



# **VORTEX CONSOLIDATED BERHAD**

**[Company No. 199601010679 (383028-D)]  
(Incorporated in Malaysia)**

**Year 2022**

**Quarterly Announcement  
For The Quarter Ended 30 September 2021**

**VORTEX CONSOLIDATED BERHAD**  
**[Company No. 199601010679 (383028-D)]**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30 September 2021 (Unaudited) RM'000	Preceding Year Corresponding Quarter 30 September 2020 (Unaudited) RM'000	Current Year To-date 30 September 2021 (Unaudited) RM'000	Preceding Year Corresponding Period 30 September 2020 (Unaudited) RM'000
Revenue	47,323	47,790	89,659	86,711
Cost of sales	(41,706)	(42,095)	(78,346)	(75,741)
Gross profit	5,617	5,695	11,313	10,970
Other income	293	1,461	366	4,351
	5,910	7,156	11,679	15,321
Operating expenses	(4,686)	(4,071)	(9,534)	(8,547)
Finance costs	(879)	(1,705)	(2,214)	(4,151)
Profit/(Loss) before taxation	345	1,380	(69)	2,623
Tax expense	(350)	(898)	(670)	(1,786)
(Loss)/Profit after taxation/ Total comprehensive (expenses)/income	(5)	482	(739)	837
Profit/(Loss) after taxation attributable to:-				
Owners of the Company	1	473	(733)	812
Non-controlling interests	(6)	9	(6)	25
	(5)	482	(739)	837
Total comprehensive income/(expenses) attributable to:-				
Owners of the Company	1	473	(733)	812
Non-controlling interests	(6)	9	(6)	25
	(5)	482	(739)	837
Earnings/(Loss) per share [EPS/(LPS)] (in sen)				
Basic EPS/(LPS)	#	0.18	(0.12)	0.35
Diluted EPS/(LPS)	#	0.18	(0.12)	0.35

# - EPS less than 0.01 sen

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.)

**VORTEX CONSOLIDATED BERHAD**  
**[Company No. 199601010679 (383028-D)]**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

	<u>(UNAUDITED)</u>	<u>(AUDITED)</u>
	As at	As at
	30 September 2021	31 March 2021
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property and equipment	6,209	5,521
Investment properties	10,719	10,800
Right-of-use assets	6,633	7,762
Land held for property development	11,302	11,133
Other investment	-	2,500
Goodwill on consolidation	5,774	5,774
	<u>40,637</u>	<u>43,490</u>
<b>Current Assets</b>		
Inventories	18,277	19,559
Property development costs	140,001	131,158
Trade and other receivables	70,104	71,390
Current tax assets	2,113	1,479
Short-term investments	50,271	40,298
Cash and bank balances	13,653	10,163
	<u>294,419</u>	<u>274,047</u>
<b>TOTAL ASSETS</b>	<u>335,056</u>	<u>317,537</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	213,294	188,775
Reserves	19,961	(10,389)
Equity attributable to owners of the Company	<u>233,255</u>	<u>178,386</u>
Non-controlling interests	539	545
<b>TOTAL EQUITY</b>	<u>233,794</u>	<u>178,931</u>
<b>Non-Current Liabilities</b>		
Lease liabilities	2,334	3,436
Deferred tax liabilities	5,096	5,114
	<u>7,430</u>	<u>8,550</u>
<b>Current Liabilities</b>		
Trade and other payables	79,611	76,510
Lease liabilities	2,086	2,051
Contract liability	2,642	3,417
Term loans	9,489	48,078
Current tax liabilities	4	-
	<u>93,832</u>	<u>130,056</u>
<b>TOTAL LIABILITIES</b>	<u>101,262</u>	<u>138,606</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>335,056</u>	<u>317,537</u>
<b>Net assets per share (sen)</b>	35.06	53.63

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.)

**VORTEX CONSOLIDATED BERHAD**  
**[Company No. 199601010679 (383028-D)]**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE SIX (6) MONTHS ENDED 30 SEPTEMBER 2021**

	(UNAUDITED)	(UNAUDITED)
	CURRENT PERIOD-TO-DATE 6 MONTHS ENDED 30 September 2021	CORRESPONDING PERIOD-TO-DATE 6 MONTHS ENDED 30 September 2020
Note	RM'000	RM'000
<b>CASH FLOW FROM/(FOR) OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation	(69)	2,623
Adjustments for non-cash items:		
Depreciation of property and equipment	450	433
Depreciation of right-of-use assets	1,077	1,165
Depreciation of investment properties	81	54
Equipment written off	-	6
Interest expense	2,001	3,859
Interest expense on lease liabilities	212	292
Gain on disposal of an investment property	-	(2,543)
COVID-19-related rent concession	(326)	-
Interest income	(459)	(597)
Gain on modification of leases	(2)	-
Reversal of provision for liquidated ascertained damages	-	(1,085)
Net reversal of realisation of fair value arising from the acquisition of a subsidiary	-	(19)
Net realisation of fair value arising from the acquisition of a subsidiary	106	-
Operating profit before changes in working capital	<u>3,071</u>	<u>4,188</u>
Net change in inventories	1,282	(1,961)
Net change in trade & other receivables	172	(22,224)
Net change in contract liability	(769)	867
Net change in trade & other payables	1,501	5,371
Cash flow from/(for) operations	<u>5,257</u>	<u>(13,759)</u>
Net income tax (paid)/refunded	(1,318)	78
Interest received	438	590
<b>Net cash from/(for) operating activities</b>	<u>4,377</u>	<u>(13,091)</u>
<b>CASH FLOW (FOR)/FROM INVESTING ACTIVITIES</b>		
Interest income received	21	7
Purchase of equipment	(24)	(133)
Purchase of other investment	-	(2,500)
Proceeds from disposal of other investment	2,590	-
Development costs paid	(9,070)	(3,600)
Proceeds from disposal of an investment property, net of fee and tax	-	9,900
<b>Net cash (for)/from investing activities</b>	<u>(6,573)</u>	<u>3,674</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Rights Issue of Shares with Warrants C	56,551	-
Proceeds from conversion of ICPS	-	55,095
Proceeds from Private Placement	-	7,962
Share issuance expenses	(949)	(105)
Interest paid	(687)	(2,668)
Net repayment of lease liabilities	(687)	(986)
Repayment of term loans	(38,589)	-
<b>Net cash from financing activities</b>	<u>15,659</u>	<u>59,298</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>13,463</u>	<u>49,881</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<u>50,461</u>	<u>44,883</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<u>1</u> <u>63,924</u>	<u>94,764</u>
		<b>30 September 2021</b>
<b>Note 1</b>		<b>RM'000</b>
<b>Cash and Cash Equivalents at End of the Financial Period comprised:</b>		
Short-term investments		50,271
Cash and bank balances		13,653
		<u>63,924</u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.)

**VORTEX CONSOLIDATED BERHAD**  
**[Company No. 199601010679 (383028-D)]**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX (6) MONTHS ENDED 30 SEPTEMBER 2021**

	Share Capital	Irredeemable Convertible Preference Shares ("ICPS")	Share Application Money	Non-Distributable Warrants Reserve	Distributable Accumulated Losses	Attributable To Owners of the Company	Non- Controlling Interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>6 months ended 30 September 2020</b>								
Balance as at 1 April 2020	63,687	34,130	5,500	6,897	(9,313)	120,901	(63)	120,838
Contribution by owners of the Company:								
- Conversion of ICPS	91,312	(30,717)	(5,500)	-	-	55,095	-	55,095
- Issuance of ordinary shares pursuant to a private placement	7,962	-	-	-	-	7,962	-	7,962
- Expenses incurred pursuant to a private placement of ordinary shares	(105)	-	-	-	-	(105)	-	(105)
Total transaction with owners	99,169	(30,717)	(5,500)	-	-	62,952	-	62,952
Profit after taxation for the 6 months ended 30 September 2020	-	-	-	-	812	812	25	837
Balance as at 30 September 2020	162,856	3,413	-	6,897	(8,501)	184,665	(38)	184,627
<b>6 months ended 30 September 2021</b>								
Balance as at 1 April 2021	188,775	3,413	-	6,897	(20,699)	178,386	545	178,931
Contributions by owners of the Company:								
- Rights Issue of Shares with Warrants C	25,468	-	-	31,083	-	56,551	-	56,551
- Share issuance expenses	(949)	-	-	-	-	(949)	-	(949)
Total transactions with owners	24,519	-	-	31,083	-	55,602	-	55,602
Loss after taxation for the 6 months ended 30 September 2021	-	-	-	-	(733)	(733)	(6)	(739)
Balance as at 30 September 2021	213,294	3,413	-	37,980	(21,432)	233,255	539	233,794

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.)

# VORTEX CONSOLIDATED BERHAD (“Vortex” or “the Company”)

[Company No. 199601010679 (383028-D)]  
(Incorporated in Malaysia)

## NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021

### Part A

### Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting

#### A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”), IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board and Paragraph 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Company and its subsidiaries (“the Group”) for the financial year ended 31 March 2021. The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2021.

#### A2. Changes in Accounting Policies

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 March 2021 except for the adoption of the following:-

MFRSs and/or IC Interpretations (Including the Consequential Amendments):-

- Amendments to MFRS 9, MFRS 139 and MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2
- Amendments to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

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.

## Part A

### Explanatory Notes Pursuant To Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting (Cont'd)

#### **A2. Changes in Accounting Policies (Cont'd)**

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 MASB but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including the Consequential Amendments):-

- MFRS 17 Insurance Contracts
- Amendments to MFRS 3: Reference to the Conceptual Framework
- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 17: Insurance Contracts
- Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
- 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 116: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract
- Annual Improvements to MFRS Standards 2018 – 2020

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 auditors' report on the audited financial statements for the financial year ended 31 March 2021 was not qualified.

#### **A4. Seasonality or Cyclicity of Operations**

The Group's operations are not materially affected by any seasonal or cyclical factors.

#### **A5. Unusual Items**

There are no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial period under review that were unusual because of their nature, size or incidence.

#### **A6. Material Changes in Estimates**

There were no material changes in estimates during the current financial period under review.

## Part A

### Explanatory Notes Pursuant To Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting (Cont'd)

#### **A7. Issuances, Repurchases, and Repayments of Debt and Equity Securities**

Pursuant to the rights issue of 60,988,578 new ordinary shares on the basis of 1 new ordinary share for every 5 existing shares held on the entitlement date, together with 60,988,578 free detachable Warrants B ("Warrant(s) B") on the basis of 1 Warrant B for every 1 new ordinary share subscribed for ("Rights Issue of Shares with Warrants B"), the Company has issued 60,988,578 new ordinary shares together with 60,988,578 Warrants B. The new ordinary shares and Warrants B have been listed on the ACE Market of Bursa Securities on 15 May 2019.

Pursuant to the rights issue of 914,828,754 new irredeemable convertible preference shares ("ICPS") on the basis of 3 ICPS for every 1 existing share held on the entitlement date ("Rights Issue of ICPS"), the Company has issued 914,828,754 ICPS. The ICPS have been listed on the ACE Market of Bursa Securities on 15 May 2019.

Following the consolidation of every 4 existing ordinary shares in Vortex ("Vortex Shares") into 1 Vortex Share which was completed on 4 February 2021 ("Share Consolidation"), the numbers of ICPS and Warrants B as at the entitlement date of 68,251,151 and 59,053,778, respectively, have been adjusted to 17,062,777 and 14,763,424, respectively, effective from 4 February 2021.

Pursuant to the rights issue of 332,657,376 new Vortex Shares on the basis of 1 new Vortex Share for every 1 existing Vortex Share held on the entitlement date, together with 266,121,872 free detachable warrants ("Warrant(s) C") on the basis of 4 Warrants C for every 5 new Vortex Shares subscribed for ("Rights Issue of Shares with Warrants C"), the Company has issued 332,657,376 new Vortex Shares together with 266,121,872 Warrants C. The new Vortex Shares and Warrants C have been listed on the ACE Market of Bursa Securities on 28 April 2021.

Additional ICPS of 4,238,295 and additional Warrants B of 3,667,077 which were adjusted following the Rights Issue of Shares with Warrants C were listed on the ACE Market of Bursa Securities on 28 April 2021.

During the quarter under review, there was no conversion of ICPS, no Warrants B and no Warrants C were exercised.

As at 30 September 2021, the ICPS, Warrants B and Warrants C of the Company was 21,301,072, 18,430,501 and 266,121,872, respectively. The Company does not have any other existing convertible securities.

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period under review.

#### **A8. Dividends Paid**

There were no dividends paid during the current financial period under review.



**Part A**  
**Explanatory Notes Pursuant To Malaysian Financial Reporting Standards ("MFRS") 134**  
**Interim Financial Reporting (Cont'd)**

**A9. Operating Segments Information**

The Group business segments comprise the following:-

- (i) Information Technology ("IT") and Information Communication Technology ("ICT") division - involved in trading in IT and ICT related products (hardware, software and accessories), software development and support services and others ("IT and ICT Division");
- (ii) Property construction and its related business ("Construction Division");
- (iii) Investment properties ("Property Investment Division");
- (iv) Property development ("Property Development Division");
- (v) Moneylending business ("Moneylending Business Division"); and
- (vi) Investment holding ("Investment Holding Division").

## Part A

### Explanatory Notes Pursuant To Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting (Cont'd)

#### A9. Operating Segment Information (Cont'd)

Segmental information is provided based on business segments, as follows:

	IT and ICT Division RM000	Construction Division RM000	Property Investment Division RM000	Property Development Division RM000	Moneylending Business Division RM000	Investment Holding Division RM000	The Group RM000
<b>Current quarter ended</b>							
<b>30 September 2021</b>							
<b>Revenue</b>							
External revenue	46,200	-	69	216	657	181	47,323
Inter-segment revenue	1	-	-	-	-	-	1
	<u>46,201</u>	<u>-</u>	<u>69</u>	<u>216</u>	<u>657</u>	<u>181</u>	<u>47,324</u>
Consolidation adjustment							(1)
Consolidated revenue							<u>47,323</u>
<b>Results</b>							
Segment results	2,049	(124)	17	(56)	192	(67)	2,011
Interest income	1	-	-	-*	11	-	12
Realisation of fair value arising from the acquisition of a subsidiary	-	-	-	(42)	-	-	(42)
Depreciation of property and equipment	(92)	-	(2)	(7)	(67)	(19)	(187)
Depreciation of right-of-use assets	(504)	-	-	-	(15)	(12)	(531)
Depreciation of investment properties	-	-	(40)	-	-	-	(40)
Interest expense	-	-	-	(778)	-	-	(778)
Interest expense on lease liabilities	(98)	-	-	-	(2)	-	(100)
Consolidated profit/(loss) before taxation	<u>1,356</u>	<u>(124)</u>	<u>(25)</u>	<u>(883)</u>	<u>119</u>	<u>(98)</u>	<u>345</u>
Tax expense	(295)	-	(6)	5	(54)	-	(350)
Consolidated profit/(loss) after taxation	<u>1,061</u>	<u>(124)</u>	<u>(31)</u>	<u>(878)</u>	<u>65</u>	<u>(98)</u>	<u>(5)</u>
<b>Assets</b>							
Segment assets/Consolidated total assets	50,688	696	10,898	154,373	64,752	53,649	<u>335,056</u>
<b>Liabilities</b>							
Segment liabilities/Consolidated total liabilities	30,498	22	95	70,335	130	182	<u>101,262</u>

Note:-

\*- Amount less than RM1,000

**Part A**  
**Explanatory Notes Pursuant To Malaysian Financial Reporting Standards ("MFRS") 134**  
**Interim Financial Reporting (Cont'd)**

**A9. Operating Segment Information (Cont'd)**

	IT and ICT Division RM000	Construction Division RM000	Property Investment Division RM000	Property Development Division RM000	Moneylending Business Division RM000	Investment Holding Division RM000	The Group RM000
<b>Current quarter ended</b>							
<b>30 September 2020</b>							
<b>Revenue</b>							
External revenue	47,661	-	30	(1,263)	1,015	347	47,790
Inter-segment revenue	1	-	-	-	-	-	1
	<u>47,662</u>	<u>-</u>	<u>30</u>	<u>(1,263)</u>	<u>1,015</u>	<u>347</u>	<u>47,791</u>
Consolidation adjustments							(1)
Consolidated revenue							<u>47,790</u>
<b>Results</b>							
Segment results	2,202	(159)	(63)	(299)	989	113	2,783
Interest income	1	-*	-	-*	2	-	3
Reversal of provision for liquidated ascertained damages	-	-	-	1,085	-	-	1,085
Net reversal of realisation of fair value arising from the acquisition of a subsidiary	-	-	-	44	-	-	44
Depreciation of property and equipment	(179)	-*	-	(7)	(14)	(18)	(218)
Depreciation of right-of-use assets	(552)	-	-	-	(14)	(13)	(579)
Depreciation of investment properties	-	-	(27)	-	-	-	(27)
Equipment written off	-	-	-	-	(6)	-	(6)
Interest expense	-	-	-	(1,565)	-	-	(1,565)
Interest expense on lease liabilities	(137)	-	-	-	(3)	-	(140)
Consolidated profit/(loss) before taxation	<u>1,335</u>	<u>(159)</u>	<u>(90)</u>	<u>(742)</u>	<u>954</u>	<u>82</u>	<u>1,380</u>
Tax expense	(476)	-	-	(17)	(405)	-	(898)
Consolidated profit/(loss) after taxation	<u>859</u>	<u>(159)</u>	<u>(90)</u>	<u>(759)</u>	<u>549</u>	<u>82</u>	<u>482</u>
<b>Assets</b>							
Segment assets/Consolidated total assets	53,464	444	8,306	139,673	59,736	73,833	<u>335,456</u>
<b>Liabilities</b>							
Segment liabilities/Consolidated total liabilities	35,764	21	31	113,855	968	190	<u>150,829</u>

Note:-

\*- Amount less than RM1,000

The Group operates principally in Malaysia.

## Part A

### Explanatory Notes Pursuant To Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting (Cont'd)

#### **A10. Material Events Subsequent to the End of the Interim Period**

There were no material events subsequent to the end of the current quarter up to 18 November 2021, being the latest practicable date not earlier than seven (7) days from the date of the issue of this report that are expected to have an operational or financial impact on the Group except as follows:-

On behalf of the Board of Directors of Vortex ("Board"), TA Securities Holdings Berhad ("TA Securities") has on 2 September 2021 announced that the Board has resolved to replace the proposed private placement of up to 291,347,400 new Vortex Shares, representing up to 30% of the total number of Vortex Shares in issue (excluding treasury shares, if any), together with up to 145,673,700 detachable warrants ("Placement Warrant(s)") on the basis of 1 Placement Warrant for every 2 new Vortex Shares subscribed for with a new proposed private placement of up to 388,463,200 new Vortex Shares, representing up to 40% of Vortex Shares in issue (excluding treasury shares, if any) ("Proposed 40% Private Placement").

On 3 September 2021, the Company has submitted the additional listing application in relation to the Proposed 40% Private Placement to Bursa Securities.

And, Bursa Securities had, vide its letter dated 6 October 2021, resolved to approve the listing and quotation of up to 388,463,200 new Vortex Shares to be issued pursuant to the Proposed 40% Private Placement subject to the following conditions:

- (i) Vortex and TA Securities must fully comply with the relevant provisions under the ACE Market Listing Requirements pertaining to the implementation of the Proposed 40% Private Placement;
- (ii) Vortex and TA Securities to inform Bursa Securities upon the completion of the Proposed 40% Private Placement; and
- (iii) Vortex to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed 40% Private Placement is completed.

The shareholders of the Company have via an Extraordinary General Meeting held on 3 November 2021, approved the Proposed 40% Private Placement.

#### **A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current financial period under review.

#### **A12. Changes in Contingent Liabilities and Contingent Assets since the Last Annual Balance Sheet Date**

Since the last annual balance sheet date, there were no material changes in contingent liabilities and contingent assets for the Group as at 18 November 2021 (the latest practicable date not earlier than seven (7) days from the date of issue of this report).

#### **A13. Capital Commitments**

There were no capital commitments as at 18 September 2021 (the latest practicable date not earlier than seven (7) days from the date of issue of this report).

**Part A**  
**Explanatory Notes Pursuant To Malaysian Financial Reporting Standards ("MFRS") 134**  
**Interim Financial Reporting (Cont'd)**

**A14. Related Party Transactions**

The Group's related party transactions are as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 30 September 2021 RM000	Preceding Year Corresponding Quarter 30 September 2020 RM000	Current Year To-date 30 September 2021 RM000	Preceding Year Corresponding Period 30 September 2020 RM000
Administrative expenses charged to a related party	-	3	2	7
Professional services charged by a related party	11	30	22	45
Key management personnel:-				
- salaries and allowances	337	187	672	348
- defined contribution plans	40	22	80	41
- others	1	-*	2	1
- fee	72	72	144	143

Note:-

\*- Amount less than RM1,000

**A15. Changes in Fair Value of Financial Assets and Financial Liabilities, Transfers and Classifications**

There have been no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities in the current financial period under review.

**Part B**

**Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements**

**B1. Detailed Analysis of Overall Performance**

	Individual Quarter		Changes %	Cumulative Period		Changes %
	Current Year Quarter	Preceding Year Corresponding Quarter		Current Year To-date	Preceding Year Corresponding Period	
	30.9.2021 RM'000	30.9.2020 RM'000		30.9.2021 RM'000	30.9.2020 RM'000	
<b>Revenue:-</b>						
IT and ICT Division	46,200	47,661	(3.1)	86,849	84,730	2.5
Construction Division	-	-	-	-	-	-
Property Investment Division	69	30	130.0	125	116	7.8
Property Development Division	216	(1,263)	117.1	823	(1,268)	164.9
Moneylending Business Division	657	1,015	(35.3)	1,424	2,543	(44.0)
Investment Holding Division	181	347	(47.8)	438	590	(25.8)
	<b>47,323</b>	<b>47,790</b>	<b>(1.0)</b>	<b>89,659</b>	<b>86,711</b>	<b>3.4</b>
<b>Profit/(Loss) before taxation ("PBT/(LBT)":-</b>						
IT and ICT Division	1,356	1,335	1.6	2,126	1,877	13.3
Construction Division	(124)	(159)	(22.0)	(251)	(292)	(14.0)
Property Investment Division	(25)	(90)	(72.2)	(38)	2,416	(101.6)
Property Development Division	(883)	(742)	19.0	(2,226)	(3,047)	(26.9)
Moneylending Business Division	119	954	(87.5)	413	1,937	(78.7)
Investment Holding Division	(98)	82	(219.5)	(93)	(268)	(65.3)
	<b>345</b>	<b>1,380</b>	<b>(75.0)</b>	<b>(69)</b>	<b>2,623</b>	<b>(102.6)</b>

## Part B

### Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

#### B1. Detailed Analysis of Overall Performance (Cont'd)

##### Overall Performance

Overall, the Group's revenue for the current quarter as compared to the preceding year corresponding quarter has decreased mainly due to the decrease in revenue in IT and ICT Division. The decrease in revenue from IT and ICT division was mainly due to the decrease in sales of Do-It-Yourself ("DIY") products.

The Group has recorded a lower PBT in the current quarter mainly due to higher operating expenses incurred in Moneylending Business Division.

The profit recorded in the preceding year corresponding period was mainly due to the gain from the disposal of an investment property in Property Investment Division.

##### IT and ICT Division

The decrease in revenue in the current quarter under review is as explained above. The PBT, however, was not much affected mainly due to rebates obtained from the landlord and lesser staff costs incurred.

##### Construction Division

The loss in the current quarter was mainly due to the fixed costs incurred.

##### Property Investment Division

The increase in rental income recorded in the current quarter was mainly due to higher rental income generated from the investment properties. Higher rental income coupled with lesser staff costs incurred have led to lower LBT in the current quarter.

The profit recorded in the preceding year corresponding period was due to the gain from the disposal of an investment property.

##### Property Development Division

The revenue recognised was in respect of the development project in Kajang and based on the development stage of completion as well as the percentage of the numbers of units sold.

The increase in revenue in the current quarter was mainly due to the increase in progress billings arose from the development works achieved for sold units. In contrast with the current quarter under review, the revocation of units by purchasers had led to the reversal of revenue in the preceding year corresponding quarter.

The decrease in loss in the current year to-date as compared to the preceding year corresponding period was mainly due to the increase in revenue and lesser financial costs incurred.

## Part B

### Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

#### B1. Detailed Analysis of Overall Performance (Cont'd)

##### Moneylending Business Division

The revenue generated was in respect of interest income gained from the moneylending business operations.

The decreases in revenue and PBT in the current quarter as compared to the preceding year corresponding quarter were mainly due to the lower interest income earned and higher operating expenses incurred.

##### Investment Holding Division

The decrease in revenue and LBT recorded in the current quarter as compared to the preceding year corresponding quarter was mainly due to lesser interest income received from short-term investments.

#### B2. Comments on Material Changes in the Profit/(Loss) Before Taxation for the Quarter Reported as Compared with the Immediate Preceding Quarter

	Current Quarter 30.9.2021 RM'000	Immediate Preceding Quarter 30.6.2021 RM'000	Changes %
<b>Revenue:-</b>			
IT and ICT Division	46,200	40,649	13.7
Construction Division	-	-	-
Property Investment Division	69	56	23.2
Property Development Division	216	607	(64.4)
Moneylending Business Division	657	767	(14.3)
Investment Holding Division	181	257	29.6
	<b>47,323</b>	<b>42,336</b>	<b>11.8</b>
<b>PBT/(LBT):-</b>			
IT and ICT Division	1,356	770	76.1
Construction Division	(124)	(127)	(2.4)
Property Investment Division	(25)	(13)	92.3
Property Development Division	(883)	(1,343)	(34.3)
Moneylending Business Division	119	294	(59.5)
Investment Holding Division	(98)	5	(2,060.0)
	<b>345</b>	<b>(414)</b>	<b>183.3</b>

##### Overall Performance

Overall, the Group's revenue for the current quarter as compared to the immediate preceding quarter has increased mainly due to the increase in revenue from IT and ICT Division. The increase in revenue from IT and ICT Division was mainly due to the resumption of IT hyper store's operation after Enhanced Movement Control Order.

The Group has recorded PBT in the current quarter as compared to the immediate preceding quarter mainly due to the increase in revenue in the division as mentioned above and lesser finance costs incurred in the Property Development Division.



## Part B

### Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

#### **B2. Comments on Material Changes in the Loss Before Taxation for the Quarter Reported as Compared with the Immediate Preceding Quarter (Cont'd)**

##### IT and ICT Division

The increase in revenue during the current quarter under review is as explained above.

The higher PBT recorded in the current quarter as compared to the immediate preceding quarter was mainly contributed by the increase in revenue as well as higher rebates received from landlord.

##### Construction Division

The losses recorded in both quarters were mainly due to the fixed costs incurred in this division.

##### Property Investment Division

There were no material movements in both revenue and loss in this division.

##### Property Development Division

The decrease in revenue in the current quarter was mainly due to the development works partially resuming operations with 60% workforce on site at the end of August 2021.

The lower LBT in the current quarter as compared to the immediate preceding quarter was mainly due to lesser finance costs incurred in this division.

##### Moneylending Business Division

The decrease in revenue and lower PBT recorded in the current quarter were mainly due to the lower interest income earned in the current quarter under review.

##### Investment Holding Division

The decrease in revenue and LBT recorded in the current quarter were mainly due to lower interest income earned and higher operating expenses incurred in this division.

#### **B3. Commentary on Prospects**

With the gradual reopening of economic sectors including social activities, the Board is hopeful that the Malaysia's economy is now on the path to recovery. The implementation of various economic stimulus packages and government's aid programmes have provided additional impetus for the economic recovery and increased consumer spending.

The Board will continue to seek for more opportunities and assess all factors and angles before deciding to undertake any such possibilities. Nevertheless, the Group will uphold its stance to remain cautious in its approach and ventures.

## Part B

### Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

#### B4. Variance between Actual Profit and Forecast Profit or Profit Guarantee

There were no profit forecast or profit guarantee made public for the current financial period under review.

#### B5. Tax Expense

The tax expense is as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 30.9.2021 RM'000	Preceding Corresponding Quarter 30.9.2020 RM'000	Current Year To-date 30.9.2021 RM'000	Preceding Year Corresponding Period 30.9.2020 RM'000
Current tax expense:				
- For the current financial period	(355)	(881)	(688)	(1,175)
Deferred tax expense:				
- For the current financial period	5	(17)	18	(17)
	<u>(350)</u>	<u>(898)</u>	<u>(670)</u>	<u>(1,192)</u>
Real Property Gains Tax	-	-	-	(594)
	<u>(350)</u>	<u>(898)</u>	<u>(670)</u>	<u>(1,786)</u>

#### B6. Status of Corporate Proposals

There were no corporate proposals as at 18 November 2021 (the latest practicable date not earlier than seven (7) days from the date of issue of this report) pending for completion except for the Proposed 40% Private Placement as mentioned in A10 above.

## Part B

### Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

#### B7. Utilisation of Proceeds

##### Rights Issue of Shares with Warrants B and the Rights Issue of ICPS

On 15 May 2019, TA Securities on behalf of the Board, announced that the Rights Issue of Shares with Warrants B and Rights Issue of ICPS (collectively referred as "Rights Issues I") have been completed following the listing of and quotation for 60,988,578 new ordinary shares together with 60,988,578 Warrants B and 914,828,754 ICPS on the ACE Market of Bursa Securities.

On 25 July 2019, the shareholders of the Company had approved the variation to the utilisation of proceeds raised from the Rights Issues I. At 30 September 2021, the status of the utilisation of proceeds raised from the Rights Issues I taking into consideration the variation approved on 25 July 2019 is as follows:-

Utilisation of proceeds	Utilisation of proceeds after the variation (RM'000)	Amount utilised at 30 September 2021 (RM'000)	Balance of proceeds (RM'000)	Revised time frame for utilisation of proceeds
	(A)	(B)	(A-B)	
Proposed development project under Kepayang Heights Sdn Bhd	23,189	(1,210)	21,979	Within 48 months*
Working capital for moneylending business	20,000	(20,000)	-	Within 12 months <sup>^</sup>
Future projects and/or acquisitions	6,500	(6,123)	377	Within 36 months*
Working capital	4,118 <sup>#</sup>	(4,118)	-	Within 24 months*
Expenses in relation to the corporate exercises	1,082 <sup>#</sup>	(1,082)	-	-
<b>Total</b>	<b>54,889</b>	<b>(32,533)</b>	<b>22,356</b>	

#### Notes:

\* From 15 May 2019 (being the date of completion of the Rights Issues I).

<sup>^</sup> From 25 July 2019 (being the date of obtaining approval from shareholders of the Company for a variation to the utilisation of proceeds at a general meeting).

<sup>#</sup> As the actual expenses for the corporate exercises were lower than the estimated expenses for the said corporate exercises, hence the surplus amount (i.e approximately RM118,000) has been re-allocated to the working capital of the Group.

## Part B

### Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

#### B7. Utilisation of Proceeds (Cont'd)

##### Rights Issue of Share with Warrants C

On 28 April 2021, TA Securities on behalf of the Board, announced that the Rights Issue of Shares with Warrants C has been completed following the listing of and quotation for 332,652,376 new Vortex Shares together with 266,121,872 Warrants C on the ACE Market of Bursa Securities.

At 30 September 2021, the status of the utilisation of proceeds raised from the Rights Issue of Shares with Warrants C is as follows:-

Utilisation of proceeds	Utilisation of proceeds (RM'000)	Amount utilised at 30 September 2021 (RM'000)	Balance of proceeds (RM'000)	Timeframe for utilisation*
	(A)	(B)	(A-B)	
Repayment of bank borrowings <sup>(1)</sup>	47,970	(38,452)	9,518	Within 12 months*
Working capital for 'The Louvre' project and/or the Group's moneylending business	7,632 <sup>#</sup>	(3,613)	4,019	Within 24 months*
Estimated expenses in relation to the corporate exercises	949 <sup>#</sup>	(949)	-	Within 1 month
<b>TOTAL</b>	<b>56,551</b>	<b>(43,014)</b>	<b>13,537</b>	

Notes:

- \* From 28 April 2021 (being the date of completion of the Rights Issue of Shares with Warrants C).
- <sup>(1)</sup> The proceeds are utilised to repay the credit facilities granted by a financial institution to a subsidiary of the Company.
- <sup>#</sup> As the actual expenses for the corporate exercises were higher than the estimated expenses for the said corporate exercises, hence the shortfall (i.e approximately RM129,000) has been re-allocated from the working capital of the Group.

## Part B

### Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

#### B8. Details of Group Borrowings and Debt Securities

The Group's interest-bearing borrowings as at the end of the reporting period are as follows:

	As at 30.9.2021 RM'000	As at 30.9.2020 RM'000
<b>Current</b>		
Lease liabilities	2,086	3,105
Term loans	9,489	16,873
	<hr/>	<hr/>
	11,575	19,978
<b>Non-current</b>		
Lease liabilities	2,334	3,122
Term loans	-	45,551
	<hr/>	<hr/>
	13,909	68,651
	<hr/>	<hr/>

On 18 September 2020, a subsidiary of the Company entered into supplementary agreements with a financial institution to revise the repayment schedule and effective interest rate of the credit facilities. The revised repayment schedule commenced in January 2021 and fully repayable by December 2021. The effective interest rate has been revised from 8.75% to 7% per annum.

#### B9. Gains and Losses arising from Fair Value Changes of Financial Liabilities

No gains or losses were recognised for changes in fair values of financial liabilities during the quarter under review.

#### B10. Changes in Material Litigation

The Directors were not aware of any material litigation, which, if enforced, may have a material impact on the profit or net asset value of the Group.

#### B11. Dividends

No interim dividend has been declared or proposed for the current financial period under review.

## Part B

### Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

#### B12. Earnings/(Loss) per Share

The basic earnings/(loss) per share was calculated by dividing the profit/(loss) after taxation attributable to the owners of the Company by the weighted average number of ordinary shares in issue in the respective period as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 30.9.2021	Preceding Year Corresponding Quarter 30.9.2020	Current Year To-date 30.9.2021	Preceding Year Corresponding Period 30.9.2020
Profit/(Loss) after taxation attributable to the owners of the Company (RM'000)	1	473	(733)	812
Weighted average number of ordinary shares in issue	665,304,752	257,809,808	630,767,074	231,883,423
Basic earnings/(loss) per share (sen)	#	0.18	(0.12)	0.35
Diluted earnings/(loss) per share (sen)	#	0.18	(0.12)	0.35

Note:-

# - earnings per share less than 0.01sen

## Part B

### Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

#### B13. Notes to the Statement of Profit or Loss and Other Comprehensive Income

	Individual Quarter		Cumulative Period	
	Current Year Quarter 30.9.2021 RM'000	Preceding Year Corresponding Quarter 30.9.2020 RM'000	Current Year To-date 30.9.2021 RM'000	Preceding Year Corresponding Period 30.9.2020 RM'000
Interest income	193	350	459	597
Interest expense	778	1,565	2,001	3,859
Interest expense on lease liabilities	100	140	212	292
Depreciation of property and equipment	187	218	450	433
Depreciation of investment properties	40	27	81	54
Depreciation of right-of-use assets	531	579	1,077	1,165
Equipment written off	-	6	-	6
Net realisation of fair value arising from the acquisition of a subsidiary	42	-	106	-
Net reversal of realisation of fair value arising from the acquisition of a subsidiary	-	44	-	19
Reversal of provision for liquidated ascertained damages	-	1,085	-	1,085
Gain on disposal of an investment property	-	-	-	2,543
Gain on modification of leases	-	-	2	-

#### B14. Authorisation for issue

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the directors dated 25 November 2021.