

# ORION IXL BERHAD

(Company No: 554979-T)

(Incorporated in Malaysia)

## Unaudited Interim Financial Report for the 1st Quarter ended 30 September 2019

### CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	PRECEDING YEAR CORRESPONDING PERIOD	PRECEDING YEAR CORRESPONDING PERIOD
		30/09/2019 RM('000)	30/09/2018 RM('000)	30/09/2019 RM('000)	30/09/2018 RM('000)
Revenue	A9	895	1,064	895	1,064
Operating expenses		(939)	(705)	(939)	(705)
Other operating income		36	730	36	730
Profit/(Loss) from operations		(8)	1,089	(8)	1,089
Finance cost		(13)	-	(13)	-
Share of results of associate		(136)	-	(136)	-
Profit/(Loss) before taxation	A9	(157)	1,089	(157)	1,089
Taxation	B5	-	-	-	-
Profit/(Loss) for the period		<u>(157)</u>	<u>1,089</u>	<u>(157)</u>	<u>1,089</u>
Attributable to:					
Equity holders of the parent		(157)	1,090	(157)	1,090
Non-controlling interests		-	(1)	-	(1)
		<u>(157)</u>	<u>1,089</u>	<u>(157)</u>	<u>1,089</u>
Earnings/(Loss) per share attributable to equity holders of the parent (Sen)					
(a) Basic	B13	(0.02)	0.18	(0.02)	0.18
(b) Fully diluted	B13	N/A	N/A	N/A	N/A

Note:

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the period ended 30 June 2019 and the accompanying notes to the quarterly report.

# ORION IXL BERHAD

(Company No: 554979-T)

(Incorporated in Malaysia)

Unaudited Interim Financial Report for the 1st Quarter ended 30 September 2019

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	PRECEDING YEAR CORRESPONDING PERIOD	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/2019	30/09/2018	30/09/2019	30/09/2018
	RM('000)	RM('000)	RM('000)	RM('000)
Profit/(Loss) for the period	(157)	1,089	(157)	1,089
Other comprehensive loss, net of tax:				
Fair value adjustment	(2)	(43)	(2)	(43)
Translation of foreign subsidiary	(9)	(16)	(9)	(16)
Total comprehensive income/(loss)	<u>(168)</u>	<u>1,030</u>	<u>(168)</u>	<u>1,030</u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the parent	(168)	1,031	(168)	1,031
Non-controlling interests	-	(1)	-	(1)
	<u>(168)</u>	<u>1,030</u>	<u>(168)</u>	<u>1,030</u>

Note:

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the period ended 30 June 2019 and the accompanying notes to the quarterly report.

# ORION IXL BERHAD

(Company No: 554979-T)  
(Incorporated in Malaysia)

Unaudited Interim Financial Report for the 1st Quarter ended 30 September 2019

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(UNAUDITED) AS AT 30 SEPTEMBER 2019 RM('000)	(AUDITED) AS AT 30 JUNE 2019 RM('000)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2,056	2,165
Intangible assets	5,083	5,041
Right-of-use assets	889	-
Investment in associate	9,582	9,717
Other investment	76	78
Goodwill on consolidation	70,198	70,198
<b>Total Non-Current Assets</b>	<b>87,884</b>	<b>87,199</b>
<b>Current Assets</b>		
Trade receivables	7,377	7,623
Amount owing by contract customers	3,609	2,909
Other receivables and prepaid expenses	17,236	18,044
Amount owing by associate	2,153	1,717
Deposits with licensed bank	679	673
Cash and bank balances	162	222
<b>Total Current Assets</b>	<b>31,216</b>	<b>31,188</b>
<b>Total Assets</b>	<b>119,100</b>	<b>118,387</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share capital	112,504	112,504
Reserves		
<i>Accumulated Loss</i>	(29,875)	(29,705)
<i>Warrant reserve</i>	21,569	21,569
<i>Exchange Adjustment</i>	(359)	(350)
<i>Fair value reserve</i>	(27)	(25)
Equity Attributable to Owners of the Company	103,812	103,993
Non-controlling interests	(484)	(484)
<b>TOTAL EQUITY</b>	<b>103,328</b>	<b>103,509</b>
<b>Non-Current Liabilities</b>		
Lease liabilities	726	-
<b>Total Non-Current Liabilities</b>	<b>726</b>	<b>-</b>
<b>Current Liabilities</b>		
Trade payables	1,436	435
Other payables and accrued expenses	2,818	3,816
Provisions and contingent consideration payable	10,610	10,610
Lease liabilities	182	-
Amount owing to directors	-	17
<b>Total Current Liabilities</b>	<b>15,046</b>	<b>14,878</b>
<b>Total Liabilities</b>	<b>15,772</b>	<b>14,878</b>
<b>Total Equity and Liabilities</b>	<b>119,100</b>	<b>118,387</b>
Net assets per share attributable to ordinary equity holders of the parent (sen)	14.68	14.71

Note:

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the period ended 30 June 2019 and the accompanying notes to the quarterly report.

# ORION IXL BERHAD

(Company No: 554979-T)  
(Incorporated in Malaysia)

## Unaudited Interim Financial Report for the 1st Quarter ended 30 September 2019

### 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)
<b>3 months ended 30 September 2019</b>								
Balance as at 1 July 2019	112,504	21,569	(350)	(25)	(29,705)	103,993	(484)	103,509
Adjustment on initial application of MFRS 16	-	-	-	-	(13)	(13)	-	(13)
Total comprehensive loss for the period	-	-	(9)	(2)	(157)	(168)	-	(168)
<b>Balance as at 30 September 2019</b>	<u>112,504</u>	<u>21,569</u>	<u>(359)</u>	<u>(27)</u>	<u>(29,875)</u>	<u>103,812</u>	<u>(484)</u>	<u>103,328</u>
<b>3 months ended 30 September 2018</b>								
Balance as at 1 July 2018	95,638	21,569	(334)	36	(31,352)	85,557	(474)	85,083
Total comprehensive income/(loss) for the period	-	-	(16)	(43)	1,090	1,031	(1)	1,030
<b>Balance as at 30 September 2018</b>	<u>95,638</u>	<u>21,569</u>	<u>(350)</u>	<u>(7)</u>	<u>(30,262)</u>	<u>86,588</u>	<u>(475)</u>	<u>86,113</u>

Note:

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the period ended 30 June 2019 and the accompanying notes to the quarterly report.

# ORION IXL BERHAD

(Company No: 554979-T)

(Incorporated in Malaysia)

## Unaudited Interim Financial Report for the 1st Quarter ended 30 September 2019

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	3 months ended 30.09.2019	3 months ended 30.09.2018
	RM('000)	RM('000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	(157)	1,089
Adjustments for:		
Amortisation of intangible assets	153	153
Depreciation of property, plant and equipment	176	11
Finance cost	13	-
Interest received	(36)	(1)
Write back of provision for allowance of liquidated ascertained damages	-	(700)
Share of results of associate	136	-
Operating profit before working capital changes	<u>285</u>	<u>552</u>
Changes in working capital:		
Net change in current assets	(82)	197
Net change in current liabilities	(235)	132
<b>Cash generated from/(used in) operations</b>	<u>(32)</u>	<u>881</u>
Interest received	36	1
Interest paid	(13)	-
Development cost incurred	-	(569)
<b>Net cash from/(used in) operating activities</b>	<u>(9)</u>	<u>313</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(11)	(7)
Acquisition of subsidiary, net of cash acquired	-	(10)
<b>Net cash used in investing activities</b>	<u>(11)</u>	<u>(17)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease obligations	(51)	-
<b>Net cash used in financing activities</b>	<u>(51)</u>	<u>-</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(71)	296
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	17	1
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	895	1,633
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<u>841</u>	<u>1,930</u>

(Note A16)

#### Note:

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the period ended 30 June 2019 and the accompanying notes to the quarterly report.

# ORION IXL BERHAD

(Company No: 554979-T)

(Incorporated in Malaysia)

## Unaudited Interim Financial Report for the 1st Quarter ended 30 September 2019

### NOTES

#### 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 financial year ended 30 June 2019.

##### 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 financial year ended 30 June 2019, except as follows:

###### Effective for financial periods beginning on or after 1 January 2019

MFRS 16	<i>Leases</i>
IC Interpretation 23	<i>Uncertainty over Income Tax Treatment</i>
Amendment to MFRS 3	<i>Business Combination (Annual Improvement to MFRS Standards 2015-2017 Cycle)</i>
Amendment to MFRS 11	<i>Joint Arrangements (Annual Improvement to MFRS Standards 2015-2017 Cycle)</i>
Amendment to MFRS 112	<i>Income Taxes (Annual Improvement to MFRS Standards 2015-2017 Cycle)</i>
Amendment to MFRS 119	<i>Employee Benefits - Plan Amendment, Curtainment and Settlement</i>
Amendment to MFRS 123	<i>Borrowing Costs (Annual Improvement to MFRS Standards 2015-2017 Cycle)</i>
Amendment to MFRS 128	<i>Investments in Associates and Joint Ventures - Long-term Interest in Associate and Joint Venture</i>

The adoption of the above MFRSs and Amendments of MFRSs did not have any impact to the condensed financial statements except the changes arising from MFRS 16 Leases, as disclosed below:

Under MFRS 16, the Group recognises right-of-use assets and lease liabilities for most of its operating leases - these leases are on-balance sheet at initial application. At transition, the right-of-use asset is measured at an amount equal to lease liability whilst the lease liability is measured at the present value of the remaining lease payments using the Group's incremental borrowing rate. The Group has applied MFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised as an adjustment to accumulated loss at 1 July 2019. accordingly, the comparative prior-year figures were not adjusted.

At the date of authorisation of this unaudited interim financial statements, the following MFRSs and IC interpretation have been issued by the MASB but are not yet effective and have not been adopted by the Group:

###### Effective for financial periods beginning on or after 1 January 2020

Amendment to MFRS 3	<i>Business Combinations- Definition of a Business</i>
Amendment to MFRS 101	<i>Presentation of Financial Statements</i>
Amendment to MFRS 108	<i>Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material</i>

###### Effective for financial periods beginning on or after 1 January 2021

MFRS 17	<i>Insurance Contracts</i>
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**MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed**

Amendment to MFRS 101  
MFRS 128

*Consolidated Financial Statements  
Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an  
Investor and its Associate or Joint Venture*

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect to the financial statements of the Group upon their initial application.

**A3 Auditors' report of preceding annual financial statements**

The auditors' report on the preceding period's 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 statements.

**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**

Segmental information is presented only in respect of the Group's geographical segments. There is no information on business segments as the Group is principally involved in software development.

GEOGRAPHICAL SEGMENTS	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING YEAR	PRECEDING YEAR	PRECEDING YEAR
	YEAR	CORRESPONDING	CORRESPONDING	CORRESPONDING
	QUARTER	QUARTER	PERIOD	PERIOD
	30/09/2019	30/09/2018	30/09/2019	30/09/2018
	RM('000)	RM('000)	RM('000)	RM('000)
<b>REVENUE</b>				
Malaysia	895	1,064	895	1,064
United States of America	-	-	-	-
	<u>895</u>	<u>1,064</u>	<u>895</u>	<u>1,064</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>				
Malaysia	(21)	1,091	(21)	1,091
United States of America	-	(2)	-	(2)
	<u>(21)</u>	<u>1,089</u>	<u>(21)</u>	<u>1,089</u>
Share of results of associate	(136)	-	(136)	-
	<u>(157)</u>	<u>1,089</u>	<u>(157)</u>	<u>1,089</u>

**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 30 September 2019 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**

	30.09.2019 RM('000)	30.09.2018 RM('000)
Cash and bank balances	162	1,273
Deposits with licensed bank	679	657
	<u>841</u>	<u>1,930</u>

**A17 Notes to the Statements of Comprehensive Income**

	INDIVIDUAL QUARTER 30 September 2019 RM('000)	CUMULATIVE QUARTER 30 September 2019 RM('000)
Profit before taxation is arrived at after charging/(crediting):		
Amortisation of intangible assets	153	153
Depreciation of property, plant and equipment	176	176
Directors' remuneration -Other emoluments	202	202
Finance cost	13	13
Interest income	<u>(36)</u>	<u>(36)</u>

**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 total turnover of approximately RM0.90 million for the current financial quarter, this represents a reduction of approximately 16% as compared to the same corresponding financial quarter in 2019 ("Q1 2019"). The reduction was mainly due to lower sales generated by its wholly-owned subsidiary Asap Sdn Bhd in current financial quarter as compared to Q1 2019.

For the current financial quarter, the Group recorded a loss before taxation of RM0.16 million as opposed to profit before taxation of RM1.09 million recorded in Q1 2019. The unfavourable result was mainly due to lower revenue registered in current financial quarter, higher share of loss in associate of RM0.14 million and non recurring one-off gain on write back of provision for allowance of liquidated ascertained damages amounted to RM0.7 million recorded in Q1 2019.



## B2 Variation of results against preceding quarter

	Current quarter 30 June 2019 RM'000	Preceding quarter 30 June 2019 RM'000
Revenue	895	212
Loss before tax	(157)	(2,126)

The Group recorded a turnover of approximately RM0.90 million for the current financial quarter ended 30 September 2019 as compared to turnover of RM0.21 million recorded in preceding quarter. This represents an improvement of approximately 322% as compared to the preceding quarter, mainly due to higher contribution from Asap Sdn Bhd during the current financial quarter.

The Group recorded a loss before tax of approximately RM0.16 million for the current financial quarter ended 30 September 2019 as compared to a loss before tax of RM2.13 million recorded in preceding quarter. This mainly due to higher revenue contribution from Asap Sdn Bhd as mentioned in the preceding paragraph and one-off expenses related to private placement of approximately RM1.0 million incurred in preceding financial quarter.

## B3 Prospects

The Group signed a Strategic Partnership Agreement with Riametric on 15 August, 2018 with Riametric Sdn. Bhd. to offer its customers advanced implementation, services, support and training on the Orion IXL–Scalend Advanced Analytics Platform which enable the Group to offer big data analytics, artificial intelligence and blockchain technology solutions to its clients.

On 11 October 2018, Sukaniaga Sdn Bhd (“Sukaniaga”) entered into a service level agreement with MyAngkasa Holdings Sdn Bhd (“Angkasa”) for the development of the E-Angkasa Az-Zahara system (“MyAzZahra Portal”), which provides online digital end to end solutions from the stage of the loan application to the loan approval process , including its operation and maintenance..

On the same day, The Company's wholly-owned subsidiary, Ganda Integrasi Sdn Bhd has entered into a technical services agreement with Sukaniaga to provide all services to be rendered by Sukaniaga to Angkasa under the Angkasa SLA on a back to back basis.

The Group also made a major breakthrough on 5 April, 2019 by signing of a Memorandum of Understanding (“MOU”) to provide alternative credit scores fintech solutions to SME Bank.

In addition, the Group also on 13 April 2019 entered into a MOU with PT Kirana of Indonesia to form a collaboration to provide the Group's technology for loan management system as well as credit scoring, artificial intelligence (“AI”) to process micro-financing in Indonesia.

The Board of Directors of the Group is of the opinion that our prospects remain favourable in future with the inclusion of new big data analytics, artificial intelligence, blockchain technology and financial technology solutions to our clients.

## B4 Profit forecast and profit guarantee

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

## B5 Taxation

No provision for income tax has been made for the Company and its foreign subsidiary which incurred losses for the current quarter while Asap Sdn Bhd is a Multimedia Super Corridor company and enjoys 100% tax exemption on their statutory business income.

## 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

### Proposed private placement of up to 30% of the issued ordinary shares in the Company

Reference is made to the Company's announcements dated 11 October 2018 wherein the Board of Directors of Orion IXL Berhad ("Board") had announced that Sukaniaga Sdn Bhd ("Sukaniaga") entered into a service level agreement with MyAngkasa Holdings Sdn Bhd ("Angkasa") for the development of the E-Angkasa Az-Zahara system ("Angkasa SLA"), which provides online digital end-to-end solutions from the stage of the loan application to the loan approval process, including its operation and maintenance.

On the same day, Ganda Integrasi Sdn Bhd ("GISB"), a wholly-owned subsidiary of the Company entered into a technical services agreement with Sukaniaga to provide all services to be rendered by Sukaniaga to Angkasa under the Angkasa SLA on a back-to-back basis ("Technical Services Agreement").

Further, on 21 December 2018, the Company announced that GISB entered into a sale and purchase agreement with THO Travel & Tours Sdn Bhd to acquire 10% equity interest in Sukaniaga for a cash consideration of RM10,000,000 ("Sukaniaga Acquisition").

On 4 January 2019, on behalf of the Board, M&A Securities Sdn Bhd ("M&A Securities") wishes to announce that the Company proposes to implement a private placement of up to 30% of its existing issued and paid-up share capital ("Proposed Private Placement") to raise funds for the Sukaniaga Acquisition and working capital for the Angkasa SLA.

On behalf of the Board of Orion, M&A Securities is pleased to announce that Bursa Malaysia Securities Berhad ("Bursa Securities") had, vide its letter dated 25 March 2019, approved the listing of and quotation for up to 179,686,900 Placement Shares to be issued pursuant to the Proposed Private Placement

On 22 April 2019, on behalf of the Board of Orion, M&A Securities is pleased to announce that the Company has fixed the issue price at RM0.165 per Placement Share.

As announced to Bursa Securities on 30 April 2019, the Company placed out 108,220,000 units of shares at an issued price of RM0.165, raising total proceeds of RM17,856,300. As announced to Bursa Securities on 18 September 2019, Bursa Securities had vide its letter dated 17 September 2019 resolved to approve the application for extension of time to 24 March 2020 to complete the implementation of the remaining portion of the private placement shares.

The status of the utilisation of proceeds from the above Private Placement as at 30 September 2019 is as follows:

Descriptions	Proposed Utilisation RM('000)	Actual Utilisation as at 30.09.2019 RM('000)	Balance Unutilised as at 30.09.2019 RM('000)
Acquisition of 10% equity interest in Sukaniaga	10,000	10,000	-
Development of the myAzZahra system	6,906	4,340	2,566
Expenses in relation to the Private Placement	950	950	-
	<u>17,856</u>	<u>15,290</u>	<u>2,566</u>

## 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**

### **Case 1:**

Asap Berhad had on 20 July 2017 informed the Company that they have been served with the writ of summons and statement of claims filed by Sporty Beans Sdn Bhd ("Plaintiff") against ASAP Sdn Bhd ("Summon"). Based on the legal opinion obtained by ASAP Sdn Bhd, the plaintiff's allegations are frivolous and unsubstantiated and as such Asap Sdn Bhd does not expect any potential liability arising from the Summon.

The above court case is still on-going as at the date of this announcement.

### **Case 2:**

Kuala Lumpur High Court Summons No. WA-22NCC-240-05/2019

Writ of Summons and Statement of Claim served on the Company by Prabuddha Kumar Pronob Chakravetty ("the Plaintiff")

The Board of Directors announced that the Company has on 13 May 2019 received a sealed Writ of Summons dated 8 May 2019 ("the Writ") and Statement of Claim dated 8 May 2019 for RM10,214,646 from the Plaintiff's solicitors ("the Statement of Claim").

The Plaintiff is claiming RM10,214,646 from ORION, being the unpaid profit guarantee pursuant to the Sale and Purchase Agreement dated 17 October 2016 for the acquisition of 100% equity interest in ASAP Sdn Bhd by ORION.

Pursuant to the Writ and the Statement of Claim, the Plaintiff is claiming the following:-

- 1) An injunction to stop the Company from releasing, utilizing and disposing off any and all monies received from the stakeholder pursuant to the profit guarantee amounting to RM11,470,000 pending the disposal of this suit and that the amount of RM11,470,000 or any amount received by the Company from the stakeholder under the profit guarantee is to be kept in an separate joint interest bearing account with the Plaintiff until the disposal of this suit;
- 2) A declaration that the Notice of Assignment dated 1 July 2018 was lawfully terminated on 27 February 2019 and has no effect in law;
- 3) That an order compelling the Company to hand back the management and control of ASAP Sdn Bhd to the Plaintiff in order for the Plaintiff to perform the profit guarantee for the second year with immediate effect;
- 4) Defendant Judgement for the sum of RM10,214,646;
- 5) General damages for breach of the Notice of Assignment and Letter of Acknowledgement to be assessed by the Honourable Court;
- 6) Interest, at the rate of 5% p.a. on the sum of RM10,214,646 from 8 May 2019 to date of full payment;
- 7) Cost; and
- 8) Any other order that the Honourable Court deems fit.

The above court case is still on-going as at the date of this announcement.

### **Case 3:**

Kuala Lumpur High Court Summons No. WA-22NCC-544-10/2019

Writ of Summons and Statement of Claim served on the Company by Capstone Technologies Sdn Bhd ("the Plaintiff") against the Company, Asap Sdn Bhd ("ASAP") and Prabuddha Kumar Pronob Chakravetty ("Prabuddha").

The Board of Directors announced that the Company has on 2 October 2019 received a sealed Writ of Summons dated 1 October 2019 ("the Writ") dated without the Statement of Claim enclosed. The Statement of Claim dated 30 September 2019 ("the Statement of Claim") was only received by the Company's solicitors on 11 October 2019 and forwarded to the Company on 14 October 2019.

The Plaintiff is claiming against the Company, its wholly owned subsidiary ASAP and Prabuddha, a director of ASAP for breach of a sub-contract agreement dated 1 July 2018.

Pursuant to the Writ and the Statement of Claim, the Plaintiff is claiming for *inter alia* the following:-

- 1) A declaration that ASAP has breached the Sub-Contract dated 1 July 2018;
- 2) A declaration that the Sub-Contract dated 1 July 2018 had been lawfully terminated;
- 3) A declaration that the Company and ASAP whether jointly or severally have breached the agreement to pay the Plaintiff a sum of RM135,000 per month on 20th of every month for every month from 20.12.2018 to 20.07.2019;
- 4) In the alternative, in the event Prabuddha is found to be personally liable, Prabuddha to pay the Plaintiff a sum of RM135,000 per month that was to be paid on 20th of every month starting from 20.12.2018 to 20.07.2019;
- 5) General damages to be assessed;
- 6) Special damages in the sum of RM10,337,700 against the Company and ASAP whether jointly or severally; or
- 7) Alternatively, special damages in the sum of RM10,337,700 against Prabuddha in the event Prabuddha is found to be personally liable.

The above court case is still on-going as at the date of this announcement.

#### B12 Dividends

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

#### B13 Earnings/(Loss) per share

##### a. Basic earnings/(loss) per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR 30/09/2019 RM('000)	PRECEDING YEAR CORRESPONDING 30/09/2018 RM('000)	PRECEDING YEAR CORRESPONDING 30/09/2019 RM('000)	PRECEDING YEAR CORRESPONDING 30/09/2018 RM('000)
Profit/(Loss) attributable to ordinary equity holders of the parent	(157)	1,090	(157)	1,090
Weighted average number of ordinary shares in issue ('000)	707,176	598,956	707,176	598,956
Basic earnings/(loss) per share (sen)	(0.02)	0.18	(0.02)	0.18

##### b. Diluted earnings per share

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

By Order of the Board

Wong Yuet Chyn (MAICSA 7047163)  
Secretary

Kuala Lumpur

Date: 29 November 2019