

Unaudited Interim Financial Report
For The Financial Period Ended 30 September 2022

A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.22 of Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements. This interim financial report does not include all the information required for a full set of annual audited financial statements, and should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 30 June 2022, which have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards.

The Group has adopted all applicable accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) except for those which are not yet effective. The initial adoption of the accounting standards, amendments and interpretations that are effective in the current financial period does not have any significant impact on the Group’s financial statements.

A2. Auditors’ report on preceding annual financial statements

The auditors’ report on the preceding annual financial statements of the Group for the financial year ended 30 June 2022 was not subject to any qualification.

A3. Seasonal or cyclical factors

The business operations of the Group for the current financial quarter were not significantly affected by seasonal or cyclical factors.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter.

A5. Changes in estimates

There were no changes in estimates of the amounts reported that have a material effect on the current financial quarter’s results.

A6. Issuances, cancellations, repurchases, resale and repayment of debt and equity securities

There were no issuances, cancellations, repurchases, resale or repayment of debt and/or equity securities during the financial year-to-date under review.

A7. Dividends paid

No dividends have been paid during the current financial quarter.

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A8. Segmental information

Segmental information is presented in respect of the Group's business segments. The Group's business for the current financial period comprises the following main segments:

- (a) Project management services,
- (b) Property investment holding including letting of properties and provision of supports services, and
- (c) Trading in building materials

	Project management services		Property investment holding		Trading in building materials		Total	
	30.09.22 RM'000	30.09.21 RM'000	30.09.22 RM'000	30.09.21 RM'000	30.09.22 RM'000	30.09.21 RM'000	30.09.22 RM'000	30.09.21 RM'000
Revenue	-	-	449	77	1,562	2,987	2,011	3,064
(Loss)/Profit before tax	-	-	(181)	(401)	(210)	735	(391)	334

A9. Valuation of property, plant and equipment and investment properties

The property, plant and equipment and investment properties of the Group have not been revalued during the current financial quarter.

A10. Material events subsequent to the balance sheet date

There were no material events subsequent to the end of the current financial quarter that have not been reflected in the financial statements.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial quarter and financial year-to-date under review.

A12. Changes in contingent assets or contingent liabilities

There were no contingent assets or contingent liabilities as at the end of the current financial quarter.

A13. Capital commitments

There were no material capital commitments as at the end of the current financial quarter.

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B. ADDITIONAL INFORMATION PURSUANT TO BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of the Group's results for the current financial quarter ended 30 September 2022

For the current financial quarter ended 30 September 2022, the Group achieved unaudited revenue of RM2.01million which is lower than the revenue of RM3.06million recorded in the previous period corresponding quarter. The decrease in revenue is mainly due to the lower income generated from trading in building materials.

B2. Material changes in profit after tax for the current financial quarter compared to the previous period corresponding quarter

The loss after tax of the Group for the current financial quarter was approximately RM0.39million which is lower than profit after tax RM0.33million recorded in the previous period corresponding quarter. The decrease in profit is mainly due to the lower revenue generated from trading in building materials.

B3. Current year prospect

Barring unforeseen circumstances, the Board of Directors anticipates that the financial performance of the Group will remain challenging for the financial year ending 30 June 2023.

B4. Profit forecast / Profit guarantee

There was no profit forecast or profit guarantee in respect of the current financial year.

B5. (Loss) / Profit before tax

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter 30.09.22 RM'000	Preceding Period Quarter 30.09.21 RM'000	Current Period To Date 30.09.22 RM'000	Preceding Period To Date 30.09.21 RM'000
(Loss)/Profit before tax is arrived at after charging :				
Amortisation and Depreciation charge	479	491	479	491
Finance costs	2	-	2	-

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B6. Income tax expense

	Individual Quarter Current Period Quarter 30.09.22 RM'000	Cumulative Quarter Current Period To Date 30.09.22 RM'000
Current tax expense	-	-

The effective tax rate of the Group is higher than the statutory tax rate principally attributed to the losses incurred by certain companies in the Group. No provision tax provided for current quarter due to unutilised tax losses brought forward.

B7. Status of corporate proposals announced

The Company proposed change the name to Rekatech Capital Berhad has been approved by the Companies Commission of Malaysia (CCM) on 23 September 2022. The Company had on 26 September 2022 applied for an extension of time and CCM has on the same day approved the reservation of name for 150 days until 22 March 2023.

The Proposed Change of Name is subject to the approval of the shareholders of the Company at the Annual General Meeting to be convened at a date to be announced later. The Proposed Change of Name, if approved by the shareholders, will be effective from the date of issuance of the Notice of Registration of New Name by the CCM.

On 13 October 2022, Bursa Securities had, vide its letter dated 13 October 2022, approved the extension of time of 6 months from 16 September 2022 up to 15 March 2023 to complete the implementation of Private Placement.

B8. Bank borrowings

The Group has no bank borrowings as at the end of the current financial quarter.

B9. Dividends

No dividends have been declared by the Company during the current financial quarter.

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B10. Earnings per share (“EPS”)

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.09.22	30.09.21	30.09.22	30.09.21
Basic earnings per share				
(Loss)/Profit attributable to equity holders of the Company for the period (RM'000)	(391)	334	(391)	334
Weighted average number of ordinary shares in issue ('000)	592,000	539,069	592,000	539,069
Basic earnings per share (sen)	(0.07)	0.06	(0.07)	0.06
Diluted earnings per share (sen)	*	0.06	*	0.06

* The diluted earnings per share for the period ended 30 September 2022 is the same as the basic earnings per share as the effect of anti-dilutive potential shares is ignored in calculating diluted earnings per ordinary share in accordance with MFRS 133, Earnings Per Share.

B11. Authorisation for issue

This interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 November 2022.

BY ORDER OF THE BOARD

LIM CHOO TAN
LS 0008888
CHEW SIEW CHENG
MAICSA 7019191
Company Secretaries
Penang

Date: 30 November 2022