



(Registration No. 200201024235 (591898-H))

## QUARTERLY REPORT

### Condensed Consolidated Statement of Comprehensive Income For the second quarter ended 30 September 2023

Group	Individual Quarter ended		Cumulative Quarter ended	
	Unaudited 30 Sep 2023 RM'000	Unaudited 30 Sep 2022 RM'000	Unaudited 30 Sep 2023 RM'000	Unaudited 30 Sep 2022 RM'000
<b>Revenue</b>	<b>9,124</b>	<b>5,684</b>	<b>16,561</b>	<b>14,046</b>
Material cost	(1,069)	(901)	(2,833)	(1,702)
Depreciation and amortization	(2,182)	(1,968)	(4,425)	(3,922)
Employee benefits expenses	(6,617)	(7,087)	(13,250)	(14,555)
Other operating expenses	(1,245)	(1,254)	(2,504)	(2,242)
Interest expenses	(193)	(213)	(396)	(333)
Interest income	-	41	-	72
Other income	82	811	2,704	1,749
Share of results of associates	(24)	3	36	17
Loss before taxation	(2,124)	(4,884)	(4,107)	(6,870)
Tax expense	-	(10)	-	(17)
<b>Net Loss for the period</b>	<b>(2,124)</b>	<b>(4,894)</b>	<b>(4,107)</b>	<b>(6,887)</b>
Other comprehensive income: Exchange differences on translating foreign operations	112	184	(278)	409
<b>Total Comprehensive Income</b>	<b>(2,012)</b>	<b>(4,710)</b>	<b>(4,385)</b>	<b>(6,478)</b>
Net Loss attributable to:				
Equity Holders of Company	(2,051)	(4,408)	(4,004)	(5,962)
Non-controlling interest	(74)	(486)	(103)	(925)
	(2,125)	(4,894)	(4,107)	(6,887)
Total comprehensive income attributable to:				
Equity Holders of Company	(1,938)	(4,171)	(4,281)	(5,477)
Non-controlling interest	(75)	(539)	(105)	(1,001)
	(2,013)	(4,710)	(4,386)	(6,478)
Loss per ordinary share (sen):				
- Basic	(0.17)	(0.38)	(0.34)	(0.51)
- Diluted	-	-	-	-

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the annual audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.



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### Condensed Consolidated Statement of Financial Position

<b>Group</b>	<b>Unaudited 30 Sep 2023 RM'000</b>	<b>Audited 31 Mar 2023 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	415	467
Right-of-Use assets	1,519	2,248
Intangible assets	35,247	35,635
Goodwill on consolidation	286	276
Investment in associates	734	672
	<hr/>	<hr/>
	38,202	39,298
<b>Current assets</b>		
Inventory	2,246	961
Contract assets	6,174	7,133
Trade and other receivables	6,402	10,527
Tax recoverable	58	40
Cash and cash equivalents	4,674	6,697
	<hr/>	<hr/>
	19,555	24,786
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>57,757</b>	<b>64,082</b>
<b>EQUITY &amp; LIABILITIES</b>		
<b>Equity and reserves</b>		
Shares Capital	115,566	115,372
Reserves	(81,869)	(77,588)
	<hr/>	<hr/>
	33,698	37,784
Non-Controlling Interest	(99)	5
	<hr/>	<hr/>
<b>Total Equity</b>	<b>33,599</b>	<b>37,789</b>
<b>Non-current liabilities</b>		
Lease liabilities	121	792
	<hr/>	<hr/>
	121	792
<b>Current liabilities</b>		
Contract liabilities	4,289	5,388
Trade and other payables	10,268	10,825
Borrowings	7,921	7,629
Lease liabilities	1,559	1,659
	<hr/>	<hr/>
	24,038	25,501
	<hr/>	<hr/>
<b>Total liabilities</b>	<b>24,158</b>	<b>26,293</b>
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<b>TOTAL EQUITY AND LIABILITIES</b>	<b>57,757</b>	<b>64,082</b>
	<hr/>	<hr/>
Net assets per share (RM)	0.0283	0.0319
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The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.



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**Condensed Consolidated Statement of Changes in Equity**  
For the period ended 30 September 2023  
(Unaudited)

<b>Group</b>	<b>Share Capital</b>	<b>Preference Share</b>	<b>Shares Option Reserves</b>	<b>Translation Reserves</b>	<b>Accumulated Loss</b>	<b>Total</b>	<b>Non-Controlling Interest</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 Apr 2023	105,665	9,706	1,571	11,047	(90,205)	37,784	5	37,789
Loss for the period	-	-	-	-	(4,004)	(4,004)	(103)	(4,107)
Foreign Currency Translation	-	-	-	(277)	-	(277)	(1)	(278)
Issuance of ordinary shares pursuant to conversion of ICPS	260	-	-	-	-	260	-	260
Conversion of ICPS to ordinary shares	-	(65)	-	-	-	(65)	-	(65)
<b>At 30 Sep 2023</b>	<b>105,925</b>	<b>9,641</b>	<b>1,571</b>	<b>10,770</b>	<b>(94,209)</b>	<b>33,698</b>	<b>(99)</b>	<b>33,599</b>
At 1 Apr 2022	104,957	9,883	1,613	10,672	(77,962)	49,163	(1,127)	48,036
Loss for the period	-	-	-	-	(5,962)	(5,962)	(925)	(6,887)
Foreign Currency Translation	-	-	-	484	-	484	(75)	409
Issuance of ordinary shares pursuant to conversion of ICPS	314	-	-	-	-	314	-	314
Conversion of ICPS to ordinary shares	-	(78)	-	-	-	(78)	-	(78)
ESOS forfeited	-	-	(42)	-	42	-	-	-
<b>At 30 Sep 2022</b>	<b>105,271</b>	<b>9,805</b>	<b>1,571</b>	<b>11,156</b>	<b>(83,882)</b>	<b>43,921</b>	<b>(2,127)</b>	<b>41,793</b>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.



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**Condensed Consolidated Cash Flow Statements**  
For the period ended 30 September 2023  
(Unaudited)

Group	Year To Date	Year To Date
	ended	Ended
	30 Sep 2023	30 Sep 2022
	RM'000	RM'000
Loss for the period	(4,107)	(6,871)
Adjustments for: -		
Non-cash items	4,425	3,922
Non-operating items	(1,373)	(938)
Operating loss before working capital changes	(1055)	(3,887)
Net change in current assets	2,126	3,392
Net change in current liabilities	(556)	1,463
Interest paid	(343)	(250)
Tax paid	(18)	(17)
Net cash generated in operating activities	153	701
Investing activities		(67)
Purchase of property, plant and equipment	(45)	72
Interest received	-	(3,633)
Addition of software development expenditure, net of grant	(1,741)	(3,628)
Net cash used in investing activities	(1,786)	(67)
Financing activities		
Proceeds from conversion of ICPS	195	236
Payment of lease liabilities	(824)	(719)
Net cash (use) in financing activities	(629)	(483)
Net changes in cash and cash equivalents	(2,261)	(3,410)
Cash and cash equivalents at beginning of financial year	6,697	14,069
Effect of exchange rate changes on opening balance	238	215
Cash and cash equivalents at end of the financial period	4,674	10,874

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.



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## **Part A – Explanatory Notes Pursuant to FRS 134**

### **A1. Basis of Preparation.**

The interim financial report is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market. The interim financial report should also be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2023.

### **A2. Adoption of Revised Financial Reporting**

The significant accounting policies and presentations adopted by the Group in this interim financial report are consistent with those adopted in the Group’s audited consolidated financial statements for the financial year ended 31 March 2023, except for the adoption of the following new Malaysia Financial Reporting Standards (“MFRSs”) effective for financial periods beginning on or after 1 January 2023.

MFRS 17 and its amendments to MFRS 17: Insurance Contracts  
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information  
Amendments to MFRS 101: Disclosure of Accounting Policies  
Amendments to MFRS 108: Definition of Accounting Estimates  
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction  
Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the current financial period:

MFRSs and/or IC Interpretations (Including The Consequential Amendments) Effective Date  
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Deferred  
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback 1 January 2024  
Amendments to MFRS 101: Classification of Liabilities as Current or Noncurrent 1 January 2024  
Amendments to MFRS 101: Non-current Liabilities with Covenants 1 January 2024  
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements 1 January 2024

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

### **A3. Auditors’ Report on Preceding Annual Financial Statements**

The audit report of the preceding annual financial statements was not subject to any qualification.

### **A4. Comments about Seasonal or Cyclical Factors**

The business of the Group is not affected by any significant seasonal or cyclical factors.

### **A5. Unusual Items Due to their Nature, Size or Incidence**

There were no unusual items during the quarter.



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**A6. Changes in Estimates**

There are no changes in the estimates of amount reported that have material effect in the current quarter.

**A7. Debt and Equity Securities**

Other than as disclosed in note B10, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

**A8. Dividend Paid**

No dividend was paid during the quarter under review.

**A9. Capital Commitments**

No material capital commitments were approved and contracted for as at 30 June 2023.

**A10. Valuation of Property, Plant and Equipment**

The Group did not revalue any of its property, plant and equipment.

**A11. Subsequent Events**

There were no material events between 1 July 2023 and 24 August 2023 that would be required to be reflected in the financial statement for the quarter ended 30 June 2023.

**A12. Changes in the Composition of the Group**

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

**A13. Changes in Contingent Liabilities**

Guarantees given by the Company for credit facilities granted to subsidiaries

30 Sep 2023  
RM'000

7,947

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**A14. Significant Related Party Transaction**

There were no significant related party transactions which would have material impact on the financial position and business of the Group during the current quarter under review.



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**A15. Segmental Information**

<i>RM'000</i>	<i>Malaysia</i>	<i>Overseas</i>	<i>Elimination</i>	<i>Consolidated</i>
<i>2023</i>				
Revenue				
- External	1,323	15,238	-	16,561
- Internal	12	2,890	(2,901)	-
<b>Total Revenue</b>	<b>1,335</b>	<b>18,127</b>	<b>(2,901)</b>	<b>16,561</b>
Result				
- Segment Result	(568)	(3,180)	-	(3,748)
- Share of associate result				36
- Interest income				-
- Interest expense				(396)
Loss before tax				(4,107)
Tax				-
Loss after tax				(4,107)
Segment assets	29,449	59,779	(27,471)	57,757
Segment liabilities	1,624	22,535	-	24,158
Other information				
- Capital Expenditure	5	1,781	-	1,786
- Depreciation and amortization	99	4,326	-	4,425

<i>RM'000</i>	<i>Malaysia</i>	<i>Overseas</i>	<i>Elimination</i>	<i>Consolidated</i>
<i>FY22/23</i>				
Revenue				
- External	1,660	12,386	-	14,046
- Internal	-	3,449	(3,449)	-
<b>Total Revenue</b>	<b>1,660</b>	<b>15,835</b>	<b>(3,449)</b>	<b>14,046</b>
Result				
- Segment Result	(508)	(6,118)	-	(6,626)
- Share of associate result				17
- Interest income				72
- Interest expense				(333)
Loss before tax				(6,870)
Tax				(17)
Loss after tax				(6,887)
Segment assets	29,090	65,247	(27,471)	66,866
Segment liabilities	1,231	23,842	-	25,073
Other information				
- Capital Expenditure	7	3,693	-	3,700
- Depreciation and amortization	124	3,798	-	3,922



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## Part B – Additional Information required by Bursa Malaysia Securities Berhad’s Listing Requirements

### B1. Performance Review

#### Current Quarter vs Previous Year Corresponding Quarter

For the current quarter under review, the Group recorded revenue of approximately RM9.1 million, representing an 60% improvement over the revenue of approximately RM5.7 million for the preceding year’s corresponding quarter period ended 30 September 2023. This improvement was mainly attributed to the commencement of the commercial sales of our innovative social robot, DEXIE, to several nursing homes in Singapore coupled with increased revenue recognition from higher project milestone completed in our e-Government and Healthcare business units.

In tandem with the increase in revenue, the Group incurred a lower loss before tax of around RM2.1 million for the quarter ended on 30 September 2023 as compared to the loss before taxation of approximately RM4.9 million from the same quarter in the previous year.

#### Current Year-to-date vs Previous Year-to-date

For the 6 months ended 30 September 2023, the Group recorded revenue of RM16.6 million, marking an approximately 18% increase over the revenue of RM14.0 million for the 6 months period ended 30 September 2022. The increase is mainly attributed to commencement of the commercial sales of our innovative social robot, DEXIE, to several nursing homes in Singapore. In line with the increase in revenue, the Group recorded a lower loss before taxation of approximately RM4.1 million for the current period as compared to the preceding year’s loss before taxation of approximately RM6.9 million.

### B2. Variation of Results against the Preceding Quarter

	Current Quarter 30 Sep 2023 RM’000	Preceding Quarter 30 Jun 2023 RM’000	Difference (%)
Revenue	9,124	7,437	23%
Loss before taxation	(2,124)	(1,983)	-7%

The Group recorded revenue of approximately RM9.1 million in the current quarter, which was approximately 23% higher than that recorded in the preceding quarter ended 30 June 2023 of RM 7.4 million. However, the Group concluded the current quarter with a slightly higher loss before tax of about RM2.1 million, when compared to the loss before tax of RM2.0 million in the immediately preceding quarter mainly due to absence of a favorable exchange gain of RM1.8m in the current quarter.

### B3. Prospect

The Group’s order book amounted to approximately RM50.8 million as at 30 September 2023 as compared to approximately RM50.9 million as at the end of immediately preceding quarter.

With the commercialisation of social robots in the current financial year, the Group is in a better position to improve its performance for the year. We remain committed to drive the transformative growth plan to turnaround the Group while we focus on our project delivery to meet our contractual obligation. We will intensify our sales and marketing efforts, such as forging strategic collaborations with industry partners to offer a spectrum of value-added services and to broaden our market reach. An example of such collaborations was the entering of a Joint Venture Agreement with Theta Edge Berhad in September 2023.





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**B4. Profit Forecast and Profit Guarantee**

The Group has not issued any profit forecast or profit guarantee.

**B5. Dividend**

No dividend has been recommended for the quarter under review.

**B6. Material Litigation**

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group.

**B7. Notes to Condensed Consolidated Statement of Comprehensive Income**

Operating profit is arrived at after charging/(crediting) the following items:

	<b>Individual Quarter ended 30 Sep 2023 RM'000</b>	<b>Cumulative Quarter ended 30 Sep 2023 RM'000</b>
i) Depreciation and amortization	2,182	4,425
ii) Foreign exchange (gain)/loss	255	(1,584)
iii) Provision for and write off / (write back) of receivables	-	-
iv) Provision for and write off / (write back) of contract assets	-	-
v) Goodwill impairment	-	-
vi) Impairment of intangible asset	-	-
vii) Exceptional items	-	-



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**B8. Taxation from continuing operation**

	Individual quarter ended		Cumulative quarter ended	
	30 Sep 2023 RM'000	30 Sep 2022 RM'000	30 Sep 2023 RM'000	30 Sep 2022 RM'000
Current taxation charge	-	10	-	17
Under provision in prior year tax	-	-	-	-
Tax expenses (charge)/write back	-	10	-	17

Net deferred tax assets in respect of unutilized tax losses and development expenditure capitalized have not been recognized because of uncertainty that future taxable profits will be available against which the Company and its subsidiaries can utilize the benefits.

**B9. Group Borrowings and Debt Securities**

The total borrowings of the Group as at 30 September 2023 are as follows:

	RM'000
Payable within 12 months	
<i>Term Loans</i>	7,921

The term loan was secured by corporate guarantee by the Company, notified assignment of certain consultancy contracts and fixed and floating charge over the assets of a subsidiary.

**B10. Status of Corporate Proposals**

Employee Share Option Scheme ("ESOS")

At an extraordinary general meeting on 27 August 2015, the Company's shareholders approved the establishment of a ten (10) year ESOS of up to thirty percent (30%) of the issued and paid-up capital of the Company. Set out below are the details of options over the ordinary shares of the Company under the ESOS: -

<u>Option Grant date</u>	<u>Option Expiry date</u>	<u>Exercise price</u>	<u>Number of options over ordinary shares of RM0.10</u>			<b>As at 30.09.23</b>
			Granted	Exercised	Forfeited / Lapsed	
02.6.2016	17.11.2025	RM 0.0728	15,000,000	(1,000,000)	(10,500,000)	3,500,000
02.5.2018	17.11.2025	RM 0.0656	23,000,000	(6,950,021)	(49,979)	16,000,000
30.8.2018	17.11.2025	RM 0.1238	25,300,000	-	(21,000,000)	4,300,000

Number of options exercisable as at 30 September 2023 is 23,800,000.



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**B11. Earnings Per Share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30 Sep 2023	Preceding year corresponding quarter 30 Sep 2022	Current year to date 30 Sep 2023	Preceding year corresponding period 30 Sep 2022
<b>(a) Basic loss per share</b>				
Net loss attributable to shareholders (RM'000)	(2,051)	(4,408)	(4,004)	(5,962)
Weighted average number of ordinary shares ('000)	1,188,033	1,173,083	1,187,114	1,171,163
Basic earnings per share (sen)	(0.17)	(0.38)	(0.34)	(0.51)

**(b) Diluted earnings per share**

The impact from share options and ICPS on the loss per share are anti-dilutive and therefore the diluted loss per shares is not presented.

By the Order of the Board

Tan Kean Wai (MAICSA 7056310)  
Company Secretary  
Kuala Lumpur

23<sup>rd</sup> November 2023