

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2019

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2019 RM	Preceding Year Corresponding Quarter 31.12.2018 RM	Current Year To Date 31.12.2019 RM	Preceding Year Corresponding Period 31.12.2018 RM
Revenue	928,611	N/A	928,611	N/A
Cost of sales	(823,966)	N/A	(823,966)	N/A
Gross profit	<u>104,645</u>	<u>N/A</u>	<u>104,645</u>	<u>N/A</u>
Administrative expenses	(496,875)	N/A	(496,875)	N/A
Other operating expenses	(400,683)	N/A	(400,683)	N/A
Operating loss	<u>(792,913)</u>	<u>N/A</u>	<u>(792,913)</u>	<u>N/A</u>
Finance income	2	N/A	2	N/A
Other income	14,073	N/A	14,073	N/A
Finance cost	(18,259)	N/A	(18,259)	N/A
Share in loss of equity-accounted associates	(1,114)	N/A	(1,114)	N/A
Loss before taxation	<u>(798,211)</u>	<u>N/A</u>	<u>(798,211)</u>	<u>N/A</u>
Taxation	-	N/A	-	N/A
Loss for the period	<u>(798,211)</u>	<u>N/A</u>	<u>(798,211)</u>	<u>N/A</u>
Other comprehensive income:				
Exchange difference on translation of foreign operation	-	N/A	-	N/A
Revaluation of land and building	-	N/A	-	N/A
Total comprehensive loss for the period	<u>(798,211)</u>	<u>N/A</u>	<u>(798,211)</u>	<u>N/A</u>
Loss for the period attributable to:				
Equity holders of the Company	(760,619)	N/A	(760,619)	N/A
Non-controlling interests	(37,592)	N/A	(37,592)	N/A
Loss for the period	<u>(798,211)</u>	<u>N/A</u>	<u>(798,211)</u>	<u>N/A</u>
Total comprehensive loss attributable to:				
Equity holders of the Company	(760,619)	N/A	(760,619)	N/A
Non-controlling interests	(37,592)	N/A	(37,592)	N/A
Total comprehensive loss for the period	<u>(798,211)</u>	<u>N/A</u>	<u>(798,211)</u>	<u>N/A</u>
Basic EPS (sen)	(0.59)	N/A	(0.59)	N/A
Diluted EPS (sen)	N/A	N/A	N/A	N/A

Note:

There will be no comparative figures disclosed for the current quarter and cumulative period-to-date results following the change in the financial year end from 31 March to 30 September.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Unaudited As at 31.12.2019 RM	Audited As at 30.09.2019 RM
ASSETS		
Non-current assets		
Property, plant and equipment	896,411	1,261,321
Investment property	2,400,000	2,400,000
Investment in associate	1,193,176	1,194,290
Other investment	2,300,000	2,300,000
Goodwill on consolidation	4,280,351	4,280,351
	<u>11,069,938</u>	<u>11,435,962</u>
Current assets		
Trade receivables	777,557	812,964
Other receivables, deposits and prepayments	2,527,170	2,586,440
Tax recoverable	4,952	4,952
Fixed deposits with a licensed banks	145,605	145,605
Cash and bank balances	127,800	119,611
	<u>3,583,084</u>	<u>3,669,572</u>
TOTAL ASSETS	<u><u>14,653,022</u></u>	<u><u>15,105,534</u></u>
Equity attributable to equity holders of the parent		
Share capital	3,500,000	34,264,433
Redeemable Convertible Preference Shares ("RCPS")	2,700,000	2,700,000
Accumulated losses	1,923,953	(28,079,861)
	<u>8,123,953</u>	<u>8,884,572</u>
Non-controlling interests	(736,464)	(698,872)
Total equity	<u>7,387,489</u>	<u>8,185,700</u>
	-	
Non-current liabilities		
Finance lease liabilities	35,230	40,804
Borrowings	-	-
	<u>35,230</u>	<u>40,804</u>
Current liabilities		
Trade payables	2,618,314	2,035,668
Other payables and accruals	3,370,541	3,525,060
Finance lease liabilities	996,205	1,073,060
Tax payable	245,243	245,242
	<u>7,230,303</u>	<u>6,879,030</u>
TOTAL EQUITY AND LIABILITIES	<u><u>14,653,022</u></u>	<u><u>15,105,534</u></u>
Net assets per share attributable to ordinary equity holders of the parent company (sen)	6.35	6.95

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2019

	----- Attributable to equity holders of the parent -----						Total RM	Non-controlling interest RM	Total Equity RM
	Share capital RM	RCPS RM	Warrant reserves RM	31.12.2019 Revaluation reserve RM	Foreign currency translation reserve RM	Distributable Accumulated losses RM			
3 months period ended 31 December 2019									
Balance as at 1 October 2019	34,264,433	2,700,000	-	-	-	(28,079,861)	8,884,572	(698,872)	8,185,700
<u>Transactions with owners:-</u>									
Capital reduction exercise	(30,764,433)	-	-	-	-	30,764,433	-	-	-
Total transactions with owners	(30,764,433)	-	-	-	-	30,764,433	-	-	-
Other comprehensive income									
- Revaluation of land and building	-	-	-	-	-	-	-	-	-
- Disposal of subsidiaries	-	-	-	-	-	-	-	-	-
- Foreign currency translation	-	-	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	(760,619)	(760,619)	(37,592)	(798,211)
Total comprehensive loss for the financial period	-	-	-	-	-	(760,619)	(760,619)	(37,592)	(798,211)
Balance as at 31 December 2019	3,500,000	2,700,000	-	-	-	1,923,953	8,123,953	(736,464)	7,387,489
3 months period ended 31 December 2018									
Balance as at 1 October 2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss for the period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Balance as at 31 December 2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

There will be no comparative figures disclosed for the current quarter and cumulative period-to-date results following the change in the financial year ended from 31 March to 30 September.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2019**

	3 MONTHS 31.12.2019 RM	3 MONTHS 31.12.2018 RM
Cash flow from operating activities		
Loss before taxation	(798,211)	N/A
Non cash adjustments		
Depreciation of property, plant and equipment	400,681	N/A
Share of loss in equity-accounted associates	1,114	N/A
Finance income	(2)	N/A
Finance costs	18,259	N/A
Operating loss before working capital changes	<u>(378,159)</u>	<u>N/A</u>
Changes in working capital:		
Decrease in receivables	94,677	N/A
Increase in payables	355,628	N/A
Cash from operations	<u>72,146</u>	<u>N/A</u>
Interest received	2	N/A
Income tax paid	-	N/A
Net cash from operating activities	<u>72,148</u>	<u>N/A</u>
Cash flows from investing activities		
Purchase of plant and equipment	<u>(35,771)</u>	<u>N/A</u>
Net cash used in investing activities	<u>(35,771)</u>	<u>N/A</u>
Cash flows from financing activities		
Advance from directors	72,500	N/A
Repayment of finance lease payables	(82,429)	N/A
Interest paid	(18,259)	N/A
Net cash used in financing activities	<u>(28,188)</u>	<u>N/A</u>
Net increase in cash and cash equivalents	8,189	N/A
Cash and cash equivalents at beginning of year	119,611	N/A
Exchange differences	-	N/A
Cash and cash equivalents as at 31 December	<u>127,800</u>	<u>N/A</u>
Cash and cash equivalents as at 31 December comprises the following:		
Cash and bank balances	127,800	N/A
Fixed deposits with a licensed bank	145,605	N/A
	<u>273,405</u>	<u>N/A</u>
Less: Fixed deposits pledged	(145,605)	N/A
	<u>127,800</u>	<u>N/A</u>

There will be no comparative figures disclosed for the current quarter and cumulative period-to-date results following the change in the financial year ended from 31 March to 30 September.

NOTES TO INTERIM FINANCIAL REPORT

PART A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”)

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting and Chapter 9, Part K Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market, and should be read in conjunction with the Group's annual audited financial statements for the year ended 30 September 2019. The accounting policies and methods of computation adopted by the Group in the interim unaudited financial statements are consistent with those adopted for the year ended 30 September 2019.

2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent annual audited financial statements for the year ended 30 September 2019, as well as the new/revised/amendments standard mandatory for financial periods beginning on or after 1 April 2018.

Following the change in financial year end from 31 March to 30 September, the next set of audited financial statements shall be for a period of 18 months from 1 April 2018 to 30 September 2019 and thereafter, to end on 30 September each year.

3. Auditors’ Report

The auditors’ report on the financial statements for the financial year ended 30 September 2019 was not subject to any qualification.

4. Seasonal or Cyclical Factors

The operations of the Group were not affected by any seasonal/cyclical factors during the current quarter under review.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items of unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter ended 31 December 2019.

6. Material Changes in Estimates

There were no material changes in the nature and amount of estimates reported in prior interim periods of the current financial year or in prior financial years that will have a material effect in the current quarter under review.

7. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

8. Dividends Paid

There were no dividends paid and/or proposed during the current quarter under review.

9. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group did not carry out any revaluation on the property, plant and equipment during the current quarter under review.

10. Changes in the Composition of the Group

There was no changes in the composition of the Group in the current quarter under review.

11. Segmental Information

The segmental analysis of revenue and loss before taxation of the Group for the financial period ended 31 December 2019 is tabulated below:

	Logistics Business RM'000	Stevedoring & trucking RM'000	Investment holding RM'000	Total RM'000
Revenue				
External revenue	655	274	-	929
Inter Segment - revenue	-	64	-	64
Segment revenue	<u>655</u>	<u>338</u>	<u>-</u>	<u>993</u>
Result				
Loss before taxation	<u>(13)</u>	<u>(550)</u>	<u>(235)</u>	<u>(798)</u>

12. Material Events Subsequent to the End of the Interim Period

As at the date of the report, being the latest practicable date of this report, there are no material events subsequent to the quarter ended 31 December 2019.

13. Contingent Liabilities

	Current Quarter ended 31.12.2019 RM	Financial Year ended 30.09.2019 RM
Corporate guarantee given to licensed leasing house for leasing facility granted to a subsidiary	517,019	545,732
Corporate guarantee given to a licensed bank for banking facility granted to a subsidiary	145,605	133,000
Corporate guarantee given to a third party for rental of machineries facility granted to a subsidiary	<u>455,033</u>	<u>505,033</u>
	<u>1,117,657</u>	<u>1,183,765</u>

14. Capital Commitments

There were no material capital commitments during the current quarter under review.

15. Related Party Transaction

The Group has not entered into any related party transaction during the current quarter under review.

PART B - Explanatory Notes Pursuant to Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market

16. Review of performance for the quarter ended 30 September 2019 and year-to-date

For the quarter ended 31 December 2019, the Group generated RM0.93 million in revenue. The revenue in the current quarter mainly attributable to the logistics business which has contributed approximately RM0.66 million revenue during current quarter under review.

The Group recorded a loss before taxation (“LBT”) of RM0.80 million as at year-to-date ended 31 December 2019. The increase in current year losses was mainly resulted from the slow pace in the business activities in stevedoring & trucking segment. Besides the Group’s business strategy and directions in focusing and streamlining in the logistics business after the disposal of subsidiaries of Renoxs’ Group.

17. Comparison between the Current Quarter and the Immediate Preceding Quarter

	3 Months Current Quarter 31.12.2019 RM’000	3 Months Preceding Quarter 30.09.2019 RM’000	Changes	
			Amount RM,000	Percent age %
Revenue	929	3,464	(2,535)	(>100)
Gross Profit	105	1,040	(935)	(>100)
Operating loss	(793)	(946)	153	16
Loss before tax	(798)	(181)	(617)	(>100)
Loss after tax	(798)	(361)	(437)	(>100)
Loss attributable to owners of the Company	(761)	(815)	54	7

The Group revenue of RM0.93 million in current quarter representing decrease as compared to the revenue of approximately RM3.46 million achieved in the immediate preceding quarter ended 30 September 2019. The decrease was resulted from the disposal off Renox Group where without the contribution from the trading of stainless steel business activities.

The increase in loss before tax in current quarter 31 December 2019 mainly due to slow business pace in stevedoring and trucking activities which is RM0.55 million recorded in the current quarter.

The Group registered a loss before tax of approximately RM0.80 million for the current quarter as compared to the immediate preceding quarter of a loss before tax of RM0.18 million.

18. Prospects for the Current Financial Year

In the face of challenging economic conditions, the Group expects the business environment to remain resilient for the financial year ending 30 September 2020. The Group will continue its efforts to improve and enhance its range of services, products and solution and continue its conservative approach to build the market locally and with regional expansion plans for the Company's services.

The management will continue to explore potential business expansion and to focus on improving operational efficiencies and monitoring and controlling its operational expenses to achieve improved profitability and sustainable business growth.

19. Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current financial period to-date.

20. Taxation

Taxation comprises:

	Quarter ended	Year-to-date ended
	31.12.2019	31.12.2019
	RM	RM
Income Tax		
Local	-	-
Overseas	-	-
Deferred Tax	-	-
	-	-
	-	-

21. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There was no purchase or disposals of unquoted investment and /or properties during the current quarter under review and current period to-date.

22. Purchase or Disposal of Quoted Securities

There was no purchases or disposals of quoted securities by the Group during the current quarter under review.

23. Status of Corporate Proposals and Utilisation of Proceeds

There are no corporate proposals during the current quarter under review and current period to-date.

24. Borrowings

Details of the Group's borrowings at 31 December 2019 are as follows:

	Current 31.12.2019	Non-Current 31.12.2019	Total 31.12.2019
Secured			
- Finance lease payable	996,205	35,230	1,031,435
Total	996,205	35,230	1,031,435

25. Off Balance Sheet Financial Instruments

The Group has not entered into any off balance sheet financial instruments as at the date of this quarterly report.

26. Material Litigation

There is no material litigation as at the date of the report except the following:-

- (a) As at the date of issue this quarterly report, the Group On 22 October 2015, the subsidiary of the Company - Taz Logistics Sdn Bhd vide its Company's solicitors, initiated legal action ("Legal Matter") against Taz Metals Sdn Bhd and 4 other defendants. whilst against the 1st Defendant, is knowingly receipt of trust properties, the claim against the 1st, 2nd and 3rd Defendants as knowingly assisting the 4th and 5th Defendants to breach their fiduciary duties to Taz Logistics whilst the claim against the 4th and 5th Defendants is for a breach of fiduciary duties towards Taz Logistics.

An interim remedy is sought whereby the appointment of receiver and manager is sought over Taz Metals, save for the announcement made on 29 October 2015, 15 December 2015, 27 January 2016 and 28 January 2016, 29 August 2016, 30 November 2016 and 9 January 2017, 22 February 2017, 10 July 2017, 11 August 2017, 25 October 2017, 1 November 2017, 27 November 2017 and 16 January 2018.

Subsequently on 28 November 2016, the learned High Court Judge has dismissed TAZ Logistics' claim against TAZ Metals and 4 Ors. The Company had on 23 December 2016 filed an appeal to the Court of Appeal against the decision of the High Court.

The Court of Appeal has fixed the matter for Hearing on 29 March 2018, with Written Submissions, Bundle of Authorities, Common Core Bundle and Common Chronology to be filed by 15 March 2018.

On 23th October 2018, the Court of Appeal allowed the Company's appeal with costs of RM100,000.00 in Court of Appeal and High Court. Damages and exemplary damages to be assessed by High Court.

The leave application by the other party was fixed for hearing on 10th April 2019 at Federal Court.

On 10th April 2019, the Board of Directors of Asdion had announced that the matter was vacated due to a Medical Certificate by the defendant's solicitor. Therefore, the matter is now fixed for hearing on 4 July 2019 at 9.00am at Federal Court, Putrajaya.

The Federal Court has dismissed the Applicants' application for leave with costs of RM15,000-00 each application.

Subsequently, the High Court will have a hearing of the application by the Plaintiff for assessment of the damages. The Plaintiff and Defendants to file their affidavits by 31 July 2019 and 21 July 2019. Both parties to file Submissions and Bundle of Authorities by 11 September 2019 and to file Reply to the Submission by 18 September 2019.

The Hearing date on 26 September 2019, the High Court has directed that Plaintiff to file the Supplementary Submissions by 17 October 2019, Defendant to file the reply to the Plaintiff's Supplementary Submissions by 7 November 2019 and Plaintiff to file the reply to the Defendant's Supplementary Submissions in Reply by 21 November 2019.

Subsequently, the next hearing date was fixed on 9 December 2019. High Court has rescheduled the hearing date on 9 January 2020

26. Material Litigation (Continued)

- (a) High Court awarded the following sums as damages against the Defendants for hearing on 9 December 2019, 9 January 2020 and 20 January 2020.

- (1) General Damages of RM4,050,000.00;
- (2) The value of Plant, Machinery and Assets held under trust by Defendant 1, in the value of RM1,003,761.00;
- (3) Exemplary Damages of RM900,000.00;
- (4) Interest at 5% per annum until settlement; and
- (5) Costs of RM15,000.00.

The Court of Appeal has now fixed the matter for E-review on 1 April 2020.

- (b) On 3 October 2017, Venice Sanctuary Sdn Bhd (“VSSB”), a wholly owned subsidiary of the Company has filed a writ of summon against Metro Hartamas Sdn Bhd, a debtor (“the Defendant”) due to the fact the Defendant failing to settle the outstanding sum amounting to approximately RM335,970.81.

On 3 March 2018, we have received the Revised Notice of Demand to Metro Hartamas and ordered to pay the outstanding amounted RM395,267.00.

The court has further directed that the Defendant to file in Statement of Defence and reply on or before 22 May 2018. And the Court also requested the parties to update on Case Management Date whether there is any chance of settlement.

On 2 July 2018, we have submitted Affidavit in reply for the Summary Judgment case for Venice Sanctuary against Metro Hartamas. We have obtained Summary Judgement against Metro Hartamas on 18 July 2018 for a sum of RM335,970.81 for the services rendered to the Defendants.

On 31 July 2018, the Defendants has filed a Notice of Appeal and hearing dated on 9th November 2018. The High Court’s decision will be fixed at 14th January 2019.

On 14th January 2019, the Court has dismissed the Defendant’s appeal in the High Court and the Sessions Court Summary Judgement remains.

- (c) CD Logistics Sdn Bhd (“Plaintiff”) had brought an action against Asdion Logistics Sdn Bhd for services rendered to Asdion.

Sessions Court case between CD Logistics and Asdion Logistics and the Magistrate Court case between Ciriduta Logistics Sdn Bhd and Asdion Logistics, the Plaintiffs has filed Summary Judgment applications against us.

On 31 July 2018, both parties have reached a settlement whereby Asdion shall pay the outstanding debt in amount of RM327,724.84 to the Plaintiff in 6 installments by way of post-dated cheques.

The Plaintiff has agreed to grant an extension for us to deliver the replacement cheques on or before 15th November 2018.

On 3rd August 2018, the Plaintiffs have withdrawn both the cases with no order to costs and with liberty to file afresh.

26. Material Litigation (Continued)

- (c) The Court had fixed the matter for Case Management on 19 August 2019 and instructed to file the defence by 6 September 2019.

The next hearing date for Case Management was fixed on 2nd December 2019. As refer to Session Court Order dated 2nd December 2019, the Plaintiff has issued winding up notice of demand on 14th January 2020.

- (d) On 22nd October 2020 the Company and its subsidiary, Asdion Project Synergy Sdn Bhd (“APSSB”) (“the Defendants”) had received a Writ of Summons and Statement of Claim from Desmond Chan & Jeff Law, the solicitors for TCIM Sdn. Bhd. (“Plaintiff”).

APSSB is not a major subsidiary of Asdion Berhad. In the event that Company losses the case, the potential liability on the Company and its Group would be RM587,313.84 plus interest of RM4,000.00.

APSSB had filed the Notice of Appeal to the Court of Appeal Putrajaya against the decision of the High Court of Kuala Lumpur and this matter was fixed for E-review on 18 February 2020.

The next Case Management is fixed on 20 April 2020 to file the appeal documents.

- (e) On 10 February 2020 Asdion Berhad (“Respondent”) received a winding up petition (“Petition”) by Angka-Tan Motor Sdn. Bhd. (“Petitioner”).

The petition against the Respondent was due to the Respondent had failed, refused and/or neglected to pay the Hire Purchase outstanding for Petitioner as at 30 June 2019.

The potential liability on the Company and its Group would be RM842,650.00 from 7 May 2019 to the date of full settlement with interest rate at 5% per annum.

The Petition is fixed for Case Management on 4 March 2020 and the Hearing for the Winding-Up Petition is fixed on 14 April 2020.

The impact of this action will not have any additional financial and operational impact to the Group.

27. Dividend

No interim dividend has been declared or paid during the current quarter under review.

28. Earnings Per Share

The basic EPS for the current quarter and cumulative period to date are computed as follows:

a) Basic

Basic EPS is calculated by dividing the net loss attributable to the shareholders of the Group by the weighted average number of shares during the period.

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31.12.2019	Preceding Year Corresponding Quarter 31.12.2018	Current Year To Date 31.12.2019	Preceding Year Corresponding To Date 31.12.2018
Loss attributable to the ordinary equity holders of the parent company (RM)	(760,619)	N/A	(760,619)	N/A
Weighted average number of shares	127,896,800	N/A	127,896,800	N/A
Basic EPS (sen)	(0.59)	N/A	(0.59)	N/A

b) Diluted

Not applicable

29. Loss Before Taxation

Loss before taxation is arrived at after charging / (crediting):

	Quarter ended RM 31.12.2019	Year to date RM 31.12.2019
Depreciation of property, plant & equipment	400,681	400,681
Interest expense	18,259	18,259
Interest income	(2)	(2)

30. Disclosure of Realised and Unrealised Profit or Losses

	Year to date RM 31.12.2019	Year to date RM 30.09.2019
Total accumulated losses of the Company and its subsidiaries:		
- Realised	12,480,805	(21,421,184)
- Unrealised	-	-
	12,480,805	(21,421,184)
Total share of accumulated losses from the associate company:		
- Realised	-	-
	12,480,805	(21,421,184)
Less: Consolidation adjustments	(10,556,852)	(7,466,428)
Total Group accumulated losses	1,923,953	(28,887,612)