

# STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	GROUP		COMPANY	
	2018 RM	2017 RM	2018 RM	2017 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit/(Loss) before tax	687,642	(831,212)	(3,829,803)	(1,356,119)
Adjustments for:				
Depreciation of property, plant and equipment	6,767,258	7,443,956	2,919	2,918
Fair value loss on amount owing by other receivable	-	111,834	-	-
Fair value gain on amount owing to other payable	-	(616,754)	-	-
Gain on disposal of property, plant and equipment	(1,855,112)	(69,651)	-	-
Impairment loss on trade receivables	25,780	-	-	-
Impairment loss on investment in a subsidiary	-	-	2,359,539	-
Impairment loss on goodwill	1,010,472	-	-	-
Gain on disposal of investment in associate	(1,665,639)	(5,600,000)	-	-
Reversal of impairment loss on investment	-	(1,416)	-	-
Finance costs	127,617	12,103	-	-
Interest income	(894,752)	(1,010,998)	(348,853)	(424,249)
Operating profit/(loss) before working capital changes	4,203,266	(562,138)	(1,816,198)	(1,777,450)
Changes in working capital:				
Decrease/(Increase) in inventories	156,503	(122,351)	-	-
Increase in trade receivables	(13,181,240)	(516,824)	-	-
Decrease in other receivables and prepaid expenses	279,429	1,322,843	-	51,501
(Increase)/Decrease in amount owing by subsidiaries	-	-	(134,930)	528,558
Increase in amount owing to corporate shareholder	2,266,220	-	-	-
(Decrease)/Increase in other payables and accrued expenses	(1,801,059)	1,037,172	53,861	(13,624)
Cash (used in)/generated from operations	(8,076,881)	1,158,702	(1,897,267)	(1,211,015)
Tax paid	(385,000)	(1,030)	-	-
<b>Net cash (used in)/from operating activities</b>	<b>(8,461,881)</b>	<b>1,157,672</b>	<b>(1,897,267)</b>	<b>(1,211,015)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from disposal of property, plant and equipment	2,836,000	190,000	-	-
Acquisition of property, plant and equipment	(5,835,320)	(4,638,828)	-	-
Interest received	894,752	1,010,998	348,853	424,249
<b>Net cash (used in)/from investing activities</b>	<b>(2,104,568)</b>	<b>(3,437,830)</b>	<b>348,853</b>	<b>424,249</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from drawdown of team loan	1,431,412	1,003,000	-	-
Proceeds from issuance of shares to non-controlling interests	-	-	-	-
Proceeds from issuance of shares	-	31,775	-	31,775
Repayment of finance lease and hire purchase creditors	(38,280)	(94,011)	-	-
Finance costs paid	(127,617)	(12,103)	-	-
<b>Net cash from financing activities</b>	<b>1,265,515</b>	<b>928,661</b>	<b>-</b>	<b>31,775</b>

# STATEMENTS OF CASH FLOWS (cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2018

	GROUP		COMPANY	
	2018 RM	2017 RM	2018 RM	2017 RM
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(9,300,934)	(1,351,497)	(1,548,414)	(754,991)
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	49,792,955	51,144,452	13,932,832	14,687,823
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD (Note 21)</b>	40,492,021	49,792,955	12,384,418	13,932,832

**Note:**

During the financial year, the Group disposed off 12.8% (2017: 2.5%) equity interest in an associate for a fair value consideration of RM1,665,639 (2017: RM5,600,000), of which RM1,665,639 (2017: RM5,100,000) remained unpaid as at financial year end and the balance of nil (2017: RM500,000) was netted off against the amount owing to other payable.

In 2017,

- (i) the Group's additions to property, plant and equipment amounted to RM4,755,528 of which RM116,700 was acquired under hire purchase arrangements. Cash payment for the acquisition of property, plant and equipment amounted to RM4,638,828; and
- (ii) the Group acquired other financial assets amounting to RM3,403,570 of which RM2,903,570 is still outstanding as at 31 December 2017 and the balance RM500,000 was netted off against the amount owing to other payable.

**Reconciliation of movements of liabilities to cash flows arising from financing activities:**

**GROUP**

	Term loan RM	Finance lease and hire purchase creditors RM	Total RM
<b>Balance as at 1 January 2017</b>	-	230,416	230,416
Net changes from financing cash flows	1,003,000	(94,011)	908,989
Other non-cash changes	-	116,700	116,700
<b>Balance as at 31 December 2017 / 1 January 2018</b>	1,003,000	253,105	1,256,105
Net changes from financing cash flows	1,431,412	(38,280)	1,393,132
<b>Balance as at 31 December 2018</b>	2,434,412	214,825	2,649,237

The accompanying Notes form an integral part of the Financial Statements.