



**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2021**

**Unaudited Condensed Consolidated Statements of Comprehensive Income  
 For the Period Ended 30 June 2021**

	<b>Financial Quarter 3 Months Ended 30.06.2021 RM '000</b>	<b>Financial Period 12 Months Ended 30.06.2021 RM '000</b>
Revenue	611	36,278
Cost of sales	(735)	(36,029)
<b>Gross (loss)/profit</b>	<b>(124)</b>	<b>249</b>
Other income	276	794
Administrative expenses	(391)	(2,350)
Selling and distribution expenses	-	(66)
Fair value adjustment on Share-based payment	(1,171)	(3,403)
Impairment loss on receivables	(7,289)	(7,289)
	<b>(8,851)</b>	<b>(13,108)</b>
<b>Loss from operations</b>	<b>(8,699)</b>	<b>(12,065)</b>
Finance costs	(5)	(398)
Share of result of joint venture	(2)	(10)
<b>Loss before tax</b>	<b>(8,706)</b>	<b>(12,473)</b>
Taxation	(9)	(9)
<b>Net loss for the period</b>	<b>(8,715)</b>	<b>(12,482)</b>
<b>Net loss attributable to:-</b>		
Owners of the Company	<b>(8,715)</b>	<b>(12,482)</b>
<b>Total comprehensive loss attributable to:-</b>		
Owners of the Company	<b>(8,715)</b>	<b>(12,482)</b>
Loss per share attributable to owners of the Company (sen)		
- Basic	<b>(0.66)</b>	<b>(1.37)</b>

*There is no comparative for the financial quarter/period ended 30 June 2021. Due to the change in the financial year end from 31 March to 30 June, the Unaudited Condensed Consolidated Statement of Comprehensive Income for the current financial quarter/period ended 30 June 2021, being the fourth quarter of the financial year ending 30 June 2021, is not comparable with that of the fourth quarter of the previous financial period ended 30 June 2020.*

*The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period 30 June 2020 and the accompanying explanatory notes attached to the interim financial report.*

**Unaudited Condensed Consolidated Statements of Financial Position  
As At 30 June 2021**

	(Unaudited) As At 30.06.2021 RM '000	(Audited) As At 30.6.2020 RM '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	20,776	18,832
Investment in joint venture	41	81
	20,817	18,913
<b>Current assets</b>		
Inventories	81	3,294
Trade receivables	1,945	10,174
Other receivables, deposits and prepayments	23,943	1,673
Tax assets	14	14
Investment in money market	60,629	-
Cash and bank balances	26,058	3,399
	112,670	18,554
<b>TOTAL ASSETS</b>	133,487	37,467
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	135,494	34,189
Warrant reserve	31,113	-
Revaluation reserve	8,930	8,930
Accumulated losses	(45,039)	(32,557)
<b>Total equity</b>	130,498	10,562
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Finance lease payables	296	-
Deferred tax liabilities	609	609
	905	609
<b>Current liabilities</b>		
Trade payables	1,900	4,218
Other payables & accruals	130	302
Tax liabilities	9	-
Finance lease payables	45	-
Bank borrowings	-	21,776
	2,084	26,296
<b>Total liabilities</b>	2,989	26,905
<b>TOTAL EQUITY AND LIABILITIES</b>	133,487	37,467
<b>Net assets per share (Sen)</b>	7.42	3.65

*The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial report.*

**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

**Unaudited Condensed Consolidated Statements of Changes in Equity  
As At 30 June 2021**

	<----- Attributable to Owners of the Company ----->					Distributable
	<----- Non-Distributable ----->					
	Share Capital RM '000	Share Option Reserve RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	Total Equity RM '000
<b>Unaudited</b>						
<b>At 1 July 2020</b>	34,189	-	8,930	-	(32,557)	10,562
<b>Comprehensive loss</b>						
Loss for the period	-	-	-	-	(12,482)	(12,482)
<b>Total comprehensive loss for the period</b>	-	-	-	-	(12,482)	(12,482)
<b>Transactions with owners</b>						
Proceeds from private placement	19,302	-	-	-	-	19,302
Proceeds from rights issue	51,744	-	-	31,113	-	82,857
Share-based payment	-	3,403	-	-	-	3,403
Employees' Share Option Scheme ("ESOS")	31,484	(3,403)	-	-	-	28,081
Share issuance expense	(1,225)	-	-	-	-	(1,225)
<b>Total transactions with owners</b>	101,305	-	-	31,113	-	132,418
<b>At 30 June 2021</b>	135,494	-	8,930	31,113	(45,039)	130,498

**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

**Unaudited Condensed Consolidated Statements of Changes in Equity  
As At 30 June 2021**

	<----- Attributable to Owners of the Company ----->					Total Equity RM '000
	<----- Non-Distributable ----->			Distributable		
	Share Capital RM '000	Share Option Reserve RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	
<b><u>Audited</u></b>						
<b>At 1 April 2019</b>	34,189	-	8,930	-	(21,127)	21,992
<b>Comprehensive loss</b>						
Loss for the financial year	-	-	-	-	(11,430)	(11,430)
<b>Total comprehensive loss for the financial year</b>	-	-	-	-	(11,430)	(11,430)
<b>Transactions with owners</b>						
Proceeds from private placement	-	-	-	-	-	-
Share issuance expense	-	-	-	-	-	-
<b>Total transactions with owners</b>	-	-	-	-	-	-
<b>At 30 June 2020</b>	<b>34,189</b>	<b>-</b>	<b>8,930</b>	<b>-</b>	<b>(32,557)</b>	<b>10,562</b>

*The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial report.*

**Unaudited Condensed Consolidated Statements of Cash Flows**  
**For the Period Ended 30 June 2021**

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	<b>Financial Period</b> <b>12 Months Ended</b> <b>30.06.2021</b> <b>(Unaudited)</b> <b>RM'000</b>
<b>Cash flows from operating activities</b>	
Loss before tax	(12,473)
Adjustments for :-	
Depreciation of property, plant & equipment	623
Dividend income	(721)
Share-based payment	3,403
Interest expense	398
Impairment loss on receivables	7,289
Share of results in joint venture	10
Operating loss before working capital changes	(1,471)
Changes in inventories	3,213
Changes in receivables	(21,330)
Changes in payables	(2,490)
Cash used in operations	(22,078)
Net tax paid	-
<b>Net cash used in operating activities</b>	(22,078)
<b>Cash flows from investing activities</b>	
Dividend received	721
Distribution from Joint Venture	30
Net investment in money market funds	(60,629)
Purchase of plant and equipment	(2,207)
<b>Net cash used in investing activities</b>	(62,085)

**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

**Unaudited Condensed Consolidated Statements of Cash Flows  
For the Period Ended 30 June 2021**

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	<b>Financial Period 12 Months Ended 30.06.2021 (Unaudited) RM'000</b>
<b>Cash flows from financing activities</b>	
Proceeds from ESOS Exercise	28,081
Proceeds from private placement	19,302
Proceeds from rights issue	82,857
Share issuances expenses paid	(1,225)
Interest paid	(398)
Repayment of finance lease payable	(19)
Net repayment of short term bank borrowing	(17,081)
<b>Net cash from financing activities</b>	<b>111,517</b>
Effects of exchange rate changes on cash and cash equivalents	-
<b>Net increase in cash and cash equivalents</b>	<b>27,354</b>
Cash and cash equivalents brought forward	(1,296)
Cash and cash equivalents carried forward	<b>26,058</b>
<b>Represented by:-</b>	
Cash and bank balances	26,058
Bank overdraft	-
	<b>26,058</b>

*There is no comparative for the financial quarter/period ended 30 June 2021. Due to the change in the financial year end from 31 March to 30 June, the Unaudited Condensed Consolidated Statement of Cash Flows for the current financial quarter/period ended 30 June 2021, being the fourth quarter of the financial year ending 30 June 2021, is not comparable with that of the fourth quarter of the previous financial period ended 30 June 2020.*

*The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial report.*

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2021**

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**A1) Basis of Preparation**

The interim financial report is unaudited and has been prepared in compliance with Malaysia Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”), Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2020.

**A2) Change of Financial Year End and Disclosure of Comparatives**

In the previous year, the Group had changed its financial year end from 31 March to 30 June. Due to the change, the Condensed Consolidated Statement of Comprehensive Income and Condensed Consolidated Statement of Cash Flows for the current quarter ended 30 June 2021, being the fourth quarter of the current financial year ending 30 June 2021, is not comparable with that of the fifth quarter of the previous financial period ended 30 June 2020. As such, no comparative figures are presented

**A3) Changes in Accounting Policies**

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial period ended 30 June 2020 except for adoption of the new Malaysian Financial Reporting Standards (“MFRS”), amendments to MFRSs and Issue Committees (“IC”) interpretation (collectively referred to as “pronouncements”): -

Amendments to references to the Conceptual Framework in MFRS Standards	
Amendments to MFRS 3	Definition of Business
Amendments to MFRS 7, MFRS 9 and MFRS139	Interest rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108	Definition of Material

The adoption of these standards, amendments and interpretations did not result in significant changes in the accounting policies of the Group and had no significant effect on the financial performance or position of the Group.



**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2021**

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**A3) Changes in Accounting Policies (Cont'd)**

**Standards in issue but not yet effective**

As at the date of authorisation of this interim financial report, the following pronouncements have been issued by the MASB but are not yet effective and have not been adopted by the Group: -

<b>MFRSs/Amendments to MFRSs/IC Interpretation</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 17 - Insurance Contracts	1 January 2021
Amendments to MFRS 10 Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced
Amendments to MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The Group will adopt the above pronouncements when they become effective in the respective financial periods.

**A4) Seasonal or Cyclical Factors**

The Group's operations were not subject to any significant seasonal or cyclical factors.

**A5) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

**A6) Material Changes in Estimates**

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the current quarter under review.

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2021**

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**A7) Debt and Equity Securities**

Saved as disclosed below, there was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial period under review:

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- 1) On 26 August 2020, the Company completed a private placement exercise following the listing and quotation of 28,971,000 new ordinary shares on the ACE Market of Bursa Securities ("Private Placement I"). The Private Placement I has raised gross proceeds of approximately RM7.56 million, at issue price of RM0.2610 each.
- 2) On 11 November 2020, the Company completed a private placement exercise following the listing and quotation of 95,605,000 new ordinary shares on the ACE Market of Bursa Securities ("Private Placement II"). The Private Placement II has raised gross proceeds of approximately RM11.74 million, at issue price of RM0.1228 each.
- 3) On 4 January 2021, the Company completed a Rights Issue with warrants following the listing and quotation of 828,573,600 Rights Shares of RM0.10 each together with 621,430,198 Warrants B on the ACE Market of Bursa Securities.
- 4) Issuance of new ordinary shares pursuant to the exercise of Employees' Share Option Scheme: -

	<b>Financial Quarter 3 Months Ended</b>		<b>Financial Period 12 Months Ended</b>	
	<b>No. of shares '000</b>	<b>RM'000</b>	<b>No. of shares '000</b>	<b>RM'000</b>
Exercised of Employees' Share Option Scheme	<u>256,800</u>	<u>11,556</u>	<u>516,800</u>	<u>28,081</u>

**A8) Dividend Paid**

There was no dividend paid in the current quarter under review.

**A9) Valuation of Property, Plant and Equipment**

There was no valuation exercise conducted on the property, plant and equipment of the Group during the quarter under review.

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2021**

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**A10) Material Events During the Financial Period**

- 1) On 23 March 2021, Ace Edible Oil Industries Sdn. Bhd. (“AEOI”), a wholly owned subsidiary of the Company had entered into a collaboration agreement (“Agreement”) with Eco-Sponge Sdn. Bhd., a wholly-owned subsidiary of Fintec Global Berhad for the supply of biodiesel and biofuel related products to the end customers in Malaysia and any other countries mutually agreed by the parties from time to time.
- 2) On 30 June 2021, G Rubber Sdn. Bhd. (“GRSB”), a wholly owned subsidiary of the Company awarded a contract for design, fabricate, install, test and Commission consisting of eight (8) double former dipping lines producing Nitrile (NBR) gloves (“Awarded Project”) to AE Multi Industries Sdn. Bhd (“AE Multi”). A definitive agreement shall be executed within One Hundred Twenty (120) days from date of this letter of award (“LOA”) or any extension thereof and shall encompass the terms of this letter of award.

**A11) Material Events Subsequent to the end of the Financial Period**

Save as disclosed below and elsewhere in the interim financial report, there were no material events subsequent to the end of the financial period up to the date of this report: -

- 1) On 27 August 2021, the Company completed a private placement exercise following the listing and quotation of 351,932,000 new ordinary shares on the ACE Market of Bursa Securities (“Private Placement III”). The Private Placement III has raised gross proceeds of approximately RM8.13 million, at issue price of RM0.0231 each.

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

There were no material changes in the composition of the Group for the current quarter and financial year-to-date other than as stated below.

On 30 July 2020, the Group incorporated a new wholly-owned subsidiary namely, G Rubber Sdn Bhd with the intention to carry out manufacturing and trading of gloves.

**A13) Contingent Liabilities or Contingent Assets**

The Group has no material contingent liabilities save for the corporate guarantees provided by the Company to financial institutions for credit facilities granted to subsidiaries. Total utilisation of these credit facilities as at 30 June 2021 amounted to approximately RM341,000.

There were no material contingent assets to be disclosed as at the date of this report.

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2021**

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**A14) Capital Commitment**

There were no capital commitments in the Group for the quarter under review.

**A15) Related Party Transactions**

There were no significant transactions with related parties during the current financial period.

**A16) Fair Value Measurements**

- (a) Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows: -

- Level 1: Input are quoted prices (unadjusted) in active market for identical assets and or liability that the entity can access at the measurement date;
- Level 2: Inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset and liability, either directly or indirectly; and
- Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event and change in circumstances that caused the transfer.

- (b) The following table provides the fair value measurement hierarchy of the Group's financial instruments: -

	<b>&lt;---- Fair value of financial instruments ----&gt;</b>				
	<b>carried at fair value</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>level 3</b>	<b>Total</b>	<b>Carrying</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>amount</b>
					<b>RM'000</b>
<b>Group - 30.06.2021</b>					
<b>Financial assets</b>					
- Investment in					
money market	60,629	-	-	60,629	60,629

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2021**

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**A16) Fair Value Measurements (Cont'd)**

(a) The following table provides the fair value measurement hierarchy of the Group's financial instruments: - (Cont'd)

<b>&lt;---- Fair value of financial instruments ----&gt;</b>					
<b>not carried at fair value</b>					
	<b>Level 1</b>	<b>Level 2</b>	<b>level 3</b>	<b>Total</b>	<b>Carrying</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>amount</b>
					<b>RM'000</b>
<b>Group - 30.06.2021</b>					
<b>Financial liabilities</b>					
- Finance lease payables	-	341	-	341	341
	<u>-</u>	<u>341</u>	<u>-</u>	<u>341</u>	<u>341</u>

**A17) Revenue**

	<b>Financial Quarter 3 Months Ended 30.06.2021 RM'000</b>	<b>Financial Period 12 Months Ended 30.06.2021 RM'000</b>
Sales of:		
(i) Production and trading of palm kernel oil and palm kernel expeller	-	13,201
(iii) Trading of refined, bleached and deodorised olein	-	21,122
(iii) Trading of biomass material	-	10
(iv) Gloves	611	1,945
	<u>611</u>	<u>36,278</u>
Goods or services transferred at a point in time	<u>611</u>	<u>36,278</u>

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2021**

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**A18) Segmental Information**

The segmental information of the Group is presented by operating segments as follows: -

- (a) **Palm oil products** - palm kernel crushing, refining of palm oil and palm kernel oil and trading of refined palm oil products;
- (b) **Gloves** - glove-manufacturing and trading;
- (c) **Others** - Investment holding and trading of biomass and alternative material, energy and fuels and services, neither which are of a sufficient size to be reported separately.

**Financial Period 12 Months Ended 30.06.2021**

	<b>Palm Oil Products RM'000</b>	<b>Gloves RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>REVENUE</b>				
External revenue	34,323	1,945	10	36,278
Inter-segment revenue	-	-	-	-
Total revenue	<u>34,323</u>	<u>1,945</u>	<u>10</u>	<u>36,278</u>
<b>RESULTS</b>				
Segment results	(9,748)	34	(2,351)	(12,065)
Interest expense	(393)	-	(5)	(398)
Taxation	-	(9)	-	(9)
Share of results in joint venture				<u>(10)</u>
Loss for the period				<u>(12,482)</u>

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2021**

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**B1) Review of Performance**

As stated in Note A2, due to the change in the financial year end, the Group's performance for the current quarter and 12-month financial period ended 30 June 2021 is not comparable against any comparative period previously reported.

	<b>Financial Quarter 3 Months Ended 30.06.2021 RM'000</b>	<b>Financial Period 12 Months Ended 30.06.2021 RM'000</b>
<b>Revenue</b>		
Palm oil products	-	34,323
Gloves	611	1,945
Others	-	10
	<b>611</b>	<b>36,278</b>
<b>Loss before tax</b>		
Palm oil products	(8,227)	(10,141)
Gloves	2	34
Others	(479)	(2,356)
Share of result of joint venture	(2)	(10)
	<b>(8,706)</b>	<b>(12,473)</b>

**Current Quarter**

The Group posted revenue from gloves segment of RM0.61 million for the current quarter ended 30 June 2021. The Group continue to limit the trading activities in related palm oil products following the decision to reduce Group's exposure due to uncertainty of COVID-19 pandemic.

The Group registered pre-tax loss of RM8.71 million for the current quarter ended 31 June 2021. Pre-tax loss was high in palm oil mainly due to impairment loss in trade receivables of RM7.29 million where the amount is long outstanding. The Group recorded fair value adjustment from the ESOS exercise of RM0.68 million and RM0.49 million respectively in palm oil and others segments during the quarter under review.

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2021**

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**B1) Review of Performance (Cont'd)**

**Cumulative Quarter**

The Group recorded revenue of RM36.28 million for the financial period ended 30 June 2021, where RM1.95 million from the glove segment and RM34.32 million from palm oil products. Due to uncertainty amidst the COVID-19 pandemic, the Group is not active in trading palm oil products, to reduce the exposure in the CPKO market.

The Group registered a pre-tax loss of RM12.47 million for the current cumulative quarter. Pre-tax loss in palm and oil segment mainly from impairment loss in trade receivables of RM 7.29 million, fair value adjustment on the ESOS exercised of RM3.40 million, finance cost from utilisation of bankers' acceptance and bank overdraft, and professional fees of corporate exercises.

**B2) Variation of Results against Immediate Preceding Quarter**

	<b>Current Quarter 31.06.2021 RM'000</b>	<b>Immediate Preceding Quarter 31.03.2021 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
<b>Revenue</b>				
Palm oil products	-	33	(33)	(100)
Gloves	<b>611</b>	1,334	(723)	(54)
Others	-	-	-	-
	<b>611</b>	1,367	(756)	(55)
<b>Loss before tax</b>				
Palm oil products	<b>(8,227)</b>	(1,119)	(7,108)	635
Gloves	<b>2</b>	32	(30)	(94)
Others	<b>(479)</b>	(1,332)	853	(64)
Share of result of joint venture	<b>(2)</b>	(6)	4	(67)
	<b>(8,706)</b>	(2,425)	(6,281)	259

The Group posted revenue of RM0.61 million for the current quarter ended 30 June 2021, which was 55% lower compare to RM1.37 million recorded in the preceding quarter ended 31 March 2021. Lower demand in gloves in current quarter mainly due to reintroduce of Movement Control Order (MCO) by Malaysia government started since May 2021, where tight SOPs and lockdown are implemented.



**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2021**

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**B2) Variation of Results against Immediate Preceding Quarter (Cont'd)**

The Group recorded pre-tax loss of RM8.71 million for the current quarter as compared to pre-tax loss of RM2.43 million recorded in the preceding quarter. Pre-tax loss was higher mainly due to impairment loss in trade receivables of RM7.29 million, fair value adjustment of RM1.17 million from the ESOS exercised during the quarter under review.

**B3) Prospects**

Malaysian government officially introduced the National Biofuel Policy in year 2006 with the objectives of utilizing environmentally friendly and sustainable energy sources to reduce dependency on fossil fuels and to help stabilize and further enhance palm oil prices. In line with the National Biofuel Policy, the Ministry of Plantation Industries and Commodities (MPIC) introduced a biodiesel program that covers the implementation and sale of biodiesel in the local transportation and industrial sectors.

Along with the government support for the implementation, production and research activities of biodiesel and biofuel, the Group has undertaken initiatives entered into collaboration agreement with Eco-Sponge Sdn. Bhd., a wholly-owned subsidiary of Fintec Global Berhad for the supply of biodiesel and biofuel related products to the end customers in Malaysia and any other countries mutually agreed by the parties from time to time. The management believes that this collaboration deems is in the best for the Group and also enable to strengthen the financial position of the Group.

The Group has announced its plans to venture into glove business, on 27 October 2020, the Group obtained its Shareholders' approval for the diversification into the Gloves Business. The Group plans to commission up to 12 double former glove-dipping lines in stages over the course of 36 months, subject to the demand of the rubber gloves moving forward and the performance of the Gloves Business. The glove business is expected to allow the Group to capitalise on a booming segment with favourable long-term prospects and is expected contribute to the future earnings of the Group as well as improve the Group's financial performance in the coming years.

Barring any unforeseen situation, the Group strive to achieve better performance and sustainable business growth in the coming year.

**B4) Profit forecast or profit guarantee**

Not applicable as the Group did not publish any profit forecast.

**B5) Qualification of Annual Financial Statements**

The preceding year annual audited financial statements were not subject to any qualification.

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2021**

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**B6) Loss Before Tax**

	<b>Financial Quarter 3 Months Ended 30.06.2021 RM'000</b>	<b>Financial Period 12 Months Ended 30.06.2021 RM'000</b>
Included in the loss before tax is after charging/ (crediting): -		
Depreciation of property, plant & equipment	<b>193</b>	<b>623</b>
Dividend income	<b>(275)</b>	<b>(721)</b>
Impairment loss on trade receivables	<b>7,289</b>	<b>7,289</b>
Interest expense	<b>5</b>	<b>398</b>
Rental of equipment	<b>2</b>	<b>7</b>
	<hr/> <b>2</b>	<hr/> <b>7</b>

**B7) Taxation**

	<b>Financial Quarter 3 Months Ended 30.06.2021 RM'000</b>	<b>Financial Period 12 Months Ended 30.06.2021 RM'000</b>
Corporate tax expense	<b>9</b>	<b>9</b>
Deferred tax expense	<b>-</b>	<b>-</b>
	<hr/> <b>9</b>	<hr/> <b>9</b>

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2021**

**B8) Status of Corporate Proposals**

Save as disclosed below, there were no other corporate proposals announced but not completed at the latest practicable date which is not earlier than seven (7) days from the date of issue of this interim financial report: -

- 1) On 26 August 2020, the Company completed Private Placement Exercise I following the listing and quotation of 28,971,000 new ordinary shares at issue price of RM0.2610 each on the ACE Market of Bursa Securities. The Company raised cash proceeds of RM7.56 million and the summary of the utilisation of proceeds up to 29 September 2021 are as follows: -

<b>Purpose</b>	<b>Proposed utilisation RM'000</b>	<b>Amount utilised RM'000</b>	<b>Balance unutilised RM'000</b>	<b>Estimated time frame for the utilisation of proceeds</b>
Repayment of bank borrowings	3,000	(3,000)	-	Within 6 months
General Working capital	4,361	(4,361)	-	Within 12 months
Estimated expenses for the corporate exercise	200	(200)	-	Within 1 month
<b>Total</b>	<b>7,561</b>	<b>(7,561)</b>	<b>-</b>	

- 2) On 11 November 2020, the Company completed Private Placement Exercise II following the listing and quotation of 95,605,000 new ordinary shares at issue price of RM0.1228 each on the ACE Market of Bursa Securities. The Company raised cash proceeds of RM11.74 million and the summary of the utilisation of proceeds up to 29 September 2021 are as follows: -

<b>Purpose</b>	<b>Proposed utilisation RM'000</b>	<b>Amount utilised RM'000</b>	<b>Balance unutilised RM'000</b>	<b>Estimated time frame for the utilisation of proceeds</b>
Repayment of bank borrowings	11,675	(11,675)	-	Within 6 months
Estimated expenses for the corporate exercise	65	(65)	-	Immediate
<b>Total</b>	<b>11,740</b>	<b>(11,740)</b>	<b>-</b>	

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2021**

**B8) Status of Corporate Proposals (Cont'd)**

- 3) On 4 January 2021, the Company completed a Rights Issue with Warrants exercise following the listing and quotation of 828,573,600 new ordinary shares of RM0.10 each together with 621,430,198 Warrants B. The Company raise cash proceeds of RM82.86 million and the summary of the utilisation of proceeds up to the date of this interim financial report are as follows: -

<b>Purpose</b>	<b>Proposed utilisation RM'000</b>	<b>Amount utilised RM'000</b>	<b>Balance unutilised RM'000</b>	<b>Estimated timeframe for the utilisation of proceeds</b>
Repayment of bank borrowings	7,300	(7,300)	-	Within 6 months
Refurbishment of existing factory building for the gloves business	15,000	(2,097)	12,903	Within 12 months
Capital expenditure for the gloves business	41,100	(15,000)	26,100	Within 36 months
Working capital for the gloves business	18,557	(802)	17,755	Within 24 months
Estimated expenses for the corporate exercise	900	(900)	-	Immediate
<b>Total</b>	<b>82,857</b>	<b>(26,099)</b>	<b>56,758</b>	

- 4) On 27 August 2021, the Company completed Private Placement Exercise III following the listing and quotation of 351,932,000 new ordinary shares at issue price of RM0.0231 each on the ACE Market of Bursa Securities. The Company raised cash proceeds of RM8.13 million and the summary of the utilisation of proceeds up to 29 September 2021 are as follows: -

<b>Purpose</b>	<b>Proposed utilisation RM'000</b>	<b>Amount utilised RM'000</b>	<b>Balance unutilised RM'000</b>	<b>Estimated time frame for the utilisation of proceeds</b>
Capital expenditure for the Gloves Business	7,634	-	7,634	Within 36 months
Estimated expenses for the corporate exercise	495	(132)	363	Immediate
<b>Total</b>	<b>8,129</b>	<b>(132)</b>	<b>7,997</b>	

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2021**

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**B9) Material Litigation**

There were no material litigations against the Group as at the date of the interim financial report. The directors of the Group do not have any knowledge of any proceeding pending or threatened against the Group which might materially and adversely affect the financial position or business of the Group.

**B10) Borrowings and Debts Securities**

**B10) Borrowings and Debts Securities**

	Non-Current RM'000	Current RM'000	Total RM'000
<b>As at 30.06.2021</b>			
<u>Secured</u>			
Finance lease payables	<u>296</u>	<u>45</u>	<u>341</u>
			<b>30.06.2021</b>
			%
The weighted average interest rate are as follows:			
Finance lease payables			<u>4.29%</u>
Proportion of borrowing between:			
Fixed interest rates			100%
Floating interest rates			<u>0%</u>

**B11) Dividend**

There was no dividend declared or paid for the current period under review.

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2021**

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**B12) Loss per Share**

The basic and diluted loss per share are computed as follows: -

	<b>Financial Quarter 3 Months Ended 30.06.2021 RM'000</b>	<b>Financial Period 12 Months Ended 30.06.2021 RM'000</b>
Loss attributable to the owners of the Company	(8,715)	(12,482)
Weighted average number of Ordinary shares	1,323,783	911,745
Basic and diluted loss per share (sen)	<u>(0.66)</u>	<u>(1.37)</u>

Note:

The diluted loss per share is equivalent to the basic loss per share as the Company's warrants and share options had an anti-dilutive effect on the basic loss per share.

By Order of the Board

WONG YUET CHYN (MAICSA 7047163)  
Company Secretary  
Kuala Lumpur  
29 September 2021