



**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

**Unaudited Condensed Consolidated Statements of Comprehensive Income  
 For the Period Ended 30 June 2022**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended	3 Months Ended	12 Months Ended	12 Months Ended
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM '000	RM '000	RM '000	RM '000
Revenue	4,775	611	7,607	36,278
Cost of sales	(5,109)	(735)	(7,857)	(36,029)
<b>Gross (loss)/profit</b>	<b>(334)</b>	<b>(124)</b>	<b>(250)</b>	<b>249</b>
Other income	471	276	876	794
Administrative expenses	(1,170)	(391)	(3,457)	(2,350)
Selling and distribution expenses	-	-	-	(66)
Others	(3,137)	(8,460)	(17,947)	(10,692)
	<u>(4,307)</u>	<u>(8,851)</u>	<u>(21,404)</u>	<u>(13,108)</u>
<b>Loss from operations</b>	<b>(4,170)</b>	<b>(8,699)</b>	<b>(20,778)</b>	<b>(12,065)</b>
Finance costs	(12)	(5)	(22)	(398)
Share of result of joint venture	(41)	(2)	(43)	(10)
Gain on disposal of joint venture	2	-	2	-
<b>Loss before tax</b>	<b>(4,221)</b>	<b>(8,706)</b>	<b>(20,841)</b>	<b>(12,473)</b>
Taxation	9	(9)	-	(9)
<b>Net loss for the period</b>	<b><u>(4,212)</u></b>	<b><u>(8,715)</u></b>	<b><u>(20,841)</u></b>	<b><u>(12,482)</u></b>
<b>Net loss attributable to:-</b>				
Owners of the Company	<u>(4,212)</u>	<u>(8,715)</u>	<u>(20,841)</u>	<u>(12,482)</u>
<b>Total comprehensive loss attributable to:-</b>				
Owners of the Company	<u>(4,212)</u>	<u>(8,715)</u>	<u>(20,841)</u>	<u>(12,482)</u>
Loss per share ("LPS")				
Company (sen)				
- Basic	<u>(0.20)</u>	<u>(0.66)</u>	<u>(1.01)</u>	<u>(1.36)</u>

*The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial report.*

**Unaudited Condensed Consolidated Statements of Financial Position**  
**As At 30 June 2022**

	(Unaudited) As At 30.06.2022 RM '000	(Audited) As At 30.6.2021 RM '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	20,061	20,776
Right-of-use assets	168	-
Investment in joint venture	-	41
	<u>20,229</u>	<u>20,817</u>
<b>Current assets</b>		
Inventories	812	81
Investment in quoted shares	20,275	-
Trade receivables	3,798	1,945
Other receivables, deposits and prepayments	29,164	23,942
Tax assets	14	5
Money market instruments	41,325	60,629
Cash and bank balances	3,332	26,058
	<u>98,720</u>	<u>112,660</u>
<b>TOTAL ASSETS</b>	<u><b>118,949</b></u>	<u><b>133,477</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	143,485	135,494
Warrant reserve	31,113	31,113
Revaluation reserve	8,930	8,930
Accumulated losses	(65,880)	(45,039)
<b>Total equity</b>	<u><b>117,648</b></u>	<u><b>130,498</b></u>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Finance lease liabilities	251	295
Lease liabilities	124	-
Deferred tax liabilities	609	609
	<u>984</u>	<u>904</u>
<b>Current liabilities</b>		
Trade payables	-	1,900
Other payables & accruals	226	130
Finance lease liabilities	44	45
Lease liabilities	47	-
	<u>317</u>	<u>2,075</u>
<b>Total liabilities</b>	<u><b>1,301</b></u>	<u><b>2,979</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>118,949</b></u>	<u><b>133,477</b></u>
<b>Net assets per share (Sen)</b>	<b>5.57</b>	<b>7.42</b>

*The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 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 2022**

	<----- 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>Unaudited</b>						
<b>At 1 July 2021</b>	135,494	-	8,930	31,113	(45,039)	130,498
<b>Comprehensive loss</b>						
Loss for the period	-	-	-	-	(20,841)	(20,841)
<b>Total comprehensive loss for the period</b>	-	-	-	-	(20,841)	(20,841)
<b>Transactions with owners</b>						
Proceeds from private placement	8,129	-	-	-	-	8,129
Share issuance expense	(138)	-	-	-	-	(138)
<b>Total transactions with owners</b>	7,991	-	-	-	-	7,991
<b>At 30 June 2022</b>	143,485	-	8,930	31,113	(65,880)	117,648

**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

**Unaudited Condensed Consolidated Statements of Changes in Equity  
As At 30 June 2022**

	<----- 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>Audited</b>						
<b>At 1 July 2020</b>	34,189	-	8,930	-	(32,557)	10,562
<b>Comprehensive loss</b>						
Loss for the financial year	-	-	-	-	(12,482)	(12,482)
<b>Total comprehensive loss for the financial year</b>	-	-	-	-	(12,482)	(12,482)
<b>Transactions with owners</b>						
Issuance of shares pursuant to:						
- Private placements	19,302	-	-	-	-	19,302
- Rights Issue with Warrants B	51,744	-	-	31,113	-	82,857
- Exercise of ESOS	28,081	-	-	-	-	28,081
Share options granted under ESOS	-	3,403	-	-	-	3,403
Transfer upon ESOS exercised	3,403	(3,403)	-	-	-	-
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

*The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial report.*

**Unaudited Condensed Consolidated Statements of Cash Flows**  
**For the Period Ended 30 June 2022**

	<b>Current Period To-Date 30.06.2022 (Unaudited) RM'000</b>	<b>Preceding Year Corresponding Period 30.06.2021 (Audited) RM'000</b>
<b>Cash flows from operating activities</b>		
Loss before tax	(20,841)	(12,473)
Adjustments for :-		
Depreciation of property, plant & equipment	836	624
Depreciation of right-of-use assets	33	-
Impairment loss on receivables	-	7,289
Gain on disposal of joint venture	(2)	-
Distribution income from money market instruments	(683)	(698)
Fair value loss on money market instruments	-	12
Mark-to-market loss on quoted shares	10,583	-
Share-based payment under ESOS	-	3,403
Interest income	(190)	(23)
Interest expense	22	398
Loss on disposal of quoted shares	7,364	-
Share of results in joint venture	43	10
<b>Operating loss before changes in working capital</b>	<b>(2,835)</b>	<b>(1,458)</b>
Changes in inventories	(731)	3,214
Changes in receivables	(7,075)	(21,330)
Changes in payables	(1,804)	(2,463)
<b>Cash used in operations</b>	<b>(12,445)</b>	<b>(22,037)</b>
Interest income received	190	23
Net tax (paid)/refund	(9)	1
<b>Net cash used in operating activities</b>	<b>(12,264)</b>	<b>(22,013)</b>
<b>Cash flows from investing activities</b>		
Distribution income from money market instruments	683	698
Distribution from Joint Venture	-	30
Net investment in quoted shares	(38,222)	-
Net investment in money market funds	19,304	(60,641)
Purchase of plant and equipment	(121)	(2,207)
<b>Net cash used in investing activities</b>	<b>(18,356)</b>	<b>(62,120)</b>

**GREEN OCEAN CORPORATION BERHAD**

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**Unaudited Condensed Consolidated Statements of Cash Flows  
For the Period Ended 30 June 2022**

	<b>Current Period To-Date 30.06.2022 (Unaudited) RM'000</b>	<b>Preceding Year Corresponding Period 30.06.2021 (Audited) RM'000</b>
<b>Cash flows from financing activities</b>		
Proceeds from ESOS Exercise	-	28,081
Proceeds from private placement	<b>8,129</b>	19,302
Proceeds from rights issue	-	82,857
Share issuances expenses paid	<b>(138)</b>	(1,226)
Interest paid	<b>(14)</b>	(400)
Repayment of finance lease payable	<b>(45)</b>	(18)
Payment of lease liabilities	<b>(38)</b>	-
Repayment to Directors	-	(27)
Net repayment of short term bank borrowing	-	(17,082)
<b>Net cash from financing activities</b>	<b>7,894</b>	111,487
Effects of exchange rate changes on cash and cash equivalents	-	-
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(22,726)</b>	27,354
Cash and cash equivalents brought forward	<b>26,058</b>	(1,296)
Cash and cash equivalents carried forward	<b>3,332</b>	26,058
<b>Represented by:-</b>		
Cash and bank balances	<b>3,332</b>	26,058
Bank overdraft	-	-
	<b>3,332</b>	26,058

*The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial report.*

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2022**

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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 year ended 30 June 2021. 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 year ended 30 June 2021.

**A2) 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 year ended 30 June 2021.

MFRSs and/or IC Interpretations (Including Consequential Amendments) adopted for this interim financial report that do not have a material impact on the Group are set out below:

<b>MFRS (Including the Consequential Amendments)</b>	<b>Effective Date</b>
Amendments to MFRS 9, 139, 7, 4 and 16	Interest Rate Benchmark Reform – Phase 2 1 January 2021
Amendments to MFRS 16	Covid-19 – Related Rent Concessions Beyond 30 June 2021 1 April 2021

**Standards in issue but not yet effective**

As at the date of authorisation of this interim financial report, the following new Malaysian Financial Reporting Standards (“MFRS”) and amendments to MFRSs have been issued by the MASB but are not yet effective and have not been adopted by the Group: -

<b>MFRSs/Amendments</b>	<b>MFRSs</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 1	First-time Adoption of Malaysia Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)	1 January 2022



**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2022**

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

**Standards in issue but not yet effective (Cont'd)**

<b>MFRSs/Amendments</b>	<b>MFRSs</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 3	Business Combinations-Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 9	Annual Improvements to MFRS Standards 2018-2020	1 January 2022
MFRS 17 and amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The Group will adopt the above MFRS and amendments to MFRS when they become effective in the respective financial periods.

**A3) Seasonal or Cyclical Factors**

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

**A4) 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.

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2022**

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**A5) 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.

**A6) 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:

-

- a) 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. The Private Placement has raised gross proceeds of approximately RM8.13 million, at issue price of RM0.0231 each.

**A7) Dividend Paid**

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

**A8) 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.

**A9) Material Events During the Financial Period**

There was no material event during the quarter under review other than as stated below.

- a) On 3 June 2022, the Company has announced that its wholly owned subsidiary, G Rubber Sdn. Bhd. entered into a Sales and Purchase Agreement with BRDB Developments Sdn. Bhd. for the purchase of one (1) unit of retail/ office premises/ space which bearing postal address known as Lot No. 2-3, Second Floor, Troika, 19 Persiaran KLCC, 50450 Kuala Lumpur, Wilayah Persekutuan (KL) for a purchase consideration of RM6,861,660 (Ringgit Malaysia Six Million Eight Hundred and Sixty One Thousand Six Hundred Sixty only).

The proposed Acquisition is pending completion and is expected to be completed in the First Quarter of 2023.

**A10) Material Events Subsequent to the end of the Financial Period**

There was no material event subsequent to the end of the quarter under review.

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2022**

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**A11) 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.

- a) On 3 January 2022, the Group had incorporated a new wholly-owned subsidiary namely, Ace Distributions Sdn. Bhd (“ADSB”) with an issued share capital of 100 ordinary share at RM1 per share. The intended principal activities of ADSB are to carry out trading, retails and distribution in all kind of food & beverages, and trading in healthcare products.
- b) On 23 June 2022, the Group’s subsidiary, Ace Green Energy Sdn. Bhd. has entered into a Share Sale Agreement to dispose its 51% of equity interest in NSN ACE Joint Venture Sdn. Bhd. (“NSN”), for a total consideration of RM51 (Ringgit Malaysia Fifty One) Only. The disposal is completed on 24 June 2022.

Following the disposal, NSN ceased to be a joint venture company of the Group.

**A12) Contingent Liabilities or Contingent Assets**

There are no contingent liabilities for the Group as of the date of this report.

**A13) Capital Commitment**

As of 30 June 2022, capital commitment is in respect of the acquisition of specialised machineries by subsidiaries of the Group: -

Approved and contracted for	<b>RM’000</b> <u>50,180</u>
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**A14) Related Party Transactions**

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

**A15) 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.   |

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2022**

**A15) Fair Value Measurements (Cont'd)**

- (a) 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: -

**<---- Fair value of financial instruments ---->**  
**carried at fair value**

	Level 1 RM'000	Level 2 RM'000	level 3 RM'000	Total RM'000	Carrying amount RM'000
<b>Group - 30.06.2022</b>					
<b>Financial assets</b>					
- Investment in quoted shares	20,275	-	-	20,275	20,275
- Investment in money market	41,325	-	-	41,325	41,325
	<u>61,600</u>	<u>-</u>	<u>-</u>	<u>61,600</u>	<u>61,600</u>
<b>Group - 30.06.2021</b>					
<b>Financial assets</b>					
- Investment in money market	60,629	-	-	60,629	60,629

**A16) Revenue**

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
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	3,799	611	6,509	1,945
(v) Others	976	-	1,098	-
	<u>4,775</u>	<u>611</u>	<u>7,607</u>	<u>36,278</u>
Goods or services transferred at a point in time	<u>4,775</u>	<u>611</u>	<u>7,607</u>	<u>36,278</u>

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2022**

**A17) Segmental Information**

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

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- (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; trading of biomass and alternative material, energy and fuels and services; trading in all kinds of foods and beverages and healthcare products, neither which are of a sufficient size to be reported separately.

**Cumulative Period 12 Months Ended 30.06.2022**

	<b>Palm Oil Products RM'000</b>	<b>Gloves RM'000</b>	<b>Others RM'000</b>	<b>Adjustment &amp; Elimination RM'000</b>	<b>Total RM'000</b>
<b>REVENUE</b>					
External revenue	-	6,509	1,098	-	7,607
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>-</u>	<u>6,509</u>	<u>1,098</u>	<u>-</u>	<u>7,607</u>
<b>RESULTS</b>					
Interest income	-	-	190	-	190
Finance cost	-	(1)	(21)	-	(22)
Share of loss of associate	-	-	-	(43)	(43)
Segment loss before tax	(19,685)	(500)	(613)	(43)	(20,841)
Taxation	-	-	-	-	-
Segment loss after tax	<u>(19,685)</u>	<u>(500)</u>	<u>(613)</u>	<u>(43)</u>	<u>(20,841)</u>
Other material non-cash items:-					
- Depreciation of property plant and equipmnet	(716)	(1)	(119)	-	(836)
- Depreciation of right-to-use assets	-	(5)	(28)	-	(33)
- Gain on disposal of joint venture	-	-	2	-	2
- Loss from disposal of quoted shares	(7,364)	-	-	-	(7,364)
- Mark-to-market loss on quoted shares	<u>(10,583)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,583)</u>

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2022**

**A17) Segmental Information (Cont'd)**

**Cumulative 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>Adjustment &amp; Elimination 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>-</u>	<u>36,278</u>
<b>RESULTS</b>					
Interest income	-	-	23	-	23
Finance cost	(393)	-	(5)	-	(398)
Share of loss of associate	-	-	-	(10)	(10)
Segment loss before tax	(10,141)	34	(2,356)	(10)	(12,473)
Taxation	-	(9)	-	-	(9)
Segment loss after tax	<u>(10,141)</u>	<u>25</u>	<u>(2,356)</u>	<u>(10)</u>	<u>(12,482)</u>
Other material non-cash items:-					
- Depreciation of property plant and equipment	(569)	-	(55)	-	(624)
- Impairment loss on trade receivable	(7,289)	-	-	-	(7,289)
- Share-based payment under ESOS	<u>(1,626)</u>	<u>-</u>	<u>(1,777)</u>	<u>-</u>	<u>(3,403)</u>

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2022**

**B1) Review of Performance**

Individual Period (Quarter 4)	Current Quarter 30.06.2022	Preceding year Corresponding Quarter 30.06.2021	Changes	
	RM'000	RM'000	RM'000	%
<b>Revenue</b>				
Palm oil products	-	-	-	-
Gloves	3,799	611	3,188	521.8
Others	976	-	976	100.0
	<u>4,775</u>	<u>611</u>	4,164	681.5
<b>Loss before tax</b>				
Palm oil products	(3,674)	(8,227)	4,553	(55.3)
Gloves	(475)	2	(477)	(23,850.0)
Others	(29)	(479)	450	(94.0)
Share of result of joint venture	(43)	(2)	(41)	2,050.0
	<u>(4,221)</u>	<u>(8,706)</u>	4,485	(51.5)

**Current Quarter**

The Group posted revenue of RM4.77 million for the current quarter ended 30 June 2022, RM4.16 million higher than RM0.61 million recorded in the corresponding quarter ended 30 June 2021. The increase was mainly due to higher revenue in gloves segment and sales derived from all kind of food & beverages of RM0.98 million during the period under review. Gloves segment posted higher revenue by RM3.19 million mainly due to higher number of orders in gloves.

The Group recorded pre-tax loss of RM4.22 million for the current quarter, 51.5% lower than RM8.71 million pre-tax loss in the correspondence quarter. Palm Oil segment reported pre-tax loss of RM3.67 million mainly due to mark-to-market loss on investment in quoted shares of RM3.14 million.

Glove segment reported pre-tax loss of RM0.48 million mainly due to steep downtrend in selling price of gloves.

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2022**

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

Cumulative Period (Quarter 4)	Current Year to-date 30.06.2022 RM'000	Preceding year Corresponding Quarter 30.06.2021 RM'000	Changes	
			RM'000	%
<b>Revenue</b>				
Palm oil products	-	34,323	(34,323)	(100.0)
Gloves	<b>6,509</b>	1,945	4,564	234.7
Others	<b>1,098</b>	10	1,088	10,880.0
	<b>7,607</b>	36,278	(28,671)	(79.0)
<b>Loss before tax</b>				
Palm oil products	<b>(19,685)</b>	(10,141)	(9,544)	94.1
Gloves	<b>(500)</b>	34	(534)	(1,570.6)
Others	<b>(613)</b>	(2,356)	1,743	(74.0)
Share of result of joint venture	<b>(43)</b>	(10)	(33)	330.0
	<b>(20,841)</b>	<b>(12,473)</b>	(8,368)	67.1

**Cumulative Period**

The Group posted revenue of RM7.61 million for the cumulative quarter ended 30 June 2022, which was RM28.67 million or 79.0% lower as compared to RM36.28 million in the corresponding cumulative quarter. The decrease was mainly due to absence in trading of palm oil products. Gloves Segment recorded higher revenue during the period under review were largely due to higher number of orders in gloves. Others segment recorded revenue of RM1.10 million mainly from the newly incorporated subsidiary which is trading actively in food and beverages products.

The Group recorded pre-tax loss of RM20.84 million for the cumulative quarter ended 30 June 2022, RM8.37 million higher than RM12.47 million pre-tax loss in the corresponding cumulative quarter. Higher pre-tax loss reported in Palm Oil segment mainly due to loss from disposal of quoted shares of RM7.36 million and mark-to-market loss on investment in quoted shares of RM10.58 million. Palm oil segment reported pre-tax loss of RM10.14 million in corresponding cumulative quarter mainly due to impairment loss in trade receivables of RM7.29 million.

Others segment reported lower pre-tax loss mainly due to absence of fair value adjustment from the ESOS exercise in the holding company.



**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2022**

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

	Current	Immediate	Changes	
	Quarter	Preceding	RM'000	%
	30.06.2022	31.03.2022		
	RM'000	RM'000		
<b>Revenue</b>				
Palm oil products	-	-	-	-
Gloves	3,799	861	2,938	341.2
Others	976	122	854	700.0
	<u>4,775</u>	<u>983</u>	<u>3,792</u>	<u>385.8</u>
<b>Loss before tax</b>				
Palm oil products	(3,674)	(3,647)	(27)	0.7
Gloves	(475)	(50)	(425)	850.0
Others	(29)	(327)	298	(91.1)
Share of result of joint venture	(43)	-	(43)	(100.0)
	<u>(4,221)</u>	<u>(4,024)</u>	<u>(197)</u>	<u>4.9</u>

The Group posted revenue of RM4.77 million for the current quarter ended 30 June 2022, RM3.79 million higher than RM0.98 million recorded in the preceding quarter ended 31 March 2022. Gloves segment and other segment reported increase of RM2.94 million and RM0.85 million respectively. The increase in revenue mainly due to higher sales orders.

The Group recorded pre-tax loss of RM4.22 million for the current quarter as compared to pre-tax loss of RM4.02 million recorded in the preceding quarter. Pre-tax loss in palm oil segment mainly from mark-to-market loss in quoted shares of RM3.14 million (Q3 22: mark-to-market gain of RM2.8 million, coupled with loss from disposal of quoted shares of RM6.10 million).

Glove segment reported pre-tax loss of RM0.48 million mainly due to decline in the average selling price in glove.

**Explanatory Notes Pursuant to the Listing Requirements  
For 12 Months Ended 30 June 2022**

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**B3) Prospects**

The Group expects the coming financial year to be challenging due to uncertainties arising from the endemic stage of COVID-19. The Group remains focus on its core business in trading of gloves products.

For the trading of glove business, the Group's in the view that the demand of gloves would not be able to match levels seen during the pandemic stage of Covid-19. Glove average selling price (ASP) have been on a downtrend since mid-2021 and is expected to continue declining, following a mass rollout of vaccination programmes in major glove consuming countries, as the better vaccination coverage has greatly alleviated buyers' urgency to stock up on gloves. However, with glove prices slowly approaching pre-Covid levels, the Group foresee the demand of the gloves will slowly resume in year 2022.

On 3 January 2022, the Group had incorporated a new wholly-owned subsidiary namely, Ace Distributions Sdn. Bhd ("ADSB") to venture into food and beverages business, and is expected contribute to the future earnings of the Group as well as improve the Group's financial performance in the coming years.

**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 2022**

**B6) Loss Before Tax**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended	3 Months Ended	12 Months Ended	12 Months Ended
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Included in the loss before tax is after charging/(crediting): -				
Depreciation of property, plant & equipment	210	194	836	624
Depreciation of right-to-use assets	33	-	33	-
Mark-to-market loss on quoted shares	3,137	-	10,583	-
Distribution income from money market instruments	(357)	(253)	(683)	(698)
Interest expense	12	117	22	398
Interest income	(113)	(22)	(190)	(23)
Impairment loss on trade receivable	-	7,289	-	7,289
Loss from disposal of quoted shares	-	-	7,364	-
Rental of premises	14	-	43	-
Rental of equipment	2	2	5	6

**B7) Taxation**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended	3 Months Ended	12 Months Ended	12 Months Ended
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Corporate tax expense	-	9	-	9
Deferred tax expense				
Underprovision in prior year Corporate tax expense	(9)	-	-	-
	(9)	9	-	9

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2022**

**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 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	By 3 July 2023
Capital expenditure for the gloves business	41,100	(15,000)	26,100	Within 36 months
Working capital for the gloves business	18,557	(16,901)	1,656	Within 24 months
Estimated expenses for the corporate exercise	900	(900)	-	Immediate
<b>Total</b>	<b>82,857</b>	<b>(42,198)</b>	<b>40,659</b>	

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2022**

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

- 2) 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 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>Reallocation 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	-	357	7,991	Within 36 months
Estimated expenses for the corporate exercise	495	(138)	(357)	-	Immediate
<b>Total</b>	<b>8,129</b>	<b>(138)</b>	<b>-</b>	<b>7,991</b>	

**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.

**Explanatory Notes Pursuant to the Listing Requirements  
 For 12 Months Ended 30 June 2022**

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**B10) Borrowings and Debts Securities**

	Non-Current RM'000	Current RM'000	Total RM'000
<b>As at 30.06.2022</b>			
<u>Secured</u>			
Finance lease payables	<u>251</u>	<u>44</u>	<u>295</u>
<b>As at 30.06.2021</b>			
<u>Secured</u>			
Finance lease payables	<u>295</u>	<u>45</u>	<u>340</u>
		<b>30.06.2022</b>	<b>30.06.2021</b>
		%	%
The weighted average interest rate are as follows:			
Finance lease payables		<u>2.28%</u>	<u>2.28%</u>
Proportion of borrowing between:			
Fixed interest rates		<u>100%</u>	<u>100%</u>

All the borrowings are denominated in Ringgit Malaysia

**B11) Lease Liabilities**

	Non-Current RM'000	Current RM'000	Total RM'000
<b>As at 30.06.2022</b>			
Lease liabilities	<u>124</u>	<u>47</u>	<u>171</u>

**B12) 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 2022**

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**B13) Loss per Share**

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

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM '000	RM '000	RM '000	RM '000
Loss attributable to the owners of the Company	<b>(4,212)</b>	(8,715)	<b>(20,841)</b>	(12,482)
Weighted average number of Ordinary shares ('000)	<b>2,111,592</b>	1,323,783	<b>2,056,633</b>	916,299
Loss per share (sen): Basic and diluted	<b><u>(0.20)</u></b>	<u>(0.66)</u>	<b><u>(1.01)</u></b>	<u>(1.36)</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  
30 August 2022