

**INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM  
FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF  
ASDION BERHAD [Registration number: 200201023149 (590812-D)]  
(Incorporated in Malaysia)**

**Introduction**

We have reviewed the accompanying 31 December 2020 condensed interim financial information of ASDION BERHAD and its subsidiary companies ("the Group") as set out in the accompanying Appendix 1, which we have stamped for purposes of identification, which comprises:

- (a) the condensed consolidated statement of financial position as at 31 December 2020;
- (b) the condensed consolidated statement of profit or loss and other comprehensive income for the 3 months ended 31 December 2020;
- (c) the condensed consolidated statement of cash flows for the 3 months ended 31 December 2020;
- (d) the condensed consolidated statement of changes in equity for the 3 months ended 31 December 2020; and
- (e) explanatory notes to the condensed interim financial statements (our review does not cover Part B of the explanatory notes).

Management is responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with MFRS 134, *Interim Financial Reporting* and IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed interim consolidated financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements ("ISRE") 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM  
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(Incorporated in Malaysia)**

**Material Uncertainty Related to Going Concern**

We draw attention to Note A1.3 of the condensed interim financial statements for the 3 months ended 31 December 2020, which indicates that the Group has prepared its condensed interim financial statements on a going concern basis, notwithstanding that the Group's current liabilities exceeded its current assets by RM5,906,036 and incurred a net loss of RM358,417.

The ability of the Group to operate as going concern is dependent on successful outcome and implementation of the current business plans including progressive uplifting of restriction on travelling, to generate sufficient cash flows in the future to fulfil their obligations as and when they fall due. The financial statements of the Group do not include any adjustment relating to the amount and classification of assets and liabilities that might be necessary should the Group be unable to continue as a going concern. In view of the fact that the preparation of the financial statements is on a going concern basis, we consider that these disclosures should be brought to your attention. As stated in Note A1.3, these conditions, along with other matters as set forth in Note A1.3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as going concern. Our conclusion is not modified in respect of this matter.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at 31 December 2020 is not prepared, in all material respects, in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board in Malaysia, and IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board.

*CAS Malaysia*

**CAS MALAYSIA PLT**  
[No. (LLP0009918-LCA) & (AF 1476)]  
Chartered Accountants

Date: 26 February 2021

Puchong

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2020 RM	Preceding Year Corresponding Quarter 31.12.2019 RM	Current Year To Date 31.12.2020 RM	Preceding Year Corresponding Period 31.12.2019 RM
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue	969,193	928,611	969,193	928,611
Cost of sales	(779,748)	(823,966)	(779,748)	(823,966)
<b>Gross profit</b>	<b>189,445</b>	<b>104,645</b>	<b>189,445</b>	<b>104,645</b>
Administrative expenses	(304,456)	(496,875)	(304,456)	(496,875)
Other operating expenses	(196,212)	(400,683)	(196,212)	(400,683)
<b>Operating loss</b>	<b>(311,223)</b>	<b>(792,913)</b>	<b>(311,223)</b>	<b>(792,913)</b>
Finance income	-	2	-	2
Other income	3,085	14,073	3,085	14,073
Finance cost	(2,942)	(18,259)	(2,942)	(18,259)
Share in loss of equity-accounted associates	(47,337)	(1,114)	(47,337)	(1,114)
<b>Loss before taxation</b>	<b>(358,417)</b>	<b>(798,211)</b>	<b>(358,417)</b>	<b>(798,211)</b>
Taxation	-	-	-	0
<b>Loss for the period</b>	<b>(358,417)</b>	<b>(798,211)</b>	<b>(358,417)</b>	<b>(798,211)</b>
Other comprehensive income:				
Exchange difference on translation of foreign operation	-	-	-	-
Revaluation of land and building	-	-	-	-
<b>Total comprehensive expense for the period</b>	<b>(358,417)</b>	<b>(798,211)</b>	<b>(358,417)</b>	<b>(798,211)</b>
Loss for the period attributable to:				
Equity holders of the Company	(343,771)	(760,619)	(343,771)	(760,619)
Non-controlling interests	(14,646)	(37,592)	(14,646)	(37,592)
<b>Loss for the period</b>	<b>(358,417)</b>	<b>(798,211)</b>	<b>(358,417)</b>	<b>(798,211)</b>
Total comprehensive expense attributable to:				
Equity holders of the Company	(343,771)	(760,619)	(343,771)	(760,619)
Non-controlling interests	(14,646)	(37,592)	(14,646)	(37,592)
<b>Total comprehensive expense for the period</b>	<b>(358,417)</b>	<b>(798,211)</b>	<b>(358,417)</b>	<b>(798,211)</b>
Basic EPS (sen)	(0.27)	(0.59)	(0.27)	(0.59)
Diluted EPS (sen)	N/A	N/A	N/A	N/A

Note:

The unaudited Consolidated Financial Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2020 and the accompanying explanatory notes attached to be unaudited financial statements.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Unaudited As at 31.12.2020 RM	Audited As at 30.09.2020 RM
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	63,366	104,693
Investment property	2,500,000	2,500,000
Right-of-use assets	236,670	258,182
Investment in associate	946,762	994,099
Other investment	1,912,763	1,912,763
Goodwill on consolidation	4,247,351	4,247,351
	<u>9,906,912</u>	<u>10,017,088</u>
<b>Current assets</b>		
Trade receivables	849,187	504,020
Other receivables, deposits and prepayments	5,074,132	3,708,843
Tax recoverable	4,952	4,952
Fixed deposits with a licensed banks	138,734	138,149
Cash and bank balances	174,599	123,122
	<u>6,241,604</u>	<u>4,479,086</u>
<b>TOTAL ASSETS</b>	<u>16,148,516</u>	<u>14,496,174</u>
<b>Equity attributable to owners of the Company</b>		
Share capital	3,500,000	3,500,000
Redeemable Convertible Preference Shares ("RCPS")	2,700,000	2,700,000
Accumulated losses	(2,580,542)	(2,236,771)
	<u>3,619,458</u>	<u>3,963,229</u>
Non-controlling interests	191,834	206,480
<b>Total equity</b>	<u>3,811,292</u>	<u>4,169,709</u>
<b>Non-current liabilities</b>		
Lease liabilities	169,584	187,023
Deferred taxation	20,000	20,000
	<u>189,584</u>	<u>207,023</u>
<b>Current liabilities</b>		
Trade payables	1,261,110	1,134,371
Other payables and accruals	9,543,503	7,639,924
Lease Liabilities	1,160,612	1,162,732
Tax payable	182,415	182,415
	<u>12,147,640</u>	<u>10,119,442</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>16,148,516</u>	<u>14,496,174</u>
Net assets per share attributable to ordinary equity holders of the parent company (sen)	2.83	3.10

The unaudited Consolidated Financial Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2020 and the accompanying explanatory notes attached to be unaudited financial statements.



**ASDEON** ASDION BERHAD  
(Registration No.: 200201023149 (590812-D))

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020

	← Atributable to owners of the Company →				Total Equity RM
	Share capital RM	RCPS RM	Accumulated losses RM	Non-controlling interest RM	
Unaudited 3 months period ended 31 December 2020					
Balance as at 1 October 2020	3,500,000	2,700,000	(2,236,771)	206,480	4,169,709
Transactions with owners:-					
Capital reduction exercise	-	-	-	-	-
Total transactions with owners	-	-	-	-	-
Loss for the period	-	-	(343,771)	(14,546)	(358,417)
Total comprehensive expense for the financial period	-	-	(343,771)	(14,546)	(358,417)
Balance as at 31 December 2020	3,500,000	2,700,000	(2,580,542)	191,934	3,811,292
Unaudited 3 months period ended 31 December 2019					
Balance as at 1 October 2019	34,264,433	2,700,000	(28,079,861)	(698,872)	8,185,700
Transactions with owners:-					
Capital reduction exercise	(30,764,433)	-	30,764,433	-	-
Total transactions with owners	(30,764,433)	-	30,764,433	-	-
Loss for the period	-	-	(760,619)	(37,592)	(798,211)
Total comprehensive expense for the financial period	-	-	(760,619)	(37,592)	(798,211)
Balance as at 31 December 2019	3,500,000	2,700,000	1,923,953	(736,464)	7,387,489

The unaudited Consolidated Financial Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2020 and the accompanying explanatory notes attached to be unaudited financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

	3 MONTHS 31.12.2020 RM Unaudited	3 MONTHS 31.12.2019 RM Unaudited
<b>Cash flow from operating activities</b>		
Loss before taxation	(358,417)	(798,211)
Non cash adjustments		
Depreciation of property, plant and equipment	51,668	400,681
Right of use asset	21,512	-
Share of profit in equity-accounted associates	47,337	1,114
Finance income	(585)	(2)
Finance costs	2,942	18,259
Operating loss before working capital changes	<u>(235,543)</u>	<u>(378,159)</u>
Changes in working capital:		
(Increase)/decrease in receivables	(1,710,456)	94,677
Increase in payables	<u>2,030,317</u>	<u>355,628</u>
Cash generated from operations	84,318	72,146
Interest received	585	2
Income tax paid	-	-
Net cash from operating activities	<u>84,903</u>	<u>72,148</u>
<b>Cash flows from investing activities</b>		
Change in fixed deposit with maturity more than 3 months	(585)	-
Purchase of plant and equipment	(10,341)	(35,771)
Net cash used in investing activities	<u>(10,926)</u>	<u>(35,771)</u>
<b>Cash flows from financing activities</b>		
Advance from directors	-	72,500
Repayment of finance lease payables	(22,500)	(82,429)
Interest paid	-	(18,259)
Net cash used in financing activities	<u>(22,500)</u>	<u>(28,188)</u>
Net increase in cash and cash equivalents	51,477	8,189
Cash and cash equivalents at beginning of year	123,122	119,611
Exchange differences	-	-
Cash and cash equivalents as at 31 December	<u>174,599</u>	<u>127,800</u>
<b>Cash and cash equivalents as at 31 December comprises the following:</b>		
Cash and bank balances	174,599	127,800
Fixed deposits with a licensed bank	<u>138,734</u>	<u>145,605</u>
	313,333	273,405
Less: Fixed deposits pledged	<u>(138,734)</u>	<u>(145,605)</u>
	<u>174,599</u>	<u>127,800</u>

The unaudited Consolidated Financial Statement should be read in conjunction with the Audited Financial Statement for the year ended 30 September 2020 and the accompanying explanatory notes attached to be unaudited financial statement.



## NOTES TO INTERIM FINANCIAL REPORT

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

#### 1. Basis of preparation of financial statement

##### 1.1 Statement of compliance

These condensed interim financial statements of the Group are unaudited and have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board and IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Group’s annual financial statements for the financial year ended 30 September 2020.

##### 1.2 Summary of Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 30 September 2020, except for the adoption of the following MFRSs, Amendments to MFRSs and new Interpretations that have become effective on 1 October 2020.

Amendments to MFRS 2	Share-based Payment
Amendments to MFRS 3	Business Combinations
Amendments to MFRS 6	Exploration for and Evaluation of Mineral Resources
Amendments to MFRS 7	Financial Instruments: Disclosure
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 134	Interim Financial Reporting
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendments to MFRS 138	Intangible assets
Amendments to MFRS 139	Financial Instruments: Recognition
Amendments to IC Interpretation 12	Service Concession Arrangements
Amendments to IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Amendments to IC Interpretation 132	Intangible assets - Website Costs



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**NOTES TO INTERIM FINANCIAL REPORT****PART A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)****1. Basis of preparation of financial statement (continued)****1.2 Summary of Significant Accounting Policies (continued)**

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

**1.3 Fundamental accounting concept**

During the financial year, the Group reported net loss after taxation of RM358,417 (30.09.2020: RM4,015,991) respectively. Further, the Group also had net current liabilities of RM5,906,036 (30.09.2019: RM5,640,356).

The Group's and the Company's financial statements have been prepared as a going concern basis. The ability of the Group to continue as going concern is dependent on successful outcome and implementation of the current business plans including progressive uplifting of restriction on travelling, to generate sufficient cash flows in the future to fulfil their obligations as and when they fall due.





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**NOTES TO INTERIM FINANCIAL REPORT****PART A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)****2. Auditors’ Report**

The auditors have expressed an unqualified opinion with a material uncertainty related to going concern on Group's statutory financial statements for the financial year ended 30 September 2020 in their report dated 29 January 2021.

**3. Seasonal or Cyclical Factors**

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

**4. 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 2020.

**5. 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.

**6. 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.

**7. Dividends Paid**

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

**8. 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.



**NOTES TO INTERIM FINANCIAL REPORT**

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

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

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

**10. Segmental Information**

The segmental analysis of revenue and loss before taxation of the Group for the current quarter ended 31 December 2020 is tabulated below:

	Logistics Business RM'000	Stevedoring & trucking RM'000	Investment holding RM'000	Elimination	Total RM'000
<b>Revenue</b>					
External revenue	906	63	-	-	969
Inter Segment - revenue	-	-	-	-	-
Segment revenue	906	63	-	-	969
<b>Result</b>					
Interest income	-	-	1	-	1
Interest expenses	3	-	-	-	3
Depreciation	4	45	3	-	52
Right-of-use assets	21	-	-	-	21
Income tax recoverable / expense	-	-	-	-	-
Segmental profit / (loss) after tax	97	(261)	(194)	-	(358)



**NOTES TO INTERIM FINANCIAL REPORT**

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

**11. 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 30 September 2020.

**13. Contingent Liabilities**

	Current Quarter ended 31.12.2020 RM	Financial Year ended 30.09.2020 RM
Corporate guarantee given to licensed leasing house for leasing facility granted to a subsidiary	569,383	569,383
Corporate guarantee given to a licensed bank for banking facility granted to a subsidiary	123,000	123,000
Corporate guarantee given to a third party for rental of machineries facility granted to a subsidiary	469,642	469,642
	1,192,509	1,192,509

**14. Capital Commitments**

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

**15. Related Party Transaction**

During the current financial year, transaction with related parties of the Group:-

	Current Quarter ended 31.12.2020 RM	Financial Year ended 30.09.2020 RM
Sales to companies in which a Director has interest	921,477	354,679
Purchases from a company in which a Director has interest	-	-
	921,477	354,679

The Director of the Group and of the Company are of the opinion that the related party transactions have been entered into the normal course of business on an arm’s length basis and have been established on terms and conditions that are not materially different from those obtainable in transaction with unrelated parties.



**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 31 December 2020 and year-to-date**

For the quarter ended 31 December 2020, the Group generated RM0.97 million in revenue. The revenue in the current quarter mainly attributable to the logistics business which has contributed approximately RM0.9 million revenue during current quarter under review.

The Group recorded a loss before taxation ("LBT") of RM0.36 million as at year-to-date ended 31 December 2020. The increase in current year losses was mainly resulted from the slow pace in the business activities in logistics, stevedoring & trucking segment during the COVID-19 outbreak and Movement Control Order ("MCO") period.

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

	3 Months Current Quarter 31.12.2020 RM'000	3 Months Preceding Quarter 31.12.2019 RM'000	Changes	
			Amount RM,000	Percent age %
Revenue	970	928	42	5
Gross Profit	189	105	84	80
Operating loss	(311)	(793)	(482)	(61)
Loss before tax	(358)	(798)	(440)	(55)
Loss after tax	(358)	(798)	(440)	(55)
Loss attributable to owners of the Company	(344)	(760)	(416)	(55)

The Group revenue of RM0.97 million in current quarter reflected increase as compared to the revenue of approximately RM0.93 million achieved in the immediate preceding quarter ended 31 December 2019. The increase was attributed to some shipment orders from the customers in the logistics segment.

The decrease in loss before tax in current quarter 31 December 2020 was mainly due by reduce cost in administrative expenses recorded in the current quarter.

The Group registered a loss before tax of approximately RM0.358 million for the current quarter as compared to the immediate preceding quarter of a loss before tax of RM0.798 million.

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

**18. Prospects for the Current Financial Year**

The Group expects the business environment for the financial period ended 31 December 2020 to be very difficult impacted by the Movement Control Order (“MCO”) period to contain the Covid-19 pandemic. It is expected that even after the MCO is uplifted, the business conditions will take some time before it returns to normalcy. The Management is taking a prudent approach to initiate cost management strategies and exploring other business opportunities to navigate through this economic slowdown and challenging period.

For the period of post Covid-19 pandemic, the Company has achieved a slight increase in revenue and 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
	31.12.2020	30.9.2020
	RM	RM
Income Tax		
Local	-	(47,746)
Overseas	-	-
Deferred Tax	-	20,000
	<u>-</u>	<u>(27,746)</u>

**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.

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**PART B - Explanatory Notes Pursuant to Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market (continued)****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 2020 are as follows:

	<b>Current 31.12.2020</b>	<b>Non-Current 31.12.2020</b>	<b>Total 31.12.2020</b>
- Lease liabilities	1,160,612	169,584	1,330,196
<b>Total</b>	<b>1,160,612</b>	<b>169,584</b>	<b>1,330,196</b>

**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.

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**PART B - Explanatory Notes Pursuant to Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market (continued)****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 10<sup>th</sup> April 2019 at Federal Court.

On 10<sup>th</sup> 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.

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**PART B - Explanatory Notes Pursuant to Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market (continued)****26. Material Litigation (continued)**

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

- (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.

Both parties have filed their respective appeals. The Record of Appeal for both parties were been filed on 19 May 2020. Next case management is on 06 July 2020.

A winding-up notice under the Companies Act is being issued.

The Court of Appeal has fixed the matters for Case Management on 19<sup>th</sup> November 2020 and Hearing on 9<sup>th</sup> December 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 9<sup>th</sup> November 2018. The High Court’s decision will be fixed at 14<sup>th</sup> January 2019.

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



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**PART B - Explanatory Notes Pursuant to Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market (continued)****26. Material Litigation (Continued)**

- (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 15<sup>th</sup> November 2018.

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

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 2<sup>nd</sup> December 2019, the Plaintiff has issued winding up notice of demand on 14<sup>th</sup> January 2020.

- (d) On 22<sup>nd</sup> October 2019 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.

Summary judgement for a portion of the claim had been awarded. Case Management for the balance of the claim is now fixed for 19 June 2020.

Defendants have filed an appeal to the Court of Appeal for the summary judgment already granted. Case Management has been fixed for 24 June 2020.

The Case Management on 7<sup>th</sup> July 2020, the main suit matter (the balance sum, after the summary judgement) had been withdrawn by the Plaintiff’s solicitor.

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**PART B - Explanatory Notes Pursuant to Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market (continued)****26. Material Litigation (Continued)**

- (d) On dated 22 February 2021, Asdion Berhad (“Respondent”) received notice of Statutory Demand pursuant to Section 465(1)(e) and 466(1) of the Companies Act by TCIM Sdn Bhd.
- (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.

This matter is now fixed for further Case Management on 9 June 2020 and the Hearing on 14 July 2020.

On 14<sup>th</sup> July 2020, Angka-Tan Motor Sdn Bhd and Asdion Berhad have agreed to a full and final settlement and adjourned to 4<sup>th</sup> August 2020.

On 26 January 2021, Angkatan-Tan Motor Sdn Bhd withdrew its winding-up petition against Asdion and the supporting creditor, TC Capital has now substituted the original Petitioner. The Hearing is now fixed for 26.02.2021.

On 23 February 2021, TC Capital Resources Sdn Bhd had served an amended Petition to Asdion. The hearing of the Amended Petition fixed for Case Management on 26 February 2021 is vacated. The Case Management is fixed for 16 March 2021 and the hearing of the Amended Petition was fixed on 13 April 2021 at the Kuala Lumpur High Court.

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.

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

**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 31.12.2020	Preceding Year Corresponding Quarter 31.12.2019	Current Year To Date 31.12.2020	Preceding Year Corresponding To Date 31.12.2019
Loss attributable to the ordinary equity holders of the parent company (RM)	(343,771)	(760,619)	(343,771)	(760,619)
Weighted average number of shares	127,896,800	127,896,800	127,896,800	127,897,800
Basic EPS (sen)	(0.27)	(0.59)	(0.27)	(0.59)

**b) Diluted**

Not applicable

**29. Loss Before Taxation**

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

	Quarter ended RM 31.12.2020	Year to date RM 30.9.2020
Depreciation of property, plant & equipment	51,668	188,098
Right-of-use assets	21,512	675,095
Interest expense	2,942	79,407
Bad debt written off for trade and other receivable	-	166,587
Impairment loss on investment RCPS	-	387,237
Property, plant equipment written off	-	186,131
Provision for doubtful debt for trade and other receivable	-	521,987
Share of loss in equity-accounted associates	47,337	(888,133)
Interest income	(585)	(124,013)