

# ORION IXL BERHAD

[Company No: 200101019222 (554979-T)]

(Incorporated in Malaysia)

## Unaudited Interim Financial Report for the 3rd Quarter ended 31 March 2021

### CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	PRECEDING YEAR CORRESPONDING PERIOD	PRECEDING YEAR CORRESPONDING PERIOD
		31/03/2021 RM('000)	31/03/2020 RM('000)	31/03/2021 RM('000)	31/03/2020 RM('000)
Revenue	A9	1,139	77	1,370	1,573
Operating expenses		(7,908)	(1,405)	(12,513)	(3,499)
Other operating income		7,245	36	7,441	99
Profit/(Loss) from operations		476	(1,292)	(3,702)	(1,827)
Finance cost		(14)	(11)	(51)	(36)
Share of results of associate		-	(114)	-	(380)
Profit/(Loss) before taxation	A9	462	(1,417)	(3,753)	(2,243)
Taxation	B5	(45)	-	(45)	-
Profit/(Loss) for the period		<u>417</u>	<u>(1,417)</u>	<u>(3,798)</u>	<u>(2,243)</u>
Attributable to:					
Equity holders of the parent		417	(1,417)	(3,798)	(2,243)
Non-controlling interests		-	-	-	-
		<u>417</u>	<u>(1,417)</u>	<u>(3,798)</u>	<u>(2,243)</u>
Earnings/(Loss) per share attributable to equity holders of the parent (Sen)					
(a) Basic	B13	0.05	(0.20)	(0.47)	(0.32)
(b) Fully diluted	B13	N/A	N/A	N/A	N/A

#### Notes:

(i) The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2020 and the accompanying notes to the quarterly report.

(ii) The financial year end has been changed from 30 June to 31 December. The previous audited financial statements were for the period of twelve (12) months from 1 July 2019 to 30 June 2020 and thereafter, the financial year end shall be 31 December for each subsequent year.

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[Company No: 200101019222 (554979-T)]

(Incorporated in Malaysia)

## Unaudited Interim Financial Report for the 3rd Quarter ended 31 March 2021

### 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
	31/03/2021 RM('000)	31/03/2020 RM('000)	31/03/2021 RM('000)	31/03/2020 RM('000)
Profit/(Loss) for the period	417	(1,417)	(3,798)	(2,243)
Other comprehensive income/(loss), net of tax:				
Fair value adjustment	(9)	-	(12)	2
Translation of foreign subsidiary	(21)	(104)	22	(97)
Total comprehensive income/(loss)	<u>387</u>	<u>(1,521)</u>	<u>(3,788)</u>	<u>(2,338)</u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the parent	387	(1,521)	(3,788)	(2,338)
Non-controlling interests	-	-	-	-
	<u>387</u>	<u>(1,521)</u>	<u>(3,788)</u>	<u>(2,338)</u>

Note:

(i) The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2020 and the accompanying notes to the quarterly report.

(ii) The financial year end has been changed from 30 June to 31 December. The previous audited financial statements were for the period of twelve (12) months from 1 July 2019 to 30 June 2020 and thereafter, the financial year end shall be 31 December for each subsequent year.

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(Incorporated in Malaysia)

Unaudited Interim Financial Report for the 3rd Quarter ended 31 March 2021

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(UNAUDITED) AS AT 31 MARCH 2021 RM('000)	(AUDITED) AS AT 30 JUNE 2020 RM('000)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	1,560	1,744
Intangible assets	10,367	9,394
Right-of-use assets	612	700
Other investment	10,074	10,083
Goodwill on consolidation	74,129	70,198
<b>Total Non-Current Assets</b>	<b>96,742</b>	<b>92,119</b>
<b>Current Assets</b>		
Trade receivables	4,398	9,716
Amount owing by contract customers	55	3,659
Other receivables and prepaid expenses	2,638	14,009
Tax recoverable	105	-
Cash and bank balances	5,632	381
<b>Total Current Assets</b>	<b>12,828</b>	<b>27,765</b>
<b>Total Assets</b>	<b>109,570</b>	<b>119,884</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share capital	122,053	113,303
Reserves		
<i>Accumulated Loss</i>	(37,554)	(33,756)
<i>Warrant reserve</i>	21,569	21,569
<i>Exchange Adjustment</i>	(352)	(374)
<i>Fair value reserve</i>	(32)	(20)
Equity Attributable to Owners of the Company	105,684	100,722
Non-controlling interests	(484)	(484)
<b>TOTAL EQUITY</b>	<b>105,200</b>	<b>100,238</b>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	4	-
Lease liabilities	477	577
<b>Total Non-Current Liabilities</b>	<b>481</b>	<b>577</b>
<b>Current Liabilities</b>		
Trade payables	1,134	4,340
Other payables and accrued expenses	2,578	3,264
Provisions and contingent consideration payable	-	11,310
Lease liabilities	177	155
<b>Total Current Liabilities</b>	<b>3,889</b>	<b>19,069</b>
<b>Total Liabilities</b>	<b>4,370</b>	<b>19,646</b>
<b>Total Equity and Liabilities</b>	<b>109,570</b>	<b>119,884</b>
Net assets per share attributable to ordinary equity holders of the parent (sen)	12.34	13.82

Note:

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

(ii) The financial year end has been changed from 30 June to 31 December. The previous audited financial statements were for the period of twelve (12) months from 1 July 2019 to 30 June 2020 and thereafter, the financial year end shall be 31 December for each subsequent year.

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## Unaudited Interim Financial Report for the 3rd Quarter ended 31 March 2021

### 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>9 months ended 31 March 2021</b>								
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 income/(loss) for the period	-	-	22	(12)	(3,798)	(3,788)	-	(3,788)
<b>Balance as at 31 March 2021</b>	<b>122,053</b>	<b>21,569</b>	<b>(352)</b>	<b>(32)</b>	<b>(37,554)</b>	<b>105,684</b>	<b>(484)</b>	<b>105,200</b>
<b>9 months ended 31 March 2020</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)
Issuance shares by way of private placement net of share issuance expenses	799	-	-	-	-	799	-	799
Total comprehensive income/(loss) for the period	-	-	(97)	2	(2,243)	(2,338)	-	(2,338)
<b>Balance as at 31 March 2020</b>	<b>113,303</b>	<b>21,569</b>	<b>(447)</b>	<b>(23)</b>	<b>(31,961)</b>	<b>102,441</b>	<b>(484)</b>	<b>101,957</b>

Note:

- (i) The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2020 and the accompanying notes.  
(ii) The financial year end has been changed from 30 June to 31 December. The previous audited financial statements were for the period of twelve (12) months from 1 July 2019 to 30 June 2020 and thereafter, the financial year end shall be 31 December for each subsequent year.

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## Unaudited Interim Financial Report for the 3rd Quarter ended 31 March 2021

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	9 months ended 31.03.2021	9 months ended 31.03.2020
	RM('000)	RM('000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(3,753)	(2,243)
Adjustments for:		
Development cost written off	1,897	-
Amortisation of intangible assets	458	458
Depreciation of property, plant and equipment	386	533
Depreciation of right-of-use assets	139	-
Dividend income	(4)	-
Bad debts written off	3,951	-
Finance cost	51	36
Interest received	(78)	(99)
Allowance for impairment losses on trade receivables no longer required	(105)	-
Write back of provision and contingent consideration payable	(7,230)	-
Share of results of associate	-	379
Operating loss before working capital changes	(4,288)	(936)
Changes in working capital:		
Net change in current assets	18,013	1,914
Net change in current liabilities	(8,275)	(1,047)
<b>Cash generated from/(used in) operations</b>	<b>5,450</b>	<b>(69)</b>
Interest received	78	99
Interest paid	(51)	(36)
Tax paid	(83)	-
Development cost incurred	(3,328)	(679)
<b>Net cash from/(used in) operating activities</b>	<b>2,066</b>	<b>(685)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(50)	(175)
Acquisition of subsidiary, net of cash acquired	(5,387)	-
<b>Net cash used in investing activities</b>	<b>(5,437)</b>	<b>(175)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares by way of private placement net of share issuance expenses	8,750	799
Repayment of lease obligations	(128)	(41)
<b>Net cash from financing activities</b>	<b>8,622</b>	<b>758</b>

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## Unaudited Interim Financial Report for the 3rd Quarter ended 31 March 2021

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	9 months ended 31.03.2021	9 months ended 31.03.2020
	RM('000)	RM('000)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,251	(102)
EFFECTS OF EXCHANGE RATE CHANGES	-	(52)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	381	895
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	(Note A16) 5,632	741

Note:

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

(ii) The financial year end has been changed from 30 June to 31 December. The previous audited financial statements were for the period of twelve (12) months from 1 July 2019 to 30 June 2020 and thereafter, the financial year end shall be 31 December for each subsequent year.

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## Unaudited Interim Financial Report for the 3rd Quarter ended 31 March 2021

### 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 March 2021 is as follows:

(a) Analysis by business segments

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2021 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2020 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2021 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2020 RM('000)
<b>REVENUE</b>				
Software development	124	77	277	1,573
Corporate secretarial services	1,015	-	1,093	-
	<u>1,139</u>	<u>77</u>	<u>1,370</u>	<u>1,573</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>				
Software development	137	(1,303)	(3,963)	(1,863)
Corporate secretarial services	325	-	210	-
	<u>462</u>	<u>(1,303)</u>	<u>(3,753)</u>	<u>(1,863)</u>
Share of results of associate	-	(114)	-	(380)
	<u>462</u>	<u>(1,417)</u>	<u>(3,753)</u>	<u>(2,243)</u>



(b) Analysis by geographical location

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2021 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2020 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2021 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2020 RM('000)
<b>REVENUE</b>				
Malaysia	1,139	77	1,370	1,573
United States of America	-	-	-	-
	<u>1,139</u>	<u>-</u>	<u>1,370</u>	<u>-</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>				
Malaysia	462	(1,303)	(3,753)	(1,863)
United States of America	-	-	-	-
	<u>462</u>	<u>(1,303)</u>	<u>(3,753)</u>	<u>(1,863)</u>
Share of results of associate	-	(114)	-	(380)
	<u>462</u>	<u>(1,417)</u>	<u>(3,753)</u>	<u>(2,243)</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 March 2021 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**

	31.03.2021 RM('000)	31.03.2020 RM('000)
Cash and bank balances	5,632	47
Deposit with licensed bank	-	694
	<u>5,632</u>	<u>741</u>

## A17 Notes to the Statements of Comprehensive Income

	INDIVIDUAL QUARTER 31 March 2021 RM('000)	CUMULATIVE QUARTER 31 March 2021 RM('000)
Loss before taxation is arrived at after charging/(crediting):		
Amortisation of intangible assets	153	458
Audit fee	33	140
Bad debts written off	3,951	3,951
Car park rental	-	1
Depreciation of property, plant and equipment	138	386
Depreciation of right-of-use assets	44	139
Development cost written off	1,897	1,897
Directors' remuneration -Other emoluments	50	226
Finance cost	14	51
Rental of office equipment	1	2
Rental of office premises	33	33
Allowance for impairment losses on trade receivables no longer required	-	(105)
Dividend income	-	(4)
Write back of provision and contingent consideration payable	(7,230)	(7,230)
Interest income	(12)	(78)

## A18 Change of Financial Year End

On 27 April 2021, the Board of Directors of the Company has approved the change of financial year end of the Group from 30 June to 31 December to have better gauge of the financial position of the Group and in line with the Group's internal operations and policy.

The next audited financial statements of the Group shall be for a period of eighteen (18) months from 1 July 2020 to 31 December 2021 and thereafter, the financial year end shall be 31 December for each subsequent year.

## 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 RM1.14 million for the current financial quarter, this represents an improvement of approximately 1,379% as compared to the same corresponding financial quarter in 2020 ("Q3 2020"). The improvement was mainly due to additional revenue generated from its newly acquired wholly-owned subsidiary Boardroom.com Sdn Bhd.

For the current financial quarter, the Group recorded a profit before taxation of RM0.46 million against a loss before taxation of RM1.42 million recorded in Q3 2020. The better performance was mainly due to write back of provision and contingent consideration payable of RM7.23 million and improvement in the performance of its corporate secretarial services division. These were partially offset by bad debts written off and development cost written off amounted to RM3.95 million and RM1.90 million respectively.

**B2 Variation of results against preceding quarter**

	Current quarter 31 March 2021 RM'000	Preceding quarter 31 December 2020 RM'000
Revenue	1,139	140
Profit/(Loss) before tax	462	(3,353)

The Group recorded a turnover of approximately RM1.14 million for the current financial quarter ended 31 March 2021 as compared to a turnover of RM140,000 recorded in preceding quarter. This represents an improvement of approximately 714% 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 profit before taxation of approximately RM0.46 million for the current financial quarter ended 31 March 2021 as compared to a loss before taxation of RM3.35 million recorded in preceding quarter. The better performance was mainly due to write back of provision and contingent consideration payable of RM7.23 million and improvement in the performance of its corporate secretarial services division. These were partially offset by bad debts written off and development cost written off amounted to RM3.95 million and RM1.90 million respectively as mentioned in Note B1 above.

**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 31 December 2021. Beside the existing business activities, the Group will continue to seek new business opportunities to enhance its business performance.

**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 31/03/2021 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2020 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2021 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2020 RM('000)
<b>Current tax</b>				
Current year	45	-	45	-

The above income tax provision arose from profit before tax generated by its wholly-owned subsidiary Boardroom.com Sdn Bhd.

No provision for income tax has been made for the Company and its other 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**

As announced to Bursa Malaysia Securities Berhad ("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**") and the additional listing application to Bursa Securities in relation to the Proposed Private Placement has been submitted on 22 March 2021.

### **(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 Board of Orion wishes to announce that Orion and Enrich had mutually agreed to extend the MOU period for a further period of 6 months to 22 November 2021.

### **(iii) Collaboration Agreement with Johnson Medical International Sdn Bhd ("JMI")**

Orion had on 19 March 2021 entered into a Collaboration Agreement with JMI to tender for the Project and formalise the collaboration relationship thereafter. The Project's principal aim is to provide regular basic health services as well as collection of data with the intention of providing long term improvement in rural communities' access to healthcare. The Project will envisage heavy reliance on mobile transport and access to the internet, where Orion and JMI will combine their resources and experience for this Project. For details breakdown of the announcement, please refer to the Company's announcement on 19 March 2021.

### **(iv) Subscription Agreement with Welmax Capital Sdn Bhd ("Welmax")**

Orion had on 19 March 2021 entered into a Subscription Agreement with Welmax to formalise Orion's investment in Welmax to develop its microcredit platform. For avoidance of doubt, Orion is expected to subscribe for RM3.0 million for redeemable preference shares from the proceeds raised under the Proposed Private Placement, but may subscribe up to an aggregate of RM5.0 million in future, upon mutual agreement between Orion and Welmax. For details breakdown of the announcement, please refer to the Company's announcement on 19 March 2021.

## **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.

On 2 March 2021, as announced by the Company that all parties involved had on 27 January 2021 entered into a settlement via the Consent Order obtained from the High Court. The settlement represents the full and final settlement of all claims between the parties, whether past, present or future, howsoever arising, on a no admission basis, between all the parties. In terms of the settlement, the Court had ordered that the outstanding profit guarantee monies held by the stakeholder amounting to RM10,214,646.00 be released absolutely to the Company and the Company shall pay Prabuddha RM2,984,500.00 in accordance with the settlement terms. The settlement sum has been remitted and received by the parties and accordingly it is deemed completed.

## 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 QUARTER 31/03/2021 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2020 RM('000)	CURRENT YEAR CORRESPONDING PERIOD 31/03/2021 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2020 RM('000)
Profit/(Loss) attributable to ordinary equity holders of the parent	417	(1,417)	(3,798)	(2,243)
Weighted average number of ordinary shares in issue ('000)	856,508	710,064	809,411	708,132
Basic earnings/(loss) per share (sen)	0.05	(0.20)	(0.47)	(0.32)

### b. Diluted earnings/(loss) per share

The fully diluted earnings/(loss) 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: 21 May 2021