

NETX HOLDINGS BERHAD (Registration No. 200001030834 (533441-W))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR CURRENT QUARTER AND YEAR ENDED 30 NOVEMBER 2023**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/11/2023 RM'000	PRECEDING YEAR QUARTER 30/11/2022 RM'000	CURRENT YEAR TO DATE 30/11/2023 RM'000	PRECEDING YEAR TO DATE 30/11/2022 RM'000
REVENUE	6,236	7,203	16,832	13,654
COST OF SALES	(4,131)	(5,048)	(8,407)	(9,259)
GROSS PROFIT	2,105	2,155	8,425	4,395
OTHER INCOME	3,045	595	12,110	9,374
ADMINISTRATION EXPENSES	(9,368)	(7,381)	(26,931)	(18,969)
OTHER OPERATING EXPENSES	(5,631)	(4,391)	(5,825)	(8,737)
PROFIT / (LOSS) FROM OPERATIONS	(9,849)	(9,022)	(12,221)	(13,937)
FINANCE COST	(632)	(806)	(2,038)	(2,163)
PROFIT / (LOSS) BEFORE TAX	(10,481)	(9,828)	(14,259)	(16,100)
INCOME TAX EXPENSES	-	6	-	6
NET PROFIT / (LOSS) FOR THE PERIOD	(10,481)	(9,822)	(14,259)	(16,094)
OTHER COMPREHENSIVE INCOME / (LOSS)	(606)	95	(2,804)	(2,789)
TOTAL COMPREHENSIVE PROFIT / (LOSS) FOR THE PERIOD	<u>(11,087)</u>	<u>(9,727)</u>	<u>(17,063)</u>	<u>(18,883)</u>
NET PROFIT / (LOSS) FOR THE PERIOD ATTRIBUTABLE TO:				
OWNERS OF THE COMPANY	(9,462)	(9,555)	(13,514)	(15,632)
NON-CONTROLLING INTEREST	(1,019)	(267)	(745)	(462)
	<u>(10,481)</u>	<u>(9,822)</u>	<u>(14,259)</u>	<u>(16,094)</u>
	-	-	-	-
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO:				
OWNERS OF THE PARENT	(10,013)	(9,462)	(16,085)	(18,202)
NON-CONTROLLING INTEREST	(1,074)	(265)	(978)	(681)
	<u>(11,087)</u>	<u>(9,727)</u>	<u>(17,063)</u>	<u>(18,883)</u>
	-	-	-	-
EARNING/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY :				
Basic (sen)	<u>(1.09)</u>	<u>(1.14)</u>	<u>(1.56)</u>	<u>(1.87)</u>

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 November 2022 and the accompanying explanatory notes attached to the interim financial statements.

NETX HOLDINGS BERHAD (Registration No. 200001030834 (533441-W))

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**AS AT 30 NOVEMBER 2023**

	AS AT 30/11/2023 Unaudited RM'000	AS AT 30/11/2022 Audited RM'000
<u>ASSETS</u>		
<u>NON-CURRENT ASSETS</u>		
Plant and Equipment	3,388	2,925
Investment Properties	39,456	40,875
Right off Use Assets	2,223	1,759
Intangible Assets	5,629	9,865
Other Investments	5,207	6,715
Goodwill on Consolidation	5,945	5,936
	61,848	68,075
<u>CURRENT ASSETS</u>		
Inventories	202	38
Trade Receivables	13,337	9,609
Other Receivables, Deposits and Prepayment	9,942	12,048
Contract Assets	860	1,304
Current Tax Assets	84	60
Short Term Investment	-	7,067
Cash and Bank Balances	65,004	62,888
	89,429	93,014
TOTAL ASSETS	151,277	161,089
<u>EQUITIES AND LIABILITIES</u>		
<u>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</u>		
Share Capital	213,158	205,877
Warrant Reserve	-	19,226
Foreign Exchange Reserve	(5,598)	(3,027)
Accumulated Losses	(92,560)	(95,619)
	115,000	126,457
Non-Controlling Interest	(4,454)	(5,143)
TOTAL EQUITY	110,546	121,314
<u>NON-CURRENT LIABILITIES</u>		
Term Loan	19,461	26,617
Lease Liabilities	1,508	1,310
Deferred Tax Liability	127	127
	21,096	28,054
<u>CURRENT LIABILITIES</u>		
Trade Payables	5,041	950
Other Payables and Accruals	5,299	3,308
Contract Liabilities	2,376	1,477
Lease Liabilities	779	458
Term Loan	6,140	5,528
	19,635	11,721
TOTAL LIABILITIES	40,731	39,775
TOTAL EQUITIES AND LIABILITIES	151,277	161,089
	-	-
Net Assets per share attributable to owners of the Company (RM)	0.12	0.15

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 November 2022 and the accompanying explanatory notes attached to the interim financial statements.

NETX HOLDINGS BERHAD (Registration No. 200001030834 (533441-W))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 NOVEMBER 2023**

	←——— ATTRIBUTABLE TO OWNER OF THE COMPANY ———→						NON CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
	←——— NON - DISTRIBUTABLE ———→			DISTRIBUTABLE		TOTAL RM'000		
	SHARE CAPITAL RM'000	WARRANT RESERVE RM'000	FOREIGN EXCHANGE RESERVE RM'000	ACCUMULATED LOSSES RM'000				
As at 1 December 2022	205,877	19,226	(3,027)	(95,619)	126,457	(5,143)	121,314	
Loss after taxation	-	-		(13,514)	(13,514)	(745)	(14,259)	
Other Comprehensive loss:								
Foreign Currency translation reserve	-	-	(2,571)	-	(2,571)	(233)	(2,804)	
Total Comprehensive loss for the financial year	-	-	(2,571)	(13,514)	(16,085)	(978)	(17,063)	
Transactions with owners:								
Issuance of shares pursuant to Private Placement	3,762	-	-	-	3,762	-	3,762	
Acquisition of subsidiary	-	-	-	-	-	482	482	
Exercise of warrants	3,519	(1,130)	-	-	2,389	-	2,389	
Expiration of warrants	-	(18,096)	-	18,096	-	-	-	
Issuance of ordinary shares in subsidiary	-	-	-	(1,523)	(1,523)	1,185	(338)	
Total Transactions with owners:	7,281	(19,226)	-	16,573	4,628	1,667	6,295	
As at 30 November 2023	213,158	-	(5,598)	(92,560)	115,000	(4,454)	110,546	
	-	-	-	-	-	-	-	
As at 1 December 2021	205,877	19,226	(457)	(79,987)	144,659	(4,641)	140,018	
Loss after taxation	-	-		(15,632)	(15,632)	(462)	(16,094)	
Other Comprehensive loss:								
Foreign Currency translation reserve	-	-	(2,570)	-	(2,570)	(219)	(2,789)	
Total Comprehensive loss for the financial year	-	-	(2,570)	(15,632)	(18,202)	(681)	(18,883)	
Transactions with owners:					-			
Acquisition of subsidiary	-	-	-	-	-	179	179	
Total Transactions with owners:	-	-	-	-	-	179	179	
As at 30 November 2022	205,877	19,226	(3,027)	(95,619)	126,457	(5,143)	121,314	

The unaudited Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 November 2022 and the accompanying explanatory notes attached to the interim financial statements.

NETX HOLDINGS BERHAD (Registration No. 200001030834 (533441-W))
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR YEAR ENDED 30 NOVEMBER 2023

	CURRENT YEAR TO DATE 30/11/2023 RM'000	PRECEDING YEAR TO DATE 30/11/2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(14,259)	(16,100)
Adjustment for:		
Amortisation of intangible assets	4,159	990
Bad debts written off	-	10
Depreciation of plant and equipment	1,649	2,392
Depreciation of investment properties	1,419	1,405
Depreciation of right of use assets	626	202
Dividend income	-	(57)
Fair value (gain) / loss on other investments	2,860	4,561
Fair value (gain) / loss on short-term investment	(47)	(221)
(Gain)/loss on disposal of short term investments	488	(16)
Unrealised foreign exchange (gain)/loss	(6,100)	(5,515)
Impairment loss on intangible assets	1,080	3,518
Impairment loss on trade receivables	1,378	843
Interest expense	2,038	2,163
Interest income	(2,423)	(1,149)
Inventories written off	1	9
Plant and equipment written off	-	18
Reversal of impairment losses on trade receivables	(4)	(17)
Operating (loss) / profit before working capital changes	<u>(7,135)</u>	<u>(6,964)</u>
Changes in contract assets / contract liabilities	1,343	(4)
(Increase) / decrease in inventories	(164)	(35)
(Increase) / decrease in receivables	(3,333)	(2,212)
Increase / (Decrease) in payables	9,307	2,563
Cash (used in) / generated from operations	<u>18</u>	<u>(6,652)</u>
Interest received	2,423	1,149
Tax refunded	5	4
Tax paid	(30)	(18)
Cash (used in) / generated from operations activities	<u>2,416</u>	<u>(5,517)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of intangible assets	(684)	(298)
Acquisition of subsidiary	(1,532)	-
Additions in other investments	(3,431)	(4,888)
Dividend received	-	57
Proceeds from disposal of investment	1,561	22
Proceeds from disposal of property, plant and equipment	1	-
Purchase of plant and equipment	(2,094)	(990)
Purchase of investment properties	-	(4,158)
Net cash (used in) / generated from investing activities	<u>(6,179)</u>	<u>(10,255)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(2,038)	(2,163)
Withdrawal / (Placement) of short-term investment	7,125	18,786
Proceed from issuance of shares pursuant to Private Placement	3,762	-
Proceed from exercise of warrants	2,391	-
Repayment of lease liabilities	(571)	(197)
Repayment of term loans	(6,545)	(1,903)
Non-controlling interests investment in a subsidiary	1,667	178
Net cash generated from financing activities	<u>5,791</u>	<u>14,701</u>
Net (decrease) / increase in cash and cash equivalents	2,029	(1,071)
Cash and cash equivalents at the beginning of the financial year	62,888	64,404
Effect of exchange differences	87	(445)
Cash and cash equivalents at the end of the financial year	<u>65,004</u>	<u>62,888</u>
Cash and cash equivalents comprise:		
Short term Investment	-	7,067
Cash and bank balances	65,004	62,888
Fixed deposit with licensed bank	-	-
	<u>65,004</u>	<u>69,955</u>
Less: Short term investment	-	(7,067)
Less: Deposits placed with licensed bank	-	-
	<u>65,004</u>	<u>62,888</u>
	-	-

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 November 2022 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE CURRENT QUARTER AND YEAR ENDED 30 NOVEMBER 2023

A. EXPLANATORY NOTES

A1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

The report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 November 2022. The explanatory notes attached to the quarterly financial report provide an explanation on 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 30 November 2022.

The accounting policies and methods of computation adopted by the Group in the quarterly financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30 November 2022 except for the adoption of the following MFRS and Amendments to MFRSs:

<u>MFRSs and Amendments to MFRSs</u>	<u>Effective for annual periods beginning on or after</u>
Amendment to MFRS 3 Business Combinations – Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendment to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standard 2018 - 2020	1 January 2022

The adoption of the above pronouncements did not have material impact on the financial statements of the Group.

The following MFRS and Amendments to MFRS have been issued by MASB but are not yet effective to the Group:

<u>MFRSs and Amendments to MFRSs</u>	<u>Effective for annual periods beginning on or after</u>
MFRS 17 Insurance Contracts	1 January 2023

A1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

<u>MFRSs and Amendments to MFRSs</u>		<u>Effective for annual periods beginning on or after</u>
Amendments to MFRS 17	Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101	Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

A2 SEASONAL OR CYCLICAL FACTORS

The business operations of the Group are not subject to any seasonal or cyclical factors.

A3 UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during current quarter and year to date ended 30 November 2023.

A4 CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on current quarter and year to date ended 30 November 2023 .

A5 DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during current quarter and year to date ended 30 November 2023 other than as disclosed below:

- 1) 83,596,700 new ordinary shares were under Private Placement on 8 June 2023.
- 2) 18,388,604 Warrants C were exercised at an exercise price of RM0.13 per Warrants C
- 3) 294,679,80 Warrant C remain unexercised and lapsed on 26 October 2023

A6 DIVIDENDS PAID

No dividends were paid during current quarter and year to date ended 30 November 2023.

A7 VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no valuation undertaken for property, plant and equipment.

A8 CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during current quarter ended 30 November 2023 other than as disclosed below:

- 1) On 20 January 2023, E-FX Sdn. Bhd. (“EFX”), a wholly-owned subsidiary of the Company entered into Share Sale and Purchase Agreement with Mr. Tan Sik Eek for the proposed acquisition of 790,500 ordinary shares in Mountain Money Sdn. Bhd. (“MMSB”), representing 51% of the total issued and paid-up share capital of MMSB for a total consideration of RM332,010.00 only. Upon completion, the total equity interest of EFX in MMSB will be increased from 49% to 100% and MMSB will become an indirect wholly-owned subsidiary of NetX.
- 2) On 16 January 2023, Gem Pay Sdn Bhd, a subsidiary company has entered into a new Shares Subscription Agreement with Emicro Capital (M) Sdn Bhd for subscription of up to 4,000,000 RCPS in Emicro Capital (M) Sdn Bhd at issue price of RM1.00 per RCPS in multiple tranches. On 15 February 2023, Gem Pay Sdn Bhd, a subsidiary company has completed the subscription of First tranche of RCPS in Emicro Capital (M) Sdn Bhd, comprised of 1,000,000 RCPS of RM1.00 each pursuant to the new Shares Subscription Agreement dated 16 January 2023.
- 3) On 24 February 2023, EFX, a wholly-owned subsidiary company has completed the acquisition of shares in MMSB. The total equity interest of EFX in MMSB increased from 49% to 100% and MMSB becomes an indirect wholly-owned subsidiary of NetX.
- 4) On 1 March 2023, Netx acquired 40,000 ordinary shares in Gem Pay Sdn Bhd (“GPSB”), representing 0.69% equity interest of GPSB from the non-controlling shareholders for a total cash consideration of RM6,000.00 only. Upon Completion, the total equity interest of the Company in GPSB will be increased from 99.31% to 100%.
- 5) On 8 June 2023, 83,596,700 new ordinary shares were issued at an exercise price of RM0.045 each under Private Placement.
- 6) On 19 June 2023, Gem Pay Sdn Bhd, a subsidiary company has completed the subscription of Second tranche of RCPS in Emicro Capital (M) Sdn Bhd, comprised of 1,000,000 RCPS of RM1.00 each pursuant to the new Shares Subscription Agreement dated 16 January 2023.

A9 CONTINGENT LIABILITIES

There were no material contingent liabilities not provided for as at the date of this report.

A10 MATERIAL EVENTS SUBSEQUENT TO THE INTERIM REPORTING PERIOD

- 1) During the financial year, the Company has announced on the following in relation to the increase of its issued and full-up ordinary share capital pursuant to the private placement:

An issuance of up to 83,596,700 new ordinary shares (“Placement Shares”), representing up to 10% of the total number of issued shares of the Company announced and issued on 8 June 2023 at an issue price of RM0.045 per Placement Share.

- 2) On 22 June 2023, GEM Excite Sdn. Bhd., an indirect wholly-owned subsidiary of the Company, had entered into a Collaboration Agreement with Meimai Technology Co. Ltd (“Meimai”) to explore the collaboration with each other for the localisation and any required integration of Meimai online platform in Malaysia and any other countries
- 3) On 3 October 2023, NetX Holdings Berhad, entered into a Joint Venture Agreement (“JVA”) with Saudi Cold Storage Sdn. Bhd. (“SCS”) for the purpose of setting up and operate the Saudi fast-food outlet under the brand name of SAUDI BURGER (“Proposed JV”). NetX and SCS intend to venture into a mutual business in order to operate SAUDI BURGER flagship store as well as future expansion plan including franchising outlet (“Project”) by incorporating a joint venture company or acquiring shares in an existing dormant company which is free from any encumbrances and any liability, at the shareholding structure of 51% and 49% respectively (“JV Company”).

A11 SEGMENTAL INFORMATION

The Group's operating segments are classified according to the nature of activities as follows:-

Electronic Payment Services and Money Services	: Involved in provision of payment terminal and payment solutions, money exchange services, and its related software licensing and services.
Money Lending	: Involved in provision of money lending business, trading of motor vehicle and other related services.
Non-electronic Payment services	: Involved in provision of turnkey solutions on the network infrastructure, security management, research and development of software, system design, integration and installation and provision of IT services.
GEM	: Involved in provision of reservation and planning services and its related solutions.
Investment Holding	: This segment comprise investment holding and dormant companies.

A11 SEGMENTAL INFORMATION (CONTINUED)

	Electronic payment services RM'000	Non- electronic payment services RM'000	Money lending services RM'000	GEM RM'000	Investment Holding RM'000	Elimination RM'000	Total RM'000
2023							
Revenue							
External revenue	358	9,904	4,119	1,824	627	-	16,832
Inter-company	-	-	-	23	-	(23)	-
	358	9,904	4,119	1,847	627	(23)	16,832
Results							
Segment operating profit/(loss)	(8,245)	2,173	1,060	(7,615)	(627)	(5,252)	(18,506)
Other operating income							12,110
Other operating expenses							(5,825)
Finance costs							(2,038)
Loss before taxation							(14,259)
Tax expenses							-
Loss after taxation							(14,259)
Non-controlling interests							745
Loss attributable to owners of the Company							(13,514)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION							
Segments assets	12,046	3,835	13,512	6,146	115,738	-	151,277
Total assets							151,277
Segments liabilities	4,793	7,002	801	1,970	26,038	-	40,604
Deferred tax liability							127
Total liabilities							40,731

A11 SEGMENTAL INFORMATION (CONTINUED)

	Electronic payment services RM'000	Non- electronic payment services RM'000	Money lending services RM'000	GEM RM'000	Investment Holding RM'000	Elimination RM'000	Total RM'000
2022							
Revenue							
External revenue	579	6,828	2,063	2,854	1,330	-	13,654
Inter-company	-	-	-	116	-	(116)	-
	579	6,828	2,063	2,970	1,330	(116)	13,654
Results							
Segment operating profit/(loss)	(3,783)	(721)	390	(4,767)	(5,773)	80	(14,574)
Other operating income							9,374
Other operating expenses							(8,737)
Finance costs							(2,163)
Loss before taxation							(16,100)
Tax expenses							6
Loss after taxation							(16,094)
Non-controlling interests							462
Loss attributable to owners of the Company							(15,632)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Segments assets	18,443	2,293	11,524	9,948	118,881	-	161,089
Total assets							161,089
Segments liabilities	4,042	2,188	171	723	32,524	-	39,648
Deferred tax liability							127
Total liabilities							39,775

A12 RELATED PARTY TRANSACTIONS

All related party transactions within the Group had been entered into in the normal course of business and were carried out on normal commercial terms.

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1 PERFORMANCE REVIEW

Group Results	Individual Quarter				Cumulative Quarter			
	Ended	Ended	Changes		Ended	Ended	Changes	
	30.11.2023	30.11.2022	RM'000	%	30.11.2023	30.11.2022	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	6,236	7,203	(967)	13	16,832	13,654	3,178	23
Gross Profit	2,105	2,155	(50)	2	8,425	4,395	4,030	92
Profit/(Loss) Before Interest and Tax	(9,849)	(9,022)	(827)	9	(12,221)	(13,937)	1,716	12
Profit/(Loss) Before Tax	(10,481)	(9,828)	(653)	7	(14,259)	(16,100)	1,841	11
Profit/(Loss) After Tax	(10,481)	(9,822)	(659)	7	(14,259)	(16,094)	1,835	11
Profit/(Loss) Attributable to Ordinary Equity Holders of the Company	(9,462)	(9,555)	93	1	(13,514)	(15,632)	2,118	14

For the current quarter ended 30 November 2023, the Group recorded revenue of RM6.24 million, lower as compared to RM7.20 million in the corresponding quarter in previous year, mainly due to lower sales value project secured by sales of network equipment, machinery, and infrastructure in Non-electronic Payment Services segment.

The Group recorded a loss before taxation for current quarter of RM10.48 million, higher losses as compared to RM9.83 million in the corresponding quarter in previous year, The increase is due to higher marketing expenses, increased in amortisation of intangible assets, higher fair value adjustment on investment in public listed shares by RM2.67 million. However, the higher loss was partially mitigated by higher forex gain of RM1.05 million.

For year ended 30 November 2023, the Group recorded revenue of RM16.83 million, higher as compared to RM13.66 million in the preceding year. The improvement in revenue was mainly due to higher sales of network equipment, machinery, and infrastructure in Non-electronic Payment Services segment, higher revenue contributed by Money Lending Segment, mitigated by lower revenue generated from GEM segment, as GEM pivoted into the events industry and lower sales in gift deliveries.

The Group recorded a loss before taxation of RM14.26 million for the current year, lower as compared to RM16.10 million in preceding year, mainly due to higher revenue and gross profit margin, increased in interest income and gains on other investments, and higher forex gain as USD and HKD strengthen against Ringgit Malaysia. This was mitigated by higher operating expenses of RM3.46 million in GEM E-Commerce application and amortisation of intangible assets of RM3.01 million on eFX Platform.

B1 PERFORMANCE REVIEW (CONTINUED)

Electronic Payment Services and Money Services Segment

	Individual Quarter				Cumulative Quarter			
	Ended	Ended	Changes		Ended	Ended	Changes	
	30.11.2023	30.11.2022	RM'000	%	30.11.2023	30.11.2022	RM'000	%
Electronic Payment Segment	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	87	202	(115)	57	358	579	(221)	38
Gross Profit	85	157	(72)	(46)	339	323	16	5
Profit/(Loss) Before Interest and Tax	(4,222)	(1,701)	(2,521)	148	(8,174)	(3,660)	(4,514)	123
Profit/(Loss) Before Tax	(4,309)	(1,700)	(2,609)	153	(8,263)	(3,661)	(4,602)	126
Profit/(Loss) After Tax	(4,309)	(1,694)	(2,615)	154	(8,263)	(3,655)	(4,608)	126

For the current quarter and year ended 30 November 2023, this segment registered revenue of RM0.08 million and RM0.36 million respectively, lower revenue as compared to RM0.20 million in the corresponding quarter in previous year and RM0.58 million in preceding year, mainly due to lower sales and maintenance of payments terminal from Electronic Payment Service Segment.

This segment reported a loss before taxation of RM4.31 million in current quarter and RM8.26 million in current year, as compared to RM1.70 million in corresponding quarter in previous year and RM3.66 million in preceding year, mainly due to amortisation of intangible assets of RM3.01 million on eFX Platform and impairment on intangible assets of RM0.55 million which was none in previous year.

Money Lending Segment

	Individual Quarter				Cumulative Quarter			
	Ended	Ended	Changes		Ended	Ended	Changes	
	30.11.2023	30.11.2022	RM'000	%	30.11.2023	30.11.2022	RM'000	%
Money Services Segment	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	866	983	(117)	14	4,119	2,063	2,056	(50)
Gross Profit	641	669	(28)	4	2,814	1,376	1,438	51
Profit/(Loss) Before Interest and Tax	(1,057)	270	(1,327)	(491)	(263)	50	(313)	(626)
Profit/(Loss) Before Tax	(1,057)	268	(1,325)	(494)	(264)	46	(310)	(674)
Profit/(Loss) After Tax	(1,057)	274	(1,331)	(486)	(264)	52	(316)	(608)

For the current quarter and year ended 30 November 2023, this segment reported revenue of RM0.87 million and RM4.12 million respectively. The revenue is lower compared to RM0.98 million in corresponding quarter in previous year, however, higher revenue as compared RM2.06 million in preceding year. The higher revenue mainly due to the expansion in the money lending segment, resulting in higher revenue from loan disbursements to car dealer, used motor vehicle financing, and trading of motor vehicle.

As compared to profit before tax of RM0.27 million in the corresponding quarter in previous year, and RM 0.05 million in preceding year, this quarter recorded loss before taxation of RM1.06 million and RM0.26 million in current year end, mainly due to allowance for doubtful debts of RM1.38 million.

B1 PERFORMANCE REVIEW (CONTINUED)

Non-electronic Payment Services Segment

	Individual Quarter				Cumulative Quarter			
	Ended	Ended	Changes		Ended	Ended	Changes	
	30.11.2023	30.11.2022	RM'000	%	30.11.2023	30.11.2022	RM'000	%
Non -Electronic Payment Segment	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	4,428	4,936	(508)	11	9,904	6,828	3,076	31
Gross Profit	902	580	322	36	3,960	666	3,294	83
Profit/(Loss) Before Interest and Tax	517	306	211	(69)	2,268	(376)	2,644	703
Profit/(Loss) Before Tax	515	305	210	(69)	2,263	(382)	2,645	692
Profit/(Loss) After Tax	515	299	216	(72)	2,263	(388)	2,651	683

For the current quarter and year ended 30 November 2023, this segment reported revenue of RM4.43 million and RM9.90 million respectively, slightly lower revenue as compared to RM4.94 million in the corresponding quarter in previous year, however, higher revenue as compared to RM6.83 million in preceding year. Despite the lower revenue in current quarter, the gross profit margin is improvement from 12% to 20%.

This segment reported a profit before taxation of RM0.52 million in current quarter and RM2.26 million in current year, higher as compared to profit before taxation of RM0.31 million in corresponding quarter in previous year and loss before taxation of RM0.38 million in preceding year, mainly due to higher gross profit margin and revenue achieved.

GEM Segment

	Individual Quarter				Cumulative Quarter			
	Ended	Ended	Changes		Ended	Ended	Changes	
	30.11.2023	30.11.2022	RM'000	%	30.11.2023	30.11.2022	RM'000	%
GEM	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	717	557	160	(29)	1,847	2,970	(1,123)	38
Gross Profit	382	267	115	43	876	896	(20)	2
Loss Before Interest and Tax	(2,576)	(6,005)	3,429	57	(8,144)	(8,287)	143	2
Loss Before Tax	(2,591)	(6,005)	3,414	57	(8,158)	(8,287)	129	2
Loss After Tax	(2,591)	(6,005)	3,414	57	(8,158)	(8,287)	129	2

For the current quarter, GEM segment registered revenue of RM0.72 million higher revenue as compared to RM0.56 million in the corresponding quarter in previous year was due to the launching of Miss J Cafe on 24th October 2023.

For the year ended 30 November 2023, GEM segment registered revenue of RM1.85 million lower revenue as compared to RM2.97 million in the preceding year mainly due to GEM pivoted into the events industry because of the saturated market and fear competition in the food delivery business. Additionally, there were lower sales in gift deliveries due to volatile global and domestic economic conditions during the financial year.

B1 PERFORMANCE REVIEW (CONTINUED)

GEM Segment (Continued)

This segment reported a loss before taxation of RM2.59 million in current quarter and RM8.16 million in current year, as compared to RM6.01 million in corresponding quarter in previous year and RM8.29 million in preceding year, mainly due to higher marketing and operating expenses, and the subscription of the E-commerce platform, and impairment on intangible assets.

B2 COMMENT ON MATERIAL CHANGE IN PERFORMANCE COMPARED AGAINST PRECEDING QUARTER

Group Results	Current Quarter	Preceding Quarter	Changes	
	Ended 30.11.2023 RM'000	Ended 31.08.2023 RM'000	RM'000	%
Revenue	6,236	4,447	1,789	40
Gross Profit	2,105	3,530	(1,425)	(40)
Profit/(Loss) Before Interest and Tax	(9,849)	857	(10,706)	(1,249)
Profit/(Loss) Before Tax	(10,481)	410	(10,891)	(2,656)
Profit/(Loss) After Tax	(10,481)	410	(10,891)	(2,656)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Company	(9,462)	345	(9,807)	(2,843)

The Group registered revenue of RM6.24 million in current quarter, higher revenue as compared to RM4.45 million in preceding quarter, mainly due to the higher revenue from sales of network equipment, machinery, and infrastructure in Non-electronic Payment Services Segment.

As compared to profit before taxation of RM0.41 million in preceding quarter, the Group recorded loss before taxation of RM10.48 million in current quarter, mainly due to higher marketing expenses, impairment of intangible asset, allowance for doubtful debts and higher fair value adjustment on investment in public listed shares by RM 2.67 million.

B3 FUTURE PROSPECTS

Electronic Payment Services and Money Services Segment

According to mytourismdata, the total tourist arrivals into Malaysia from January 2022 to September 2022 is 5,556,281. The Group estimated that the total tourist arrivals into Malaysia will be at least half of what the data is showing before the Pandemic which is more than 25 million.

In the end of 2022, The Group has received approvals from Bank Negara Malaysia to operate a physical money changer outlet in Sungei Wang Plaza. Sungei Wang Plaza is located right in the center of the Golden Triangle. Furthermore, the KL Hop-On Hop-Off bus ticketing counter is just right in front of Sungei Wang Plaza. The Group believes that this will generate a very good revenue to The Group once the outlet is opened. The Group expecting the outlet to be open by Q2 of 2024.

While for EFX Platform, The Group is currently still in the discussion with Bank Negara Malaysia to obtain the approval to launch it in Malaysia.

B3 FUTURE PROSPECTS (CONTINUED)

Electronic Payment Services and Money Services Segment (Continued)

For Electronic Payment Services, The Group is still actively collaborating with its business partners to deploy the EDC terminals and secure more merchants for its electronic payment services business.

Money Lending Segment

In Q4 2023, The Group began offering Hire Purchase financing options to the customers for purchase motor vehicles. The Group believes that, with the new financing options it will be able to manage a low default rate while increasing the financing amount.

Non-electronic Payment Services Segment

Under the non-electronic payment services segment, the Group provides systems integration and hardware solutions including the supply of network equipment and infrastructure on a project basis. While the Group endeavours to continue to procure projects for this segment, the project nature of such business is expected to contribute to the volatility in the Group's revenue.

GEM Segment

In Quarter 4 of 2023, the Group achieved significant milestones, beginning with the launch of Miss J Cafe on 24th October 2023 nestled in Star Residence Two in Jalan Yap Kwan Seng. Specializing in brunch delights, pastries and good coffee, the cafe is designed to cater to the upscale Ascott Star Hotel guests, travelers, Star Residence owners, and nearby corporate offices.

Expanding our culinary offerings, the Group is pleased to announce our recent appointment to provide daily continental breakfast buffet services at Ascott Star Hotel, enhancing the Miss J Cafe's presence within the same property establishment. This strategic move aligns with our commitment to delivering exceptional dining experiences and reinforces our position in the hospitality sector.

Meanwhile, the Miss J brand's florist arm has also thrived, experiencing a remarkable 52% increase in online sales compared to the previous quarter. This outstanding growth can be attributed to intensified investments in Google and social media advertising, coupled with strategic marketing campaigns carried out during seasonal festivities, notably the mid-autumn festival in end-September, have played a pivotal role in boosting online sales. Additionally, these initiatives have significantly elevated brand awareness, generating an impressive 3 million impressions through online advertising endeavors. This success solidifies Miss J Florist's standing in the competitive florist and gifting industry.

The Group's event arm, Miss J Events, has been abuzz with wedding planning and decoration projects, responding to heightened demand for integrated wedding services during the year-end season. Simultaneously, thematic venue decorations for F&B segments have seen a surge, aligning seamlessly with the upcoming Christmas and New Year celebrations. This diversification of our services has not only met market demand, but has also contributed substantially to a revenue boost for the Group.

B3 FUTURE PROSPECTS (CONTINUED)

GEM Segment (Continued)

As we reflect on these achievements, the Group is optimistic about the continued upward trend in sales spilling into Quarter 1 of 2024. The anticipation of Chinese New Year and Valentine's Day festivities positions us favorably for sustained success. We remain committed to delivering exceptional experiences across our diverse portfolio, ensuring that our customers and clients continue to receive unparalleled service and quality.

Meimaii

The Group has entered into a collaboration agreement on 22nd June 2023 with Meimaii Technology Co. Ltd ("Meimaii") to launch Meimaii online platform in Malaysia. Meimaii is Taiwan's leading Social eCommerce platform.

Social eCommerce refers to buying and selling products or services through social media platforms. It combines the elements of social media and eCommerce to create a seamless shopping experience. Instead of solely relying on traditional online stores or physical retail locations, social commerce allows users to discover, engage with, and purchase products directly within their favorite social media apps or websites.

Meimaii is a Social eCommerce platform that is very different from the other Social eCommerce platforms. Meimaii is the first platform that combines both Group Buy and Influencer Marketing together. Meimaii's AI will matchmake the hottest influencer with the most popular products available in the market. By leveraging the influencer's wide reach of audience, brand owners will be able to target the very specific group of customers that they wanted to sell to. By selling through Meimaii's platform, brand owners will be able to achieve their sales target & brand awareness easily.

Overall, social commerce leverages the power of social media and its vast user networks to facilitate buying and selling, making it a popular and rapidly growing trend in the world of online shopping.

Malaysia has experienced remarkable growth in eCommerce, with a significant rise in online shopping activities and digital adoption. By joining forces with Meimaii Social eCommerce, NetX aims to leverage the tremendous potential of Malaysia's eCommerce market, reaching a tech-savvy audience seeking innovative shopping experiences.

According to a report from Accenture, Social eCommerce will grow three times as fast as traditional eCommerce, more than doubling from \$492 billion worldwide in 2021 to \$1.2 trillion in 2025. Whilst according to Statista, Social eCommerce in Asia will reach \$458.8 billion by 2023.

The benefits of this collaboration with Meimaii Social eCommerce are numerous and exciting. Here are some key advantages that NetX and their valued customers can look forward to:

- **Rapidly Growing Market:** Malaysia's eCommerce market has witnessed exponential growth in recent years, driven by increased internet penetration and mobile device usage. Collaborating with Meimaii Social eCommerce positions NetX to capitalize on this thriving market, catering to the evolving needs and preferences of Malaysian consumers.

B3 FUTURE PROSPECTS (CONTINUED)

Meimaii (Continued)

- Influencer Partnerships: Meimaii is renowned for its influencer marketing potential. Through strategic collaborations with influential creators, brand owners can tap into their dedicated fan bases and leverage their reach to generate brand awareness and drive traffic to their products. This collaboration opens up new avenues for brand ambassadors and collaborations with popular content creators.
- AI Analysis of Influencer's Fan Base Capability: Through AI-powered analytics, Meimaii can gain valuable insights into the fan bases of influencers in Malaysia. This analysis helps Meimaii identify the most relevant and impactful influencers whose audience aligns with the brands target market. By matchmaking with these influencers, we can maximize the reach and effectiveness of brand messaging and drive higher conversion rates such as ROAS (Return on Ad Spend).

Saudi Burger

The Group has entered into a joint venture agreement on 3rd October 2023 with Saudi Cold Storage Sdn Bhd (“SCS”), a wholly-owned subsidiary of Saudee Group Berhad (“Saudee”).

The business will be carried under a joint venture company, under the brand name Saudi Burger, Saudi Burger will pioneer the master franchise of an exciting new fast-food chain in the heart of Kuala Lumpur. The first flagship outlet of Saudi Burger’s new fast-food chain will be located in the iconic main entrance Sungei Wang Plaza in the heart of Bukit Bintang. This vibrant district is known for its bustling shopping, entertainment, and dining scene, making it the perfect location to introduce our exciting new offering.

The new fast-food chain will feature an innovative menu that focuses on the present need of the consumer market for a fulfilling food experience with quality and assurance of Saudee's food products that is reasonably priced for the needs of the mass consumer market. Customers can expect a diverse range of mouthwatering dishes, including Eggcellent Grill Burger, Saudi Crispy Burger and Black Pepper Cheese Burger.

In 2022, according to Statista, the retail value of fast food or limited-service restaurants in Malaysia amounted to around RM12.5 billion, an increase from RM10.3 billion in the previous year. The sales value of fast-food restaurants in Malaysia is expected to reach RM20.4 billion by 2026. This dynamic growth underscores the immense potential of the fast-food industry in the country, and Saudi Burger, as the master franchise holder, is poised to capitalize on this growth.

Saudi Burger’s first outlet in Sungei Wang Plaza has opened in early December 2023. Since then, Saudi Burger has received lots of positive feedback regarding the menu offerings. The Group aims to open 20 more outlets within the next 3 years. The Group are confident that this venture, as the master franchise under Saudi Burger, will not only delight food enthusiasts but also tap into the incredible growth potential of the Malaysian fast-food market.

B3 FUTURE PROSPECTS (CONTINUED)

Group

The Group is adopting a cautious approach while remaining flexible in executing strategic plan in expanding our existing business and identifying new business opportunities to ensure adequate funding and sustainable profitability throughout the unprecedented time. Despite the uncertain market condition, the Group is optimistic to deliver a reasonable performance for the financial year ending 30 November 2023.

B4 PROFIT FORECAST OR PROFIT GUARANTEE

There is no profit forecast and profit guarantee provided by the Company.

B5 PROFIT / LOSS BEFORE TAX

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year Ended	Preceding Year Ended
	30.11.2023	30.11.2022	30.11.2023	30.11.2022
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax is stated after charging :-				
Amortisation of intangible assets	1,325	283	4,159	990
Bad debts written off	-	-	-	10
Depreciation of plant and equipment	587	644	1,649	2,392
Depreciation of investment properties	355	355	1,419	1,405
Depreciation of right-of-use assets	474	50	626	202
Fair value losses on other investments	2,674	79	2,860	4,561
Impairment losses on intangible assets	1,080	3,518	1,080	3,518
Impairment losses on trade receivables	1,370	843	1,378	843
Interest expenses	632	806	2,038	2,163
Inventory written off	-	8	1	9
Loss on foreign exchange - realised	-	-	29	-
Loss on foreign exchange - unrealised	-	1,131	-	-
Plant and equipment written off	-	-	-	18
Loss on disposal of other investment	506	-	506	-
<i>and crediting :-</i>				
Gain on foreign exchange - realised	85	256	-	512
Gain on foreign exchange - unrealised	968	-	6,100	5,515
Gain on disposal of short-term investment	-	1	17	16
Interest income	173	1,142	2,423	1,149
Adjustment on Interest Expenses	1,121	-	-	-
Dividend income	-	-	-	57
Rental income	42	86	244	289
Reversal of impairment gain on trade receivables	-	2	4	17
Fair value gain on short-term investment	-	57	47	221

B6 TAXATION

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year Ended	Preceding Year Ended
	30.11.2023	30.11.2022	30.11.2023	30.11.2022
	RM'000	RM'000	RM'000	RM'000
Current period				
- Income taxation	-	-	-	-
- Deferred taxation	-	-	-	-
Total	-	-	-	-

The Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated taxable profit for the financial year. The effective tax rate of the Group for the financial year were higher than the statutory tax rate mainly due to certain expenses not tax allowable.

B7 CORPORATE PROPOSALS

There were no other corporate proposals which had been announced by the Company and are pending for completion as at end of current quarter other than as disclosed below:

- 1) On 2 December 2021, the Company proposed to undertake the private placement of up to 167,193,400 new ordinary shares, representing up to approximately 20% of the total number of issued shares of the Company to third party investor(s). Bursa Securities has, vide its letter dated 23 December 2021, approved the listing and quotation of the placement shares to be issued pursuant to the private placement. Pursuant to the said approval granted by Bursa Securities, the Company may utilise it to issue the new shares until 31 December 2021, after which, the 10% general mandate will be reinstated pursuant to Rule 6.04(1) of the Listing Requirement. On 15 June 2022, Bursa Securities further approved the extension of completion of the private placement to 23 December 2022 via its letter dated 15 June 2022. On 8 December 2022, an application has been submitted to Bursa Securities to seek their approval for a further extension of time of six (6) months from 24 December 2022 up to 23 June 2023 for the Company to complete the implementation of the Private Placement. On 7 February 2023, Bursa Securities further approved the extension of completion of the private placement to 23 June 2023.

83,596,700 new ordinary shares were issued on 8 June 2023 at an exercise price of RM0.045 each.

- 2) On 11 January 2024, the Company announced and proposed to undertake a proposed bonus issue of up to 468,976,320 new warrants in NetX (“Warrants D”) on the basis of 1 Warrant D for every 2 existing ordinary shares in NetX held by the entitled shareholders on an entitlement date to be determined and announced later (“Proposed Bonus Issue of Warrants”). To date, the application is pending approval from the Authority.

B8 STATUS OF UTILISATION OF PROCEEDS

A) STATUS OF UTILISATION OF PROCEEDS RAISED FROM SHARE ISSUANCE TO MACQUARIE BANK LIMITED

On 16 June 2017, the Company entered into a conditional subscription agreement with Macquarie Bank Limited (“Macquarie Bank”) in relation to the proposed issuance and allotment of up to 500 million new ordinary shares in NetX to Macquarie Bank in accordance with the terms and conditions of the Subscription Agreement (“Proposed Share Issuance”)

MPEX has been enhanced to be a P2P digital wallet and currency

The Shares Issuance was completed on 19 January 2018. The 500 million Subscription Shares under the Share Issuance have fully subscribed by Macquarie Bank raising RM21,103,000 for the Company.

exchange application that allows users to exchange currencies at competitive commission rates. MPEX has been renamed as eFX application. The balance of proceeds available will be channelled towards the development and marketing of eFX application.

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Intended Timeframe for Utilisation
Development and marketing of eFX System	20,000	10,850	9,150	Within 84 months
Working Capital	323	323	-	Within 24 months
Expenses for the Share Issuance	780	780	-	Immediate
	<u>21,103</u>	<u>11,953</u>	<u>9,150</u>	

B) PRIVATE PLACEMENT OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES TO THIRD PARTY INVESTOR(S)

On 9 January 2020, the Company proposed to undertake private placement of up to 10% of total number of issued shares of the Company to independent third-party investors. The Private Placement was completed on 21 April 2020 following the listing and quotation of 390,038,800 placement shares on the Ace Market of Bursa Securities, raising RM4,668,357 for the Company.

Purpose	Purpose Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Intended for Timeframe Utilisation
Rebranding and upgrading of the GEM application	4,573	4,573	-	Within 24 months
Expenses for the Private Placement	95	95	-	Immediate
	<u>4,668</u>	<u>4,668</u>	<u>-</u>	

B8 STATUS OF UTILISATION OF PROCEEDS (CONTINUED)

C) PRIVATE PLACEMENT OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES TO THIRD PARTY INVESTOR(S) (CONTINUED)

On 29 May 2020, the Company proposed to undertake the private placement of up to 10% of the total number of issued shares of the Company (excluding treasury shares) to third party investors. The Private Placement was completed on 16 June 2020 following the listing and quotation of 459,891,000 placement shares on the Ace Market of Bursa Securities, raising RM4,690,888 for the Company.

Purpose	Purpose Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Intended for Timeframe Utilisation
Enhancement of GemSpot and GemSpot Lite	4,581	4,581	-	Within 24 months
Expenses for the Private Placement	110	110	-	Immediate
	<u>4,691</u>	<u>4,691</u>	<u>-</u>	

D) SHARE CONSOLIDATION AND RIGHTS ISSUE WITH WARRANTS

On 14 August 2020, the Company revised its proposal to undertake the consolidation of every 25 ordinary shares in NetX (“NetX Shares” or “Shares”) into 1 NetX Share (“Share Consolidation”); and renounceable rights issue of up to 629,491,596 new Shares (“Rights Shares”) together with up to 314,745,798 free detachable warrants in NetX (“Warrants C”) on the basis of 6 Rights Shares together with 3 free Warrants C for every 2 existing Share (after the Share Consolidation) held by the entitled shareholders (“Rights Issue with Warrant”). The Rights Issue with Warrant has been completed on 3 November 2020 following the listing and quotation of 626,136,825 Rights Shares and 313,068,412 Warrants C, raising RM81,397,787 for the Company.

Purpose	Purpose Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Intended for Timeframe Utilisation
Development of a F&B e-commerce platform	5,000	5,000	-	Within 18 months
Marketing of GemSpot and GemSpot Lite	25,000	2,670	22,330	Within 48 months
Development and intergration of business intelligence and data analytics system	8,000	-	8,000	Within 48 months
Investment or partnership in other complementary businesses or assets	25,000	24,219	781	Within 48 months
Working capital	17,498	17,498	-	Within 36 months
Expenses for the Right Issue	900	900	-	Immediate
	<u>81,398</u>	<u>50,287</u>	<u>31,111</u>	

B8 STATUS OF UTILISATION OF PROCEEDS (CONTINUED)

E) PRIVATE PLACEMENT OF UP TO 20% OF THE TOTAL NUMBER OF ISSUED SHARES TO THIRD PARTY INVESTOR(S)

On 2 December 2021, the Company proposed to undertake the private placement of up to 167,193,400 new ordinary shares, representing up to approximately 20% of the total number of issued shares of the Company to third party investor(s). Bursa Securities has, vide its letter dated 23 December 2021, approved the listing and quotation of the placement shares to be issued pursuant to the private placement. Pursuant to the said approval granted by Bursa Securities, the Company may utilise it to issue the new shares until 31 December 2021, after which, the 10% general mandate will be reinstated pursuant to Rule 6.04(1) of the Listing Requirement. The Private Placement was completed on 8 June 2023 following the listing and quotation of 83,596,700 placement shares on the Ace Market of Bursa Securities, raising RM3,761,852 for the Company.

Purpose	Purpose Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Intended for Timeframe Utilisation
Additonal funds for the microfinancing business	3,586	1,000	2,586	Within 12 months
Expenses for the Private Placement	176	176	-	Immediate
	<u>3,762</u>	<u>1,176</u>	<u>2,586</u>	

B9 GROUP BORROWINGS AND DEBT SECURITIES

	As at 30.11.2023 Unaudited RM'000	As at 30.11.2022 Audited RM'000
Short term borrowing		
Term loan - Secured	<u>6,140</u>	<u>5,528</u>
Long term borrowing		
Term loan - Secured	<u>19,461</u>	<u>26,617</u>

The term loans is denominated in Ringgit Malaysia and the interest rate of the term loan at the reporting date is 6.20% to 6.70% per annum.

B10 DIVIDEND PAYABLE

No dividend was declared or paid in quarter and year ended 30 November 2023.

B11 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit/(loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period. The basic earnings per share was calculated as follows:

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year Ended	Preceding Year Ended
	30.11.2023	30.11.2022	30.11.2023	30.11.2022
Net profit/(loss) attributable to owners of the parent (RM)	<u>(9,462,000)</u>	<u>(9,555,000)</u>	<u>(13,514,000)</u>	<u>(15,632,000)</u>
Weighted average number of ordinary shares	<u>866,766,653</u>	<u>835,967,337</u>	<u>864,552,713</u>	<u>835,967,337</u>
Basic profit/(loss) per share (sen)	<u>(1.09)</u>	<u>(1.14)</u>	<u>(1.56)</u>	<u>(1.87)</u>

(b) Diluted

There is no dilution in the earnings per share of the Company as the average market values of the warrants as at 30 November 2023 together with the exercise price were higher than the market value of the ordinary shares. Accordingly, there was no assumed full conversion of the warrants into ordinary shares which could result in the dilution of the Company's earnings per share.

B12 AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 30 November 2022 was not subject to any qualification.

B13 AUTHORISATION FOR ISSUE

The interim financial statements are authorised for issue by the Board of Directors in accordance with a resolution of the directors.