



# **VORTEX CONSOLIDATED BERHAD**

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

**Year 2023**

**Quarterly Announcement  
For The Quarter Ended 30 June 2022**

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

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30 JUNE 2022**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30 June 2022 (Unaudited) RM'000	Preceding Year Corresponding Quarter 30 June 2021 (Unaudited) RM'000	Current Year To- date 30 June 2022 (Unaudited) RM'000	Preceding Year Corresponding Period 30 June 2021 (Unaudited) RM'000
Revenue	36,875	42,336	36,875	42,336
Cost of sales	(32,583)	(36,640)	(32,583)	(36,640)
Gross profit	4,292	5,696	4,292	5,696
Other income	163	73	163	73
	4,455	5,769	4,455	5,769
Operating expenses	(4,818)	(4,848)	(4,818)	(4,848)
Finance costs	(70)	(1,335)	(70)	(1,335)
Loss before taxation	(433)	(414)	(433)	(414)
Tax expense	(62)	(320)	(62)	(320)
Loss after taxation/ Total comprehensive expenses	(495)	(734)	(495)	(734)
Loss after taxation attributable to:-				
Owners of the Company	(496)	(734)	(496)	(734)
Non-controlling interests	1	-	1	-
	(495)	(734)	(495)	(734)
Total comprehensive expenses attributable to:-				
Owners of the Company	(496)	(734)	(496)	(734)
Non-controlling interests	1	-	1	-
	(495)	(734)	(495)	(734)
Loss per share LPS (in sen)				
Basic LPS	(0.05)	(0.12)	(0.05)	(0.12)
Diluted LPS	(0.05)	(0.12)	(0.05)	(0.12)

(The Condensed Consolidated Statements 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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

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

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**FOR THE QUARTER ENDED 30 JUNE 2022**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>As at</b>	<b>As at</b>
	<b>30 June 2022</b>	<b>31 March 2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property and equipment	5,541	8,529
Investment properties	10,598	10,638
Right-of-use assets	35,059	35,690
Land held for property development	11,387	11,366
Goodwill on consolidation	5,774	5,774
	<b>68,359</b>	<b>71,997</b>
<b>Current Assets</b>		
Inventories	20,534	22,098
Property development costs	152,385	149,059
Trade and other receivables	83,063	64,430
Current tax assets	2,496	2,116
Short-term investments	15,514	43,921
Cash and bank balances	33,023	18,512
Asset classified as held for sale	3,028	-
	<b>310,043</b>	<b>300,136</b>
<b>TOTAL ASSETS</b>	<b>378,402</b>	<b>372,133</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	269,149	261,958
Reserves	10,834	14,526
Equity attributable to owners of the Company	279,983	276,484
Non-controlling interests	530	529
<b>TOTAL EQUITY</b>	<b>280,513</b>	<b>277,013</b>
<b>Non-Current Liabilities</b>		
Lease liabilities	777	1,400
Deferred tax liabilities	5,123	5,131
	<b>5,900</b>	<b>6,531</b>
<b>Current Liabilities</b>		
Trade and other payables	84,507	82,144
Lease liabilities	2,212	2,118
Contract liability	5,263	4,321
Current tax liabilities	7	6
	<b>91,989</b>	<b>88,589</b>
<b>TOTAL LIABILITIES</b>	<b>97,889</b>	<b>95,120</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>378,402</b>	<b>372,133</b>
<b>Net assets per share (sen)</b>	25.52	25.77

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.)

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

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THREE (3) MONTHS ENDED 30 JUNE 2022**

	Share Capital	Irredeemable Convertible Preference Shares ("ICPS")	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
<b>3 months ended 30 June 2021</b>							
Balance as at 1 April 2021	188,775	3,413	6,897	(20,699)	178,386	545	178,931
Contribution 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 transaction with owners	24,519	-	31,083	-	55,602	-	55,602
Loss after taxation for the 3 months ended 30 June 2021	-	-	-	(734)	(734)	-	(734)
Balance as at 30 June 2021	213,294	3,413	37,980	(21,433)	233,254	545	233,799
<b>3 months ended 30 June 2022</b>							
Balance as at 1 April 2022	261,958	3,412	26,183	(15,069)	276,484	529	277,013
Contributions by owners of the Company:							
- Conversion of ICPS	451	(451)	-	-	-	-	-
- Exercise of Warrants C	6,740	-	(2,745)	-	3,995	-	3,995
Total transactions with owners	7,191	(451)	(2,745)	-	3,995	-	3,995
Loss after taxation for the 3 months ended 30 June 2022	-	-	-	(496)	(496)	1	(495)
Balance as at 30 June 2022	269,149	2,961	23,438	(15,565)	279,983	530	280,513

Note:-

\* - Amount less than RM1,000

(The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.)

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

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW**  
**FOR THE THREE (3) MONTHS ENDED 30 JUNE 2022**

	(UNAUDITED) CURRENT PERIOD-TO-DATE 3 MONTHS ENDED 30 June 2022 RM'000	(UNAUDITED) CORRESPONDING PERIOD-TO-DATE 3 MONTHS ENDED 30 June 2021 RM'000
<b>CASH FLOW FOR OPERATING ACTIVITIES</b>		
<b>Loss before taxation</b>	(433)	(414)
Adjustments for non-cash items:		
Depreciation of property and equipment	207	263
Depreciation of right-of-use assets	632	546
Depreciation of investment properties	40	41
Interest expense	-	1,223
Interest expense on lease liabilities	70	112
Interest income	(123)	(266)
Gain on modification of leases	-	(2)
Realisation of fair value arising from the acquisition of a subsidiary	81	64
Operating profit before changes in working capital	474	1,567
Net change in inventories	1,564	(4,135)
Net change in trade & other receivables	(18,633)	957
Net change in contract liability	945	(484)
Net change in trade & other payables	2,334	301
Cash flow for operations	(13,316)	(1,794)
Net income tax paid	(450)	(700)
Interest received	111	257
<b>Net cash for operating activities</b>	(13,655)	(2,237)
<b>CASH FLOW FOR INVESTING ACTIVITIES</b>		
Interest income received	12	9
Purchase of equipment	(247)	(4)
Development costs paid	(3,402)	(5,310)
<b>Net cash for investing activities</b>	(3,637)	(5,305)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Rights Issue of Shares with Warrants C	-	56,551
Share issuance expenses	-	(949)
Proceeds from exercise of Warrants C	3,995	-
Interest paid	-	(567)
Net repayment of lease liabilities	(599)	(512)
Repayment of term loans	-	(38,560)
<b>Net cash from financing activities</b>	3,396	15,963
NET CHANGE IN CASH AND CASH EQUIVALENTS	(13,896)	8,421
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	62,433	50,461
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	1 <u>48,537</u>	<u>58,882</u>
<b>Note 1</b>		<b>30 June 2022</b>
<b>Cash and Cash Equivalents at End of the Financial Period comprised:</b>		<b>RM'000</b>
Short-term investments		15,514
Cash and bank balances		33,023
		<u>48,537</u>

(The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2022 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 JUNE 2022

### 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 2022. 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 financial year ended 31 March 2022.

##### 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 2022 except for the adoption of the following:-

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

- Amendments to MFRS 3: Reference to Conceptual Framework
- 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 - 2022

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 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 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information
- 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

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 2022 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, 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 C (“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, the following shares have been issued and listed on the ACE Market of Bursa Securities on the following dates as a result of the conversion of ICPS and exercise of Warrants C. No Warrants B were exercised during the quarter under review.

Listing Date	No. of shares issued resulting from	
	Conversion of ICPS	Exercise of Warrants C
14 April 2022	178,200	-
21 April 2022	31,858	-
25 April 2022	210,941	5,525,800
29 April 2022	238,433	-
10 May 2022	-	7,860,000
13 May 2022	27,500	-
18 May 2022	-	2,000,000
23 May 2022	79,800	3,651,100
17 June 2022	35,000	-
28 June 2022	80,000	4,462,900
30 June 2022	58,500	-
<b>Total</b>	<b>940,232</b>	<b>23,499,800</b>

As at 30 June 2022, the ICPS, Warrants B and Warrants C of the Company was 18,480,374, 18,430,501 and 141,614,972 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.

## **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”);
- (vi) Plantation business (“Plantation Business Division”); and
- (vii) 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 RM'000	Construction Division RM'000	Property Investment Division RM'000	Property Development Division RM'000	Moneylending Business Division RM'000	Plantation Division RM'000	Investment Holding Division RM'000	The Group RM'000
<b>Current quarter ended</b>								
<b>30 June 2022</b>								
<b>Revenue</b>								
External revenue	34,845	-	70	237	686	926	111	36,875
Inter-segment revenue	-	-	-	-	-	-	-	-
	<u>34,845</u>	<u>-</u>	<u>70</u>	<u>237</u>	<u>686</u>	<u>926</u>	<u>111</u>	<u>36,875</u>
Consolidation adjustment								-
Consolidated revenue								<u>36,875</u>
<b>Results</b>								
Segment results	140	(89)	33	(32)	242	747	(456)	585
Interest income	1	-	-	2	9	-	-	12
Realisation of fair value arising from the acquisition of a subsidiary	-	-	-	(81)	-	-	-	(81)
Depreciation of property and equipment	(110)	-	(2)	(7)	(69)	(4)	(15)	(207)
Depreciation of right-of-use assets	(509)	-	-	-	-	(110)	(13)	(632)
Depreciation of investment properties	-	-	(40)	-	-	-	-	(40)
Interest expense on lease liabilities	(70)	-	-	-	-	-	-	(70)
Consolidated (loss)/profit before taxation	<u>(548)</u>	<u>(89)</u>	<u>(9)</u>	<u>(118)</u>	<u>182</u>	<u>633</u>	<u>(484)</u>	<u>(433)</u>
Tax expense	-	-	(6)	7	(63)	-	-*	(62)
Consolidated (loss)/profit after taxation	<u>(548)</u>	<u>(89)</u>	<u>(15)</u>	<u>(111)</u>	<u>119</u>	<u>633</u>	<u>(484)</u>	<u>(495)</u>

## **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 RM'000	Construction Division RM'000	Property Investment Division RM'000	Property Development Division RM'000	Moneylending Business Division RM'000	Plantation Division RM'000	Investment Holding Division RM'000	The Group RM'000
<b>Current quarter ended</b>								
<b>30 June 2022</b>								
<b>Assets</b>								
Segment assets/Consolidated total assets	45,804	314	10,794	168,680	54,578	34,025	64,207	<u>378,402</u>
<b>Liabilities</b>								
Segment liabilities/Consolidated total liabilities	26,222	21	95	70,655	53	673	170	<u>97,889</u>

**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 RM'000	Construction Division RM'000	Property Investment Division RM'000	Property Development Division RM'000	Moneylending Business Division RM'000	Investment Holding Division RM'000	The Group RM'000
<b>Current quarter ended 30 June 2021</b>							
<b>Revenue</b>							
External revenue	40,649	-	56	607	767	257	42,336
Inter-segment revenue	1	-	-	-	-	-	1
	<u>40,650</u>	<u>-</u>	<u>56</u>	<u>607</u>	<u>767</u>	<u>257</u>	<u>42,337</u>
Consolidation adjustments							(1)
Consolidated revenue							<u>42,336</u>
<b>Results</b>							
Segment results	1,574	(127)	30	(50)	359	37	1,824
Gain on modification of leases	2	-	-	-	-	-	2
Interest income	1	-	-	1	7	-	9
Net realisation of fair value arising from the acquisition of a subsidiary	-	-	-	(64)	-	-	(64)
Depreciation of property and equipment	(185)	-*	(2)	(7)	(50)	(19)	(263)
Depreciation of right-of-use assets	(513)	-	-	-	(20)	(13)	(546)
Depreciation of investment properties	-	-	(41)	-	-	-	(41)
Interest expense	-	-	-	(1,223)	-	-	(1,223)
Interest expense on lease liabilities	(110)	-	-	-	(2)	-	(112)
Consolidated profit/(loss) before taxation	<u>770</u>	<u>(127)</u>	<u>(13)</u>	<u>(1,343)</u>	<u>294</u>	<u>5</u>	<u>(414)</u>
Tax expense	(240)	-	(6)	13	(87)	-	(320)
Consolidated profit/(loss) after taxation	<u>530</u>	<u>(127)</u>	<u>(19)</u>	<u>(1,330)</u>	<u>207</u>	<u>5</u>	<u>(734)</u>
<b>Assets</b>							
Segment assets/Consolidated total assets	52,242	817	10,926	150,680	64,340	54,871	<u>333,876</u>
<b>Liabilities</b>							
Segment liabilities/Consolidated total liabilities	33,131	19	96	66,320	140	371	<u>100,077</u>

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 22 August 2022, 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:-

- (i) On behalf of the Board of Directors of Vortex (“Board”), TA Securities Holdings Berhad (“TA Securities”) has on 12 August 2022 announced that the Company proposed to undertake a proposed private placement of up to 127,580,200 new Vortex Shares representing not more than 10% of Vortex Shares in issue (excluding treasury shares, if any) (“Proposed Private Placement II”).

On 15 August 2022, the Company has submitted the additional listing application in relation to the Proposed Private Placement II to Bursa Securities.

- (ii) On 19 August 2022, Nuone Sdn Bhd, a wholly-owned subsidiary of the Company, has entered into a sales and purchase agreement with Tan Ooi Jin to dispose of a two and a half (2½) storey bungalow house bearing postal address No.22, Elitis Pawana, Valencia, 47000, Sungai Buloh, Selangor for a total cash consideration of RM3,500,000 (“Proposed Disposal”).

#### **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 22 August 2022 (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 22 August 2022 (the latest practicable date not earlier than seven (7) days from the date of issue of this report) except as follows:

	RM'000
Contracted and subject to shareholders approval:	
- Investment properties under construction	221,713
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**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 June 2022 RM'000	Preceding Year Corresponding Quarter 30 June 2021 RM'000	Current Year To-date 30 June 2022 RM'000	Preceding Year Corresponding Period 30 June 2021 RM'000
Administrative expenses charged to a related party	-	2	-	2
Professional services charged by a related party	11	11	11	11
Key management personnel:-				
- salaries and allowances	395	335	395	335
- defined contribution plans	47	40	47	40
- others	1	1	1	1
- fee	81	72	81	72

**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	
	30.6.2022 RM'000	30.6.2021 RM'000		30.6.2022 RM'000	30.6.2021 RM'000	
<b>Revenue:-</b>						
IT and ICT Division	34,845	40,649	(14.3)	34,845	40,649	(14.3)
Construction Division	-	-	-	-	-	-
Property Investment Division	70	56	25.0	70	56	25.0
Property Development Division	237	607	(61.0)	237	607	(61.0)
Moneylending Business Division	686	767	(10.6)	686	767	(10.6)
Plantation Division	926	-	100.0	926	-	100.0
Investment Holding Division	111	257	(56.8)	111	257	(56.8)
	<b>36,875</b>	<b>42,336</b>	<b>(12.9)</b>	<b>36,876</b>	<b>42,336</b>	<b>(12.9)</b>
<b>(Loss)/Profit before taxation ("LBT)/PBT):-</b>						
IT and ICT Division	(548)	770	(171.2)	(548)	770	(171.2)
Construction Division	(89)	(127)	(29.9)	(89)	(127)	(29.9)
Property Investment Division	(9)	(13)	(30.8)	(9)	(13)	(30.8)
Property Development Division	(118)	(1,343)	(91.2)	(118)	(1,343)	(91.2)
Moneylending Business Division	182	294	(38.1)	181	294	(38.1)
Plantation Division	633	-	100.0	633	-	100.0
Investment Holding Division	(484)	5	(9,780.0)	(484)	5	(9,780.0)
	<b>(433)</b>	<b>(414)</b>	<b>4.6</b>	<b>(433)</b>	<b>(414)</b>	<b>4.6</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

A new Plantation Division is included in the current quarter review. This was from the acquisition of Teras Gemumi Sdn Bhd, which was completed on 25 March 2022.

The Group's revenue for the current quarter as compared to the preceding year's corresponding quarter has decreased mainly contributed by Property Development Division, Investment Holding Division and IT and ICT Division. The decrease in revenue in the Property Development Division was mainly due to the provision for liquidated ascertained damages recognised in the current quarter under review. The decrease in revenue in the Investment Holding Division was mainly due to withdrawal from short-term investment which resulted in a decrease in interest income. The decrease in revenue from the IT and ICT division was mainly due to the decrease in sales of notebooks and Do-It-Yourself ("DIY") products.

The Group has recorded a loss in the current quarter. The new Plantation Division has reduced total losses of the Group from 158% to 4%. Overall in the current quarter, the losses were mainly driven by lower revenue generated in the current quarter and the losses recorded in the preceding year's corresponding quarter was mainly due to the increase in finance cost under the Property Development Division.

##### IT and ICT Division

The decrease in revenue in the current quarter under review as compared to the preceding year's corresponding quarter is as explained above. The LBT recorded in the current quarter is mainly due to the decrease in revenue and lesser rental rebates received from landlords.

##### Construction Division

The losses recorded in both quarters were mainly due to no revenue generated in this division.

##### Property Investment Division

The increase in revenue in the current quarter was mainly due to higher rental income generated from the investment properties. Higher operating expenses resulted in a lower LBT in the current quarter.

##### 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 number of units sold.

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

The relatively high LBT recorded in the preceding year corresponding quarter as compared to current quarter under review was mainly due to the finance cost incurred in this division.



## 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 lower revenue and lower PBT recorded in current quarter as compared to preceding year's corresponding quarter is mainly due to the lower interest income earned.

##### Plantation Division

The principal activities of this new division are operating of oil palm and durian plantation.

Profit was recorded in the current quarter review and it was the top performer amongst other division.

##### Investment Holding Division

The decrease in revenue was mainly due to the withdrawal from short-term investment which resulted in a decrease in interest income.

The losses recorded in the current quarter under review were mainly due to the lower revenue and professional fees incurred in this division.

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

	Current Quarter 30.6.2022 RM'000	Immediate Preceding Quarter 31.3.2022 RM'000	Changes %
<b>Revenue:-</b>			
IT and ICT Division	34,845	33,451	4.2
Construction Division	-	-	-
Property Investment Division	70	70	-
Property Development Division	237	(2,341)	110.1
Moneylending Business Division	686	855	(19.8)
Plantation Division	926	-	100.0
Investment Holding Division	111	210	(47.1)
	<b>36,875</b>	<b>32,245</b>	<b>14.4</b>
<b>(LBT)/PBT:-</b>			
IT and ICT Division	(548)	(399)	37.3
Construction Division	(89)	(128)	(30.5)
Property Investment Division	(9)	(7)	28.6
Property Development Division	(118)	(3,671)	(96.8)
Moneylending Business Division	182	(1,007)	118.1
Plantation Division	633	-	100.0
Investment Holding Division	(484)	11,336	(104.3)
	<b>(433)</b>	<b>6,124</b>	<b>(107.1)</b>

## 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)**

##### 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 the IT and ICT Division and Property Development Division. The bounced back of revenue from the IT and ICT Division was mainly due to the increase in sales of notebooks and DIY products. Lower revenue in immediate preceding quarter from Property Development Division was mainly due to the provision for liquidated ascertained damages.

The PBT recorded in the immediate preceding quarter was mainly due to the bargain purchase gain arising from the acquisition of a subsidiary.

##### IT and ICT Division

The increase in revenue in the current quarter under review as compared to the immediate preceding quarter is as explained above.

##### Construction Division

The losses recorded in both quarters were mainly due to no revenue generated in this division.

##### Property Investment Division

The rental income earned was fairly consistent for both quarters and there were no material movements in LBT in this division.

##### Property Development Division

The improvement of the revenue during the current quarter under review is as explained above.

The LBT in current quarter review has improved compared to immediate preceding quarter. The higher LBT recorded in the immediate preceding quarter was mainly due to higher finance costs incurred.

##### Moneylending Business Division

The decrease in revenue in the current quarter was mainly due to decrease in the volume of money lending.

The loss recorded in the previous quarter was mainly due to the allowance for impairment loss on a receivable.

##### Investment Holding Division

The decrease in revenue was mainly due to withdrawal from short-term investment which resulted decrease in interest income.

The loss recorded in the current quarter as compared to the immediate preceding quarter was mainly due to lower revenue and higher operating cost in current quarter, in contrast, substantial profit recorded in preceding quarter was contributed by bargain purchase gain arising from the acquisition of a subsidiary.

## **Part B**

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

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

The transition to the endemic phase and reopening of Malaysia's borders have clearly provided a positive impact to the Malaysian economy. While the domestic demand is expected to improve as economic activities slowly recovers to pre-pandemic stage. However, uncertainties are expected to arise from the global wheat shortage and higher crude oil and gas prices amid fears of a global economic shock due to inflationary of pressure.

As major part of our revenue is dependent on the general well-being of the retail or consumer spending, the demand for IT and ICT products is expected to fluctuate. Other than the core business, the Group's other businesses also include property development, construction, investment and moneylending services and with the recent acquisition of a plantation company, it enables the Group to diversify its revenue and income streams.

The Board will continue to take a cautious risk-adjusted approach towards the deployment of funds to existing portfolios while seeking new opportunities and assess all factors.

#### **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.

## Part B

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

#### B5. Tax Expense

The tax expense is as follows:

	Individual Quarter		Cumulative Period	
	Current	Preceding	Current	Preceding
	Individual Quarter		Cumulative Period	
	Current	Preceding	Current	Preceding
	Year	Corresponding	Year	Year
	Quarter	Quarter	To-date	Corresponding
	30.6.2022	30.6.2021	30.6.2022	Period
	RM'000	RM'000	RM'000	30.6.2021
				RM'000
Current tax expense:				
- For the current financial period	(69)	(333)	(69)	(333)
Deferred tax expense:				
- For the current financial period	7	13	7	13
	<u>(62)</u>	<u>(320)</u>	<u>(62)</u>	<u>(320)</u>

#### B6. Status of Corporate Proposals

There were no other corporate proposals as at 22 August 2022 (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 Private Placement II and Proposed Acquisition of 187 units of service suites from Aset Kayamas Sdn Bhd.

## 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 of Directors of Vortex (“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 June 2022, 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 June 2022 (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 (“KHSB”)	10,189 <sup>+</sup>	(1,298)	8,891	Within 48 months*
Working capital for moneylending business	20,000	(20,000)	-	Within 12 months <sup>^</sup>
Future projects and/or acquisitions	19,500 <sup>+</sup>	(19,500)	-	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>(45,998)</b>	<b>8,891</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.
- <sup>+</sup> After variation of the utilisation of proceeds of RM13 million (as announced by the Company on 28 April 2022) from the proposed development project under KHSB to future projects and/or acquisition.

**Part B****Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)****B7. Utilisation of Proceeds (Cont'd)**Private Placement I

On 29 March 2022, the Company has completed a private placement of 306,524,700 new Vortex Shares at an issue price of RM0.065 each following the listing of 306,524,700 new Vortex Shares in the ACE Market of Bursa Securities.

At 30 June 2022, the status of the utilisation of proceeds raised from Private Placement I is as follows:-

Utilisation of proceeds	Utilisation of proceeds (RM'000)	Amount utilised at 30 June 2022 (RM'000)	Balance of proceeds (RM'000)	Timeframe for utilisation*
	(A)	(B)	(A-B)	
Working capital for 'The Louvre' project	19,696	(612)	19,084	Within 12 months*
Expenses in relation to the corporate exercise	228 <sup>#</sup>	(228)	-	Within 1 month
<b>TOTAL</b>	<b>19,924</b>	<b>(840)</b>	<b>19,084</b>	

Notes:

\* From 29 March 2022 (being the date of completion of the Private Placement I).

# As the actual expenses for the corporate exercise were lower than the estimated expenses for the said corporate exercise, hence the surplus (i.e approximately RM12,000) has been re-allocated to the working capital for 'The Louvre' project.

## 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 30.6.2022 RM'000	As at 30.6.2021 RM'000
<b>Current</b>		
Lease liabilities	2,212	2,048
Term loans	-	9,518
	<hr/>	<hr/>
	2,212	11,566
<b>Non-current</b>		
Lease liabilities	777	2,873
	<hr/>	<hr/>
	2,989	14,439
	<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.

On 23 December 2021, the term loans have been fully repaid according to the revised repayment schedule.

#### 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.

#### B12. Loss per Share

The basic 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:

	Year Quarter 30.6.2022	Corresponding Quarter 30.6.2021	Year To-date 30.6.2022	Corresponding Period 30.6.2021
Loss after taxation attributable to the owners of the Company (RM'000)	(496)	(734)	(496)	(734)
Weighted average number of ordinary shares in issue	1,085,715,093	595,849,860	1,085,715,093	595,849,860
Basic loss per share (sen)	(0.05)	(0.12)	(0.05)	(0.12)
Diluted loss per share (sen)	(0.05)	(0.12)	(0.05)	(0.12)

**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 30.6.2022 RM'000	Preceding Year Corresponding Quarter 30.6.2021 RM'000	Current Year To-date 30.6.2022 RM'000	Preceding Year Corresponding Period 30.6.2021 RM'000
Interest income	123	266	123	266
Interest expense	-	1,223	-	1,223
Interest expense on lease liabilities	70	112	70	112
Depreciation of property and equipment	207	263	207	263
Depreciation of investment properties	40	41	40	41
Depreciation of right-of-use assets	632	546	632	546
Realisation of fair value arising from the acquisition of a subsidiary	81	64	81	64
Gain on modification of leases	-	2	-	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 29 August 2022.