Finance costs	-	-	(377)	(1,428)
Finance income #	-	-	9,363	4,413
Taxation	-	-	(549)	1,690
Profit/(loss) after tax	-	-	8,836	(919)

Year to-date	IFM	Construction	Concession	Total
	RM'000	RM'000	RM'000	RM'000
Revenue	52,934	67,765	7,666	128,365
Segment results;				
Other income	-	-	71	857
Depreciation	-	-	-	(2,770)
Finance costs	-	-	(2,164)	(11,173)
Finance income #	-	-	14,105	14,168
Taxation	-	-	(1,912)	(3,494)
Profit after tax	-	-	10,256	12,902

Note

* IFM – Integrated Facility Management

Finance income include lease rental under concession business

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EXPLANATORY NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)**A10 Carrying Amount of Revalued Asset**

The Group does not perform any valuation of property, plant and equipment during the quarter and financial year-to-date.

A11 Material Events Subsequent to the End of the Interim Period

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

A12 Effect of changes in the Group Composition, Long Term Investments, Restructuring and Discontinued Operations

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

A13 Contingent Liabilities/Assets

There were no contingent liabilities/assets as at the end of the current quarter under review.

A14 Capital Commitment

There were no capital commitments as at the end of the current quarter under review.

A15 Significant Related Party Transactions

	Quarter Ended		Year-to-date	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Rental of office space	147	147	441	294
<u>Company</u>				
Management fee charged to subsidiaries	1,200	750	3,600	2,250

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EXPLANATORY NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1 Review of Performance****(a) Comparison with preceding year corresponding period**

	Quarter Ended		Year-to-date	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
	RM'000	RM'000	RM'000	RM'000
<u>Revenue:</u>				
Construction	16,913	-	67,765	1,857
IFM	7,485	19,304	52,934	51,429
Concession	2,433	14,950	7,666	29,273
Total revenue	26,830	34,254	128,365	82,559
Gross Profit (GP)	2,335	19,112	42,312	41,378
(Loss)/Profit before tax (PBT)	(2,609)	6,404	16,396	11,336

For the third quarter ended 30 September 2022 (3Q2022), a contract for the provision of integrated facility management service to Istana Negara was completed, resulting in lower revenue as compared to same quarter last year.

In line with the decrease in revenue, the Group recorded loss before tax of RM2.61 million. The IFM segment has to incur one-off costs in relation to facility condition audit (FCA), building condition assessment (BCA) and upgrading works totaling RM1.57 million prior to hand over to client.

For the nine months period ending 30 September 2022, the Group recorded 55% higher revenue while profit before tax increased 45% against same period last year.

(b) Comparison with Preceding Quarter's Results

	Quarter Ended		Change
	30.9.2022	30.6.2022	
	RM'000	RM'000	%
<u>Revenue:</u>			
Construction	16,913	26,398	-36%
IFM	7,485	20,543	-64%
Concession	2,433	2,680	-9%
Total revenue	26,830	49,620	-46%
Gross Profit (GP)	2,335	18,356	-87%
Profit before tax (PBT)	(2,609)	9,763	-127%

The Group revenue decreased RM22.92 million or 46% against preceding quarter due mainly to completion of a contract to provide IFM services to Istana Negara and slower work claims progress in the construction segment. Consequently, the Group recorded loss before tax of RM2.61 million during the quarter.

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EXPLANATORY NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)****B2 Prospects**

Barring any unforeseen circumstances, Widad is poised to continue its performance to-date on the back of its strong orderbook worth approximately RM1.30 billion.

Additionally, an ongoing corporate proposal to acquire 100% equity interest in Palm Shore Holdings Sdn Bhd (refer Note B5) will contribute positively to the Group's revenue and cashflow stream.

B3 Variance of Actual Profit from Forecast Profit

There were no profit forecast or profit guarantees released to the public.

B4 Taxation

Tax expenses comprise the following:

	30.9.2022	30.9.2021
	RM'000	RM'000
Profit before tax	16,396	11,336
Tax at Malaysian statutory tax rate of 24% (2021: 24%)	3,935	2,721
Tax effects in respect of;		
Income not subject to tax	2,686	-
Expenses not deductible for tax purposes	(2,117)	2,446
Overprovision of tax in prior year	(1,010)	-
Tax expense	<u>3,494</u>	<u>5,167</u>

Malaysian income tax is calculated at the statutory rate of 24% of the estimated assessable profits for the financial year. The effective tax rate for the current year to date was lower than the statutory tax rate mainly due to adjustment of income not subject to tax.

EXPLANATORY NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B5 Status of Corporate Proposals Announced But Not Completed

Save as disclosed below, there were no corporate proposals announced but not completed as at the date of this announcement.

1. Proposed Acquisition of Palm Shore Holdings Sdn Bhd (PSHSB)

On 14 April 2021, M&A Securities Sdn Bhd ("M&A Securities"), on behalf of the Board announced that Widad Capital Sdn Bhd ("WCSB"), a subsidiary of Widad Group Berhad ("WGB") entered into a Head of Agreement ("HOA") with PSHSB and the shareholders of PSHSB (Vendors) to acquire 100% equity interest in PSHSB.

Subsequently, M&A Securities, on behalf of the Board, announced that WCSB and the Vendors have mutually agreed to extend the HOA by a further 2 months from 15 October 2021 to 14 November 2021, further 1 month from 15 November 2021 to 14 December 2021, further 1 month from 15 December 2021 to 14 January 2022, further 3 months from 15 January 2022 to 14 April 2022 and further 1 month to 17 May 2022.

On behalf of the Board of Widad, M&A Securities Sdn Bhd announced that WCSB had, on 13 May 2022 entered into the followings;

1. conditional share sale agreement with the Vendors for the proposed acquisition of 7,000,000 ordinary shares in PSHSB, representing 100% equity interest in PSHSB, for a purchase consideration of RM16,626,171.00, to be satisfied in cash, subject to adjustment and the terms of the agreement ("**Purchase Consideration**") ("**SSA**"); and
2. letter of undertaking for the repayment of debt owing by PSHSB to the Vendors amounting to RM18,373,829.00 ("**Repayment of Vendors' Advances**") whereby, WCSB undertakes the Repayment of Vendors' Advances subject to the terms of the letter of undertaking ("**LOU**")

Purchase Consideration and Repayment of Vendors Advances are collectively referred to as "**Total Consideration**" amounting to RM35,000,000.00.

On 9 August 2022, on behalf of the Company, M&A Securities Sdn Bhd announced that the parties to the SSA have mutually agreed to extend the period for 60 days from 13 August 2022 (i.e. up to 13 October 2022) to fulfil the Conditions Precedent.

On behalf of the Board, M&A Securities announce that the Conditions Precedent of the SSA have been fulfilled. Accordingly, the SSA for the Acquisition has become unconditional on 13 October 2022. Pursuant to the SSA, Widad shall pay the balance cash consideration of RM13.13 million to the Vendors within 5 business days (i.e. not later than 2 December 2022) from the Closing Date of 25 November 2022.

2. Proposed Private Placement Exercise

On 21 July 2022, on behalf of the Board of Directors of Widad, M&A Securities Sdn Bhd announced that the Company proposes to undertake a private placement of up to 259,250,000 new ordinary shares in Widad, representing not more than 9.42% of the issued ordinary shares in Widad ("**Proposed Private Placement**")

EXPLANATORY NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)****2. Proposed Private Placement Exercise (cont'd)**

On 3 August 2022, M&A Securities Sdn Bhd, on behalf of the Company announced that the listing application to Bursa Malaysia Securities Berhad in relation to the Proposed Private Placement has been submitted on even date.

Further on 16 August 2022, M&A Securities Sdn Bhd, on behalf of the Company made an announcement that Bursa Securities had, vide its letter dated 16 August 2022, approved the listing of and quotation for up to 259,250,000 new ordinary shares to be issued pursuant to the Proposed Private Placement on the ACE Market of Bursa Securities subject to the following conditions:

- a) Widad and M&A Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Private Placement;
- b) Widad and M&A Securities to inform Bursa Securities upon the completion of the Proposed Private Placement; and
- c) Widad to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed.

On 29 November 2022, the Board of Directors of Widad announce that the resolution for the proposed waiver of statutory pre-emptive rights of the shareholders was duly passed at the Extraordinary General Meeting held on even date.

B6 Group Borrowings

	<u>30.9.2022</u>
	<u>RM'000</u>
<u>Secured</u>	
Term Financing	53,524
Revolving credit	35,680
Sukuk Wakalah	309,984
	<u>399,188</u>
<u>Unsecured</u>	
Term Loans	503
Bank overdraft	9,890
Total borrowings	<u>409,581</u>
 Total Assets	 909,935
Borrowings over Total Assets (%)	45%
 <u>Repayable:</u>	
Within one year	70,554
More than one year	339,027
	<u>409,581</u>

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EXPLANATORY NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)****B8 Material Litigations**

There was no pending material litigation as at the date of this report.

B9 Dividends

There were no dividends declared or paid during the quarter under review.

B10 Earnings per Share**(i) Basic earnings per share**

The basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of shares in issue during the period.

	Quarter Ended		Year-to-date	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
Profit attributable to owners of the Company (RM'000)	(919)	3,440	12,902	6,169
Weighted average number of ordinary shares in issue ('000)	2,752,500	2,562,613	2,752,500	2,562,613
Basic earnings per share (sen)	(0.03)	0.13	0.47	0.24

(ii) Diluted earnings per share

The diluted earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of shares to be issued pursuant to the exercise of the warrant.

	Quarter Ended		Year-to-date	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
Profit attributable to owners of the Company (RM'000)	(919)	3,440	12,902	6,169
Weighted average number of ordinary shares in issue ('000)	2,752,500	2,562,613	2,752,500	2,562,613
Effects of warrants outstanding	384,567	453,702	384,567	453,702
Weightage number of ordinary shares assumed to be in issue	3,137,067	3,016,315	3,137,067	3,016,315
Diluted earnings per share (sen)	(0.03)	0.11	0.41	0.20

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EXPLANATORY NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)****B11 Notes to the statement of comprehensive income**

Profit for the current quarter and current year-to-date were arrived at after crediting / (charging) the following:

	QUARTER ENDED		YEAR-TO-DATE	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
	RM'000	RM'000	RM'000	RM'000
Finance income	-	98	0	322
Finance lease income*	4,413	-	14,168	-
Depreciation	(941)	(759)	(2,770)	(2,567)
Finance costs	(1,428)	(2,298)	(11,173)	(7,007)

* Finance lease income refers to lease rental charged under the concession.

B12 Status of utilization of proceeds raised from corporate proposal

The total proceeds generated from the private placement of RM133.5 million have been utilised as follows:

Proposed utilisation	Intended time frame	Actual proceeds raised	Actual utilisation	Balance unutilised
		RM'000	RM'000	RM'000
Future expansion of business/ repayment of bank borrowings	Within 12 months	25,644	25,644	-
Working capital requirement	Within 12 months	43,932	43,932	-
Estimated expenses for the private placement	Within 1 month	2,585	2,585	-
		72,161	72,161	-