

ORION IXL BERHAD

[Company No: 200101019222 (554979-T)]

(Incorporated in Malaysia)

Unaudited Interim Financial Report for the 2nd Quarter ended 31 December 2020

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	PRECEDING YEAR CORRESPONDING PERIOD	PRECEDING YEAR CORRESPONDING PERIOD
		31/12/2020 RM('000)	31/12/2019 RM('000)	31/12/2020 RM('000)	31/12/2019 RM('000)
Revenue	A9	140	601	231	1,496
Operating expenses		(3,615)	(1,155)	(4,603)	(2,094)
Other operating income		146	27	196	63
Loss from operations		(3,329)	(527)	(4,176)	(535)
Finance cost		(24)	(12)	(38)	(25)
Share of results of associate		-	(130)	-	(266)
Loss before taxation	A9	(3,353)	(669)	(4,214)	(826)
Taxation	B5	-	-	-	-
Loss for the period		<u>(3,353)</u>	<u>(669)</u>	<u>(4,214)</u>	<u>(826)</u>
Attributable to:					
Equity holders of the parent		(3,353)	(669)	(4,214)	(826)
Non-controlling interests		-	-	-	-
		<u>(3,353)</u>	<u>(669)</u>	<u>(4,214)</u>	<u>(826)</u>
Loss per share attributable to equity holders of the parent (Sen)					
(a) Basic	B13	(0.42)	(0.09)	(0.54)	(0.12)
(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 2020 and the accompanying notes to the quarterly report.

ORION IXL BERHAD

[Company No: 200101019222 (554979-T)]

(Incorporated in Malaysia)

Unaudited Interim Financial Report for the 2nd Quarter ended 31 December 2020

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
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM('000)	RM('000)	RM('000)	RM('000)
Loss for the period	(3,353)	(669)	(4,214)	(826)
Other comprehensive income/(loss), net of tax:				
Fair value adjustment	(1)	4	(3)	2
Translation of foreign subsidiary	43	16	43	7
Total comprehensive loss	<u>(3,311)</u>	<u>(649)</u>	<u>(4,174)</u>	<u>(817)</u>
Total comprehensive loss attributable to:				
Equity holders of the parent	(3,311)	(649)	(4,174)	(817)
Non-controlling interests	-	-	-	-
	<u>(3,311)</u>	<u>(649)</u>	<u>(4,174)</u>	<u>(817)</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 2020 and the accompanying notes to the quarterly report.

ORION IXL BERHAD

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

Unaudited Interim Financial Report for the 2nd Quarter ended 31 December 2020

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(UNAUDITED) AS AT 31 DECEMBER 2020 RM('000)	(AUDITED) AS AT 30 JUNE 2020 RM('000)
ASSETS		
Non-Current Assets		
Property, plant and equipment	1,648	1,744
Intangible assets	10,716	9,394
Right-of-use assets	657	700
Other investment	10,083	10,083
Goodwill on consolidation	73,824	70,198
Total Non-Current Assets	96,928	92,119
Current Assets		
Trade receivables	8,962	9,716
Amount owing by contract customers	52	3,659
Other receivables and prepaid expenses	15,463	14,009
Tax recoverable	300	-
Cash and bank balances	1,056	381
Total Current Assets	25,833	27,765
Total Assets	122,761	119,884
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	122,053	113,303
Reserves		
<i>Accumulated Loss</i>	(37,970)	(33,756)
<i>Warrant reserve</i>	21,569	21,569
<i>Exchange Adjustment</i>	(331)	(374)
<i>Fair value reserve</i>	(23)	(20)
Equity Attributable to Owners of the Company	105,298	100,722
Non-controlling interests	(484)	(484)
TOTAL EQUITY	104,814	100,238
Non-Current Liabilities		
Deferred tax liabilities	6	-
Lease liabilities	597	577
Total Non-Current Liabilities	603	577
Current Liabilities		
Trade payables	4,027	4,340
Other payables and accrued expenses	3,003	3,264
Provisions and contingent consideration payable	10,215	11,310
Lease liabilities	99	155
Total Current Liabilities	17,344	19,069
Total Liabilities	17,947	19,646
Total Equity and Liabilities	122,761	119,884
Net assets per share attributable to ordinary equity holders of the parent (sen)	12.29	13.82

Note:

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the period ended 30 June 2020 and the accompanying notes to the quarterly report.

ORION IXL BERHAD

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

Unaudited Interim Financial Report for the 2nd Quarter ended 31 December 2020

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<-----Attributable to Equity Holders of the Company----->					Non- controlling Interests	Total Equity	
	Share Capital	Non- Distributable - Warrant Reserve	Non- Distributable - Exchange Adjustment	Non- Distributable - Fair Value Reserve	Accumulated Loss	Total		
	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	
6 months ended 31 December 2020								
Balance as at 1 July 2020	113,303	21,569	(374)	(20)	(33,756)	100,722	(484)	100,238
Issuance shares by way of private placement net of share issuance expenses	8,750	-	-	-	-	8,750	-	8,750
Total comprehensive loss for the period	-	-	43	(3)	(4,214)	(4,174)	-	(4,174)
Balance as at 31 December 2020	122,053	21,569	(331)	(23)	(37,970)	105,298	(484)	104,814
6 months ended 31 December 2019								
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	-	-	7	2	(826)	(817)	-	(817)
Balance as at 31 December 2019	112,504	21,569	(343)	(23)	(30,544)	103,163	(484)	102,679

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 2020 and the accompanying notes to the quarterly report.

ORION IXL BERHAD

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

Unaudited Interim Financial Report for the 2nd Quarter ended 31 December 2020

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	6 months ended 31.12.2020	6 months ended 31.12.2019
	RM('000)	RM('000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(4,214)	(826)
Adjustments for:		
Amortisation of intangible assets	305	305
Depreciation of property, plant and equipment	248	242
Depreciation of right-of-use assets	95	112
Dividend income	(4)	-
Finance cost	38	25
Interest received	(66)	(63)
Allowance for impairment losses on trade receivables no longer required	(105)	-
Share of results of associate	-	266
Operating profit/(loss) before working capital changes	(3,703)	61
Changes in working capital:		
Net change in current assets	4,622	2,266
Net change in current liabilities	(1,871)	(1,239)
Cash generated from/(used in) operations	(952)	1,088
Interest received	66	63
Interest paid	(38)	(25)
Tax paid	(50)	-
Development cost incurred	(1,627)	(795)
Net cash from/(used in) operating activities	(2,601)	331
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(204)
Acquisition of subsidiary, net of cash acquired	(5,387)	-
Net cash used in investing activities	(5,387)	(204)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares by way of private placement net of share issuance expenses	8,750	-
Repayment of lease obligations	(87)	(46)
Net cash from/(used in) financing activities	8,663	(46)

ORION IXL BERHAD

[Company No: 200101019222 (554979-T)]

(Incorporated in Malaysia)

Unaudited Interim Financial Report for the 2nd Quarter ended 31 December 2020

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	6 months ended 31.12.2020	6 months ended 31.12.2019
	RM('000)	RM('000)
NET INCREASE IN CASH AND CASH EQUIVALENTS	675	81
EFFECTS OF EXCHANGE RATE CHANGES	-	17
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	381	895
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	(Note A16) <u>1,056</u>	<u>993</u>

Note:

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the period ended 30 June 2020 and the accompanying notes to the quarterly report.

ORION IXL BERHAD

[Company No: 200101019222 (554979-T)]

(Incorporated in Malaysia)

Unaudited Interim Financial Report for the 2nd Quarter ended 31 December 2020

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 2020.

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 2020, except as follows:

New accounting pronouncements

- i) Accounting pronouncements adopted for this interim financial report are set out below:

Accounting pronouncements adopted for this interim financial report that do not have any significant impact to the Group:

- Conceptual Framework for Financial Reporting : The Reporting Entity and corresponding amendments to references in the relevant standards
- Amendments to MFRS 3 'Definition of a Business'
- Amendments to MFRS 101 and MFRS 108 'Definition of Material'
- Amendments to MFRS 9, MFRS 139 and MFRS 7 'Interest Rate Benchmark Reform'

- ii) Accounting pronouncements that are not yet effective are set out below:

Effective for annual reporting periods beginning on or after 1 January 2021

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 'Interest Rate Benchmark Reform – Phase 2'

Effective for annual reporting periods beginning on or after 1 January 2022

- Annual improvements to MFRS standards 2018 – 2020 : Amendments to MFRS 9 'Fees in the 10% test for derecognition of financial liabilities'
- Amendments to MFRS 3 'Reference to Conceptual Framework'
- Amendments to MFRS 116 'Proceeds before intended use'
- Amendments to MFRS 137 'Onerous contracts – cost of fulfilling a contract'

Effective for annual reporting periods beginning on or after 1 January 2023

- MFRS 17 – Insurance Contracts and amendments to MFRS 17
- Amendments to MFRS 101 'Classification of Liabilities as Current or Non-current'

- iii) Accounting pronouncement where the effective date has been deferred to a date to be determined by MASB is set out below:

- Amendments to MFRS 10 'Consolidated Financial Statements' and MFRS 128 'Investment 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

The Group's segmental information for the financial period ended 31 December 2020 is as follows:

(a) Analysis by business segments

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2020 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2019 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2020 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2019 RM('000)
REVENUE				
Software development	62	601	153	1,496
Corporate secretarial services	78	-	78	-
	<u>140</u>	<u>601</u>	<u>231</u>	<u>1,496</u>
LOSS BEFORE TAXATION				
Software development	(3,239)	(539)	(4,100)	(560)
Corporate secretarial services	(114)	-	(114)	-
	<u>(3,353)</u>	<u>(539)</u>	<u>(4,214)</u>	<u>(560)</u>
Share of results of associate	-	(130)	-	(266)
	<u>(3,353)</u>	<u>(669)</u>	<u>(4,214)</u>	<u>(826)</u>

(b) Analysis by geographical location

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2020 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2019 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2020 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2019 RM('000)
REVENUE				
Malaysia	140	601	231	1,496
United States of America	-	-	-	-
	<u>140</u>	<u>601</u>	<u>231</u>	<u>1,496</u>
LOSS BEFORE TAXATION				
Malaysia	(3,353)	(539)	(4,214)	(560)
United States of America	-	-	-	-
	<u>(3,353)</u>	<u>(539)</u>	<u>(4,214)</u>	<u>(560)</u>
Share of results of associate	-	(130)	-	(266)
	<u>(3,353)</u>	<u>(669)</u>	<u>(4,214)</u>	<u>(826)</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 31 December 2020 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

During the financial quarter ended 31 December 2020, the Company acquired 100% equity interest in Boardroom.com Sdn Bhd for a total cash consideration of RM6,000,000 and hence Boardroom.com Sdn Bhd became a wholly-owned subsidiary of the Company.

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

	31.12.2020 RM('000)	31.12.2019 RM('000)
Cash and bank balances	1,056	314
Deposit with licensed bank	-	679
	<u>1,056</u>	<u>993</u>

A17 Notes to the Statements of Comprehensive Income

	INDIVIDUAL QUARTER 31 December 2020 RM('000)	CUMULATIVE QUARTER 31 December 2020 RM('000)
Loss before taxation is arrived at after charging/(crediting):		
Amortisation of intangible assets	152	305
Audit fee	70	107
Car park rental	1	1
Depreciation of property, plant and equipment	127	248
Depreciation of right-of-use assets	45	95
Directors' remuneration -Other emoluments	51	176
Finance cost	24	38
Rental of office equipment	1	1
Allowance for impairment losses on trade receivables no longer required	(105)	(105)
Dividend income	(4)	(4)
Interest income	(32)	(66)

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 RM140,000 for the current financial quarter, this represents a reduction of approximately 77% as compared to the same corresponding financial quarter in 2020 ("Q2 2020"). The reduction was mainly due to lower sales generated by its wholly-owned subsidiary Asap Sdn Bhd, arising from lower billings on certain projects in current financial quarter as compared to Q2 2020.

For the current financial quarter, the Group recorded a loss before taxation of RM3.35 million against a loss before taxation of RM0.67 million recorded in Q2 2020. The higher loss before taxation was mainly due to lower revenue and higher direct costs incurred on certain projects during current financial quarter.

B2 Variation of results against preceding quarter

	Current quarter 30 September 2020 RM'000	Preceding quarter 30 June 2020 RM'000
Revenue	140	91
Loss before tax	(3,353)	(861)

The Group recorded a turnover of approximately RM140,000 for the current financial quarter ended 31 December 2020 as compared to a turnover of RM91,000 recorded in preceding quarter. This represents an improvement of approximately 54% as compared to the preceding quarter, mainly due to additional revenue generated from its newly acquired wholly-owned subsidiary Boardroom.com Sdn Bhd during current financial quarter.

The Group recorded a loss before tax of approximately RM3.35 million for the current financial quarter ended 31 December 2020 as compared to a loss before tax of RM0.86 million recorded in preceding quarter. The higher loss before taxation was mainly due to higher direct costs incurred on certain projects during current financial quarter.

B3 Prospects

The widespread of the Covid-19 since the beginning of 2020 is a challenging situation facing by most of the industries. The Group expects the current situation to have an adverse impact on their results for the financial year ending 30 June 2021.

However, on 22 May 2020, the Group entered into Memorandum of Understanding with Enrich Mining Sdn Bhd ("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.

In addition, the newly acquired wholly-owned subsidiary, Boardroom.com Sdn Bhd expects to contribute positively to the performance of the Group.

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 subsidiaries 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

(i) 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.

As announced to Bursa Securities on 23 March 2020, the Company placed out additional 21,900,000 units of shares at an issued price of RM0.0365, raising total proceeds of RM799,350. As announced to Bursa Securities on 30 March 2020, Bursa Securities had vide its letter dated 30 March 2020 resolved to approve the application for further extension of time to 24 September 2020 to complete the implementation of the remaining portion of the private placement shares.

As announced to Bursa Securities on 9 July 2020, the Company placed out additional 49,566,900 units of shares at an issued price of RM0.054, raising total proceeds of RM2,676,613.

The status of the utilisation of proceeds from the above Private Placement as at 31 December 2020 is as follows:

Descriptions	Proposed Utilisation RM('000)	Actual Utilisation as at 31.12.2020 RM('000)	Balance Unutilised as at 31.12.2020 RM('000)
Acquisition of 10% equity interest in Sukaniaga	10,000	10,000	-
Development of the myAzZahra system (*)	10,382	10,382	-
Expenses in relation to the Private Placement	950	950	-
	<u>21,332</u>	<u>21,332</u>	<u>-</u>

(*) Based on the Circular to shareholders dated 29 March 2019, the breakdown of the total cost of development of the MyAzZahra system and the utilisation of the RM16.0 million proceeds to be raised from the proposed private placement toward each component of the development of the MyAzZahra system is as follows:

	Total development cost RM('000)	Utilisation of proceeds RM('000)
Outsourced development of:		
- Financial transaction management system modules for business-to-consumer, business-to-business, mobile application, reporting and audit trail module and a marketplace module	3,333	3,333
- Credit scoring system, comprising a scoring engine, simulation tool, micro loan management with marketplace and industry sector knowledge hub	6,240	6,240
Software licences for, data module builders, data lake, data bench, artificial intelligence framework, credit score engine framework	4,010	4,010
Annual staff costs for the training, support and maintenance of the MyAzZahra system, comprising 2 project lead and project managers, 1 delivery head, 2 domain specialist, 2 business analysts, 1 solution architect, 1 data architect, 3 designers and 11 software engineers, all to be identified progressively throughout the second to fourth quarter of 2019	4,236	2,420
	<u>17,819</u>	<u>16,003</u>

Upon full utilisation of the proceeds from the above private placement, the above private placement had been fully completed as at 31 December 2020.

(ii) Multiple Proposals

- Proposed acquisition of the entire issued share capital of Boardroom.com Sdn Bhd ("Boardroom.com"); and
- Proposed private placement of up to 10% of the issued ordinary shares in Orion IXL Berhad ("Orion" or the "Company")

On behalf of the Board of Directors of Orion, M&A Securities Sdn Bhd wishes to announce that the Company on 25 August 2020, the Company had entered into a Share Sale Agreement with Tan Tong Lang, Tee Wei Chung and Kong Sau Kian in relation to the acquisition by Orion of 1,000 ordinary shares in Boardroom.com representing 100% equity interest in Boardroom.com.

In addition, the Company also proposes to undertake a private placement of up to 77,864,300 ordinary shares in Orion, representing approximately 10% of the total number of issued shares of Orion.

On 17 November 2020, on behalf of the Board of Orion, M&A Securities Sdn Bhd is pleased to announce that the Company has fixed the issue price at RM0.078 per Placement Share.

On behalf of the Board of Directors of Orion, M&A Securities Sdn Bhd is pleased to announce that the Private Placement is completed on 2 December 2020, raising total proceed of RM6,073,415.40.

The status of the utilisation of proceeds from the above Private Placement as at 31 December 2020 is as follows:

Descriptions	Proposed Utilisation RM('000)	Actual Utilisation as at 31.12.2020 RM('000)	Balance Unutilised as at 31.12.2020 RM('000)
Acquisition of 100% equity interest in Boardroom.com	6,000	6,000	-
Expenses in relation to the Private Placement	73	73	-
	<u>6,073</u>	<u>6,073</u>	<u>-</u>

Upon full utilisation of the proceeds from the above private placement, the above private placement had been fully completed as at 31 December 2020.

(iii) Proposed private placement of up to 30% of the issued ordinary shares in the Company

As announced to Bursa Securities on 29 January 2021, on behalf of the Board of Directors of Orion, M&A Securities Sdn Bhd wishes to announce the Company also proposes to undertake a private placement of up to 256,952,300 ordinary shares in Orion ("Placement Shares"), representing approximately 30% of the total number of issued shares of Orion ("Proposed Private Placement")

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-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 Chakraverty ("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 Loss per share

a. Basic loss per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2020 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2019 RM('000)	CURRENT YEAR CORRESPONDING PERIOD 31/12/2020 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2019 RM('000)
Loss attributable to ordinary equity holders of the parent	<u>(3,353)</u>	<u>(669)</u>	<u>(4,214)</u>	<u>(826)</u>
Weighted average number of ordinary shares in issue ('000)	<u>804,881</u>	<u>707,176</u>	<u>786,375</u>	<u>707,176</u>
Basic loss per share (sen)	<u>(0.42)</u>	<u>(0.09)</u>	<u>(0.54)</u>	<u>(0.12)</u>

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

Chen Wee Sam (LS0009709)
Hew Chee Hau (MIA 21967)
Secretaries

Kuala Lumpur

Date: 26 February 2021