

ALDRICH RESOURCES BERHAD

[Company No: 200101019222 (554979-T)]
(Incorporated in Malaysia)

Unaudited Interim Financial Report for the 1st Quarter ended 31 March 2024

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31/3/2024 RM('000)	31/3/2023 RM('000)	31/3/2024 RM('000)	31/3/2023 RM('000)
Revenue	A9	2,395	2,894	2,395	2,894
Operating expenses		(2,116)	(3,012)	(2,116)	(3,012)
Other operating income		8	13	8	13
Profit (Loss) from operations		287	(105)	287	(105)
Finance cost		(8)	(15)	(8)	(15)
Share of results of associate		-	-	-	-
Profit/(Loss) before taxation	A9	279	(120)	279	(120)
Taxation	B5	(114)	(115)	(114)	(115)
Profit/(Loss) for the period		165	(235)	165	(235)
Attributable to:					
Equity holders of the parent		165	(235)	165	(235)
Non-controlling interests		-	-	-	-
		165	(235)	165	(235)
Profit/(Loss) per share attributable to equity holders of the parent (Sen)					
(a) Basic	B13	0.01	(0.02)	0.01	(0.02)
(b) Fully diluted	B13	N/A	-	N/A	-

Notes:

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023 and the accompanying notes to the quarterly report.

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(Incorporated in Malaysia)

Unaudited Interim Financial Report for the 1st Quarter ended 31 March 2024

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/3/2024 RM('000)	31/3/2023 RM('000)	31/3/2024 RM('000)	31/3/2023 RM('000)
Profit/(Loss) for the period	165	(235)	165	(235)
Other comprehensive income/(loss), net of tax:				
Fair value adjustment	-	-	-	-
Translation of foreign subsidiary	28	(4)	28	(4)
Reversal of fair value reserve on disposal of other investment	-	-	-	-
Total comprehensive income/(loss)	<u>193</u>	<u>(239)</u>	<u>193</u>	<u>(239)</u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the parent	193	(239)	193	(239)
Non-controlling interests	-	-	-	-
	<u>193</u>	<u>(239)</u>	<u>193</u>	<u>(239)</u>

Note:

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023 and the accompanying notes to the quarterly report.

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Unaudited Interim Financial Report for the 1st Quarter ended 31 March 2024

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(UNAUDITED) AS AT 31 MAR 2024 RM('000)	(AUDITED) AS AT 31 DEC 2023 RM('000)
ASSETS		
Non-Current Assets		
Property, plant and equipment	1,437	1,551
Right-of-use assets	277	396
Other investment	2,077	2,077
Goodwill on consolidation	5,774	5,774
Total Non-Current Assets	9,565	9,798
Current Assets		
Trade receivables	7,881	8,512
Other receivables and prepaid expenses	9,362	8,991
Cash and bank balances	3,363	3,082
Total Current Assets	20,606	20,585
Total Assets	30,171	30,383
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	25,408	25,408
Reserves		
<i>Accumulated Loss</i>	(2,373)	(2,538)
<i>Exchange Adjustment</i>	(395)	(423)
Equity Attributable to Owners of the Company	22,640	22,447
Non-controlling interests	(484)	(484)
TOTAL EQUITY	22,156	21,963
Non-Current Liabilities		
Deferred tax liabilities	4	4
Lease liabilities	-	-
Total Non-Current Liabilities	4	4
Current Liabilities		
Trade payables	4,320	4,693
Other payables and accrued expenses	3,209	3,169
Lease liabilities	276	395
Tax liabilities	206	159
Total Current Liabilities	8,011	8,416
Total Liabilities	8,015	8,420
Total Equity and Liabilities	30,171	30,383
Net assets per share attributable to ordinary equity holders of the parent (sen)	2.03	2.02

Note:

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the period ended 31 December 2023 and the accompanying notes to the quarterly report.

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Unaudited Interim Financial Report for the 1st Quarter ended 31 March 2024

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<-----Attributable to Equity Holders of the Company----->					Total	Non- controlling Interests	Total Equity
	Share Capital	Non- Distributable - Warrant Reserve	Non- Distributable - Exchange Adjustment	Non- Distributable - Fair Value Reserve	Accumulated Loss			
	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)
3 months ended 31 March 2024								
Balance as at 1 January 2024	25,408	-	(423)	-	(2,538)	22,447	(484)	21,963
Issuance of new ordinary shares	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	28	-	165	193	-	193
Balance as at 31 March 2024	25,408	-	(395)	-	(2,373)	22,640	(484)	22,156
3 months ended 31 March 2023								
Balance as at 1 January 2023	25,308	-	(391)	-	(1,395)	23,522	(484)	23,038
Issuance of new ordinary shares	100	-	-	-	-	100	-	100
Total comprehensive income/(loss) for the period	-	-	(32)	-	(1,143)	(1,175)	-	(1,175)
Balance as at 31 March 2023	25,408	-	(423)	-	(2,538)	22,447	(484)	21,963

Note:

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023 and the accompanying notes to the quarterly report.

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Unaudited Interim Financial Report for the 1st Quarter ended 31 March 2024

	3 months ended 31.03.2024	3 months ended 31.03.2023
	RM('000)	RM('000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	279	(120)
Adjustments for:		
Depreciation of property, plant and equipment	177	226
Depreciation of right-of-use assets	119	157
Bad debts written off	-	-
Impairment loss on trade receivables	-	-
Finance cost	8	15
Interest received	(1)	(13)
Property, plant and equipment written off	-	-
Operating profit/(loss) before working capital changes	<u>582</u>	<u>265</u>
Changes in working capital:		
Net change in current assets	261	(2,712)
Net change in current liabilities	(354)	135
Cash used in operations	<u>489</u>	<u>(2,312)</u>
Interest received	1	13
Interest paid	(8)	(15)
Tax paid	(68)	(92)
Net cash used in operating activities	<u>414</u>	<u>(2,406)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of other investment	-	-
Investment in associate	-	-
Purchase of property, plant and equipment	(63)	(338)
Acquisition of other investment	-	-
Acquisition of subsidiary, net of cash acquired	-	-
Net cash from/(used in) investing activities	<u>(63)</u>	<u>(338)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	-	-
Repayment of lease obligations	(119)	(116)
Net cash from/(used in) financing activities	<u>(119)</u>	<u>(116)</u>

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Unaudited Interim Financial Report for the 1st Quarter ended 31 March 2024

	3 months ended 31.03.2024 RM('000)	3 months ended 31.03.2023 RM('000)
NET DECREASE IN CASH AND CASH EQUIVALENTS	232	(2,860)
EFFECTS OF EXCHANGE RATE CHANGES	49	17
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	3,082	6,039
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	(Note A16) <u>3,363</u>	<u>3,196</u>

Note:

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023 and the accompanying notes to the quarterly report.

ALDRICH RESOURCES BERHAD

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(Incorporated in Malaysia)

Unaudited Interim Financial Report for the 1st Quarter ended 31 March 2024

A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING

A1 Basis of preparation

The interim financial report has been prepared in compliance with MFRS 134, Interim Financial Reporting and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December

A2 Significant accounting policies

The accounting policies and methods of computation adopted by the Group in the preparation of this interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 December 2023.

The Group has adopted the following amendments to MFRS that came into effect on 1 January 2024 which did not have any significant impact on the unaudited quarterly report upon their application.

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Disclosure of Accounting Policies

A3 Auditors' report of preceding annual financial statements

The auditors' report on the preceding year annual audited financial statements was not subject to any qualification.

A4 Seasonal or cyclical factors

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

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 of the Group since the last annual audited financial

A6 Material changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which may have a material effect in the current financial quarter.

A7 Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter.

A8 Dividend paid

There were no dividends paid during the current financial quarter

A9 Segment information

The Group's segmental information for the financial period ended 31 March 2024 is as follows:

(a) Analysis by business segments

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/3/2024	31/3/2023	31/3/2024	31/3/2023
	RM('000)	RM('000)	RM('000)	RM('000)
REVENUE				
Software development	121	50	121	1,188
Corporate secretarial and share registration services	2,188	1,706	2,188	1,706
Mining business	-	1,138	-	1,138
Money lending business	86	-	86	-
	<u>2,395</u>	<u>2,894</u>	<u>2,395</u>	<u>2,894</u>
PROFIT/(LOSS) BEFORE TAXATION				
Software development	(111)	(461)	(111)	(461)
Corporate secretarial and share registration services	367	449	367	449
	<u>256</u>	<u>(12)</u>	<u>256</u>	<u>(12)</u>
Mining business	(58)	(108)	(58)	(108)
Money lending business	81	-	81	-
	<u>279</u>	<u>(120)</u>	<u>279</u>	<u>(120)</u>

(b) Analysis by geographical location

No analysis by geographical location as all the business activities of the Group are predominately carried out in Malaysia.

A10 Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment.

A11 Material events subsequent to the end of the quarter

There were no material events subsequent to the current financial quarter ended 31 March 2024 up to the date of this report which, is likely to substantially affect the results of the operations of the Group.

A12 Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial quarter.

A13 Contingent liabilities

There were no contingent liabilities as at the date of this announcement.

A14 Capital commitments

There were no capital commitments as at the date of this announcement.

A15 Significant related party transactions

There were no significant related party transactions as at the date of this announcement.

A16 Cash and cash equivalents

	31.03.2024 RM('000)	31.03.2023 RM('000)
Cash and bank balances	3,363	3,196

A17 Notes to the Statements of Comprehensive Income

	INDIVIDUAL QUARTER 31 March 2024 RM('000)	CUMULATIVE QUARTER 31 March 2024 RM('000)
Profit before taxation is arrived at after charging/(crediting):		
Car park rental	4	4
Depreciation of property, plant and equipment	177	177
Depreciation of right-of-use assets	119	119
Directors' remuneration - Fee	56	56
Finance cost	(8)	(8)
Rental of office equipment	5	5
Interest income	1	1

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET**B1 Analysis of performance**

The Group recorded a turnover and profit before taxation of RM2.39 million and RM0.27 million respectively for the current financial quarter ended 31 March 2024. The Group's revenue reduced by RM0.5 million compared to the revenue of approximately RM2.89 million recorded for preceding year corresponding quarter ended 31 March 2023. The main contributors to the Group's revenue of RM2.39 million were corporate secretarial and share registration segment which respectively contributed approximately 65% and 27% of Group's revenue. Despite the reduction in revenue in current year quarter, the Group recorded an improvement in profit before taxation to RM0.27 million in current year quarter as compared to a loss before taxation of RM0.12 million for preceding year corresponding quarter.

B2 Variation of results against preceding quarter

	Current quarter 31 March 2024 RM'000	Preceding quarter 31 December 2023 RM'000
Revenue	2,395	2,694
Profit/(Loss) before tax	279	(2,083)

The Group recorded a turnover of approximately RM2.39 million for the current financial quarter ended 31 March 2024 as compared to a turnover of RM2.69 million recorded in preceding quarter. This represents a reduction of approximately 11% as compared to the preceding quarter, mainly due to reduction in software development segment and money lending segment.

The Group recorded a profit before taxation of approximately RM0.27 million for the current financial quarter ended 31 March 2024 as compared to loss before taxation of RM2.08 million recorded in preceding quarter. The better performance in current year quarter was mainly due to increased in profit before taxation generated by its corporate secretarial services and share registration segment, recorded a profit before taxation of RM0.13 million and RM0.23 million against loss before taxation of RM0.09 million and profit before taxation of RM0.03 million in preceding quarter.

B3 Prospects

The Group initiated multiple proposals to turnaround the Group's financial performance from acquisition of Boardroom.com Sdn Bhd in December 2020, followed by acquisition of indirect subsidiary namely Proficient Premium Sdn Bhd and acquisition of 20% stake in Octowill Trustees Berhad.

The plan comprises multiple corporate proposals that involve the Group undertaking fundraising, ventured into various new businesses such as corporate and share registration services, development of microcredit platform, and money lending business.

These business ventures will be funded by the proceeds of a private placement exercise which was completed in January 2022. When successfully implemented, these business ventures are expected to diversify the risk of the Group from being involved in one single industry segment, have synergistic benefits to the Company through the sharing and consolidation of resources, and are also expected to ultimately improve the financial performance of the enlarged group in the long run.

B4 Profit forecast and profit guarantee

The Group did not announce any profit forecast nor profit guarantee during the financial quarter.

B5 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/3/2024	31/3/2023	31/3/2024	31/3/2023
	RM('000)	RM('000)	RM('000)	RM('000)
Current tax				
Current year	114	115	114	115

The above income tax provision arose from profit before tax generated by its wholly-owned subsidiary Boardroom.com Sdn Bhd, Aldpro Corporate Services Sdn Bhd, Ganda Integrasi Sdn Bhd and Proficient Premium Sdn Bhd.

No provision for income tax has been made for the Company and its other subsidiaries which incurred losses for the current quarter.

B6 Unquoted investments and properties

There were no acquisitions or disposals of unquoted investments and properties for the financial quarter under review.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities for the financial quarter under review.

B8 Status of corporate proposals

(i) Private placement of up to 30% of the issued ordinary shares in the Company

As announced on 29 January 2021, the Company proposed to undertake a private placement of up to 256,952,300 ordinary shares in the Company ("Placement Shares"), representing approximately 30% of the total number of issued shares of the Company ("Private Placement"). The Private Placement was completed on 14 January 2022.

B8 Status of corporate proposals (Continue)

The status of the gross proceeds from the Private Placement completed on 14 January 2022 which amounted to approximately RM9.60 million are as follows:

	Initial Proposed Utilisation	Revised Utilisation	Actual Utilisation as at 31.03.2024	Balance Unutilised as at 31.03.2024	Variation to the Utilisation of proceeds as at 31.03.2024	Revised balance of proceeds after the Proposed Variation as at 31.03.2024
Details of Utilisation	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)
Software development	5,000	4,280	1,520	2,760	(2,655)	105
Development of mobile health technology services platform	1,000	850	80	770	(770)	-
Development of microcredit platform	5,000	4,290	1,000	3,290	(3,290)	-
Future investments	7,001	-	-	-	-	-
Estimated expenses for the Private Placement	500	180	177	3	(3)	-
Development of Money Lending Business	-	-	3,007	(3,007)	6,718	3,711
Development of Mining Business	-	-	2,853	(2,853)	-	(2,853)
	<u>18,501</u>	<u>9,600</u>	<u>8,637</u>	<u>963</u>	<u>-</u>	<u>963</u>

Note:

(1) On 2 May 2024, further to the announcement made on 23 May 2023 and 1 August 2023, the Group announced the Proposed Diversification into Mining business was suspended.

(2) In the event shareholders' approval is not obtained, the Group will seek alternative methods of funding, and replenish the proceeds used accordingly.

(ii) Memorandum of Understanding ("MOU") with Enrich Mining Sdn Bhd ("Enrich")

On 22 May 2020, the Group entered into MOU with Enrich to commence exclusive discussion with Enrich in relation to a proposed collaboration to jointly (i) explore mining targets and develop mining operation at Gossan Hill area, District of Jeli, Kelantan and (ii) manage the Senior Alluvia Gold Mining operation at District of Jeli, Kelantan. The Company and Enrich had mutually agreed to extend the MOU period for a further period of 6 months to 22 Nov 2024.

(iii) Proposed Diversification into Mining Business, Proposed Diversification into Money Lending Business and Proposed Variation

On 23 May 2023, the Group announced to undertake an employees' share option scheme ("ESOS"), diversification of the existing business of Aldrich to include exploration of minerals, mining and mining related businesses ("Mining Business"), diversification of the existing business of Aldrich to include money lending business and its related activities ("Money Lending Business") and variation to the utilisation of proceeds from the Private Placement ("Proposed Variation"). The listing application and circular for the above mentioned proposals was submitted to Bursa Securities on 22 June 2023. Please refer to the Company's announcement on 23 May 2023, 22 June 2023, 01 Aug 2023, and 16 May 2024 for further details. On 02 May 2024, the Group had announced the Mining Business has suspended operations for the time pending further compliances of necessary guidelines and requirements, and as such, the Proposed Diversification into Mining will not be proceeded at this point of time.

B9 Group's borrowings and debt securities

There were no borrowings and debt securities for the financial quarter under review.

B10 Off balance sheet financial instruments

There were no financial instruments with off-balance sheet risk as at the date of this announcement applicable to the Group.

B11 Material litigations

There is no material litigation for the financial quarter under review.

B12 Dividends

No dividend has been declared in respect of the financial period under review.

B13 Earning/(Loss) per share

a. Basic earnings/(loss) per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT 31/3/2024 RM('000)	PRECEDING YEAR 31/3/2023 RM('000)	CURRENT 31/3/2024 RM('000)	PRECEDING YEAR 31/3/2023 RM('000)
Profit/(Loss) attributable to ordinary equity holders of the parent	165	(235)	165	(235)
Weighted average number of ordinary shares in issue ('000)	1,113,460	1,113,460	1,113,460	1,113,460
Basic earnings/(loss) per share (sen)	0.01	(0.02)	0.01	(0.02)

b. Diluted loss per share

The fully diluted loss per share have not been presented as there is anti dilutive effect for the shares of the Group.

By Order of the Board

Tan Tong Lang (MAICSA 7045482)

SSM PC NO. 202208000250

Secretary

Kuala Lumpur

Date: 24 May 2024