

REKATECH CAPITAL BERHAD 200401002347 (640850-U)
(Formerly known as Mega Sun City Holdings Berhad)
(Incorporated in Malaysia)

Unaudited Interim Financial Report
For The Financial Period Ended 30 September 2023

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 2023, 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 2023 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.

REKATECH CAPITAL BERHAD 200401002347 (640850-U)
(Formerly known as Mega Sun City Holdings Berhad)
(Incorporated in Malaysia)

Unaudited Interim Financial Report
For The Financial Period Ended 30 September 2023

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

| | Property investment holding | | Trading in building materials | | Total | |
|-----------------|-----------------------------|--------------------|-------------------------------|--------------------|--------------------|--------------------|
| | 30.09.23 RM'000 | 30.09.22 RM'000 | 30.09.23 RM'000 | 30.09.22 RM'000 | 30.09.23 RM'000 | 30.09.22 RM'000 |
| Revenue | 778 | 449 | - | 1,562 | 778 | 2,011 |
| Loss before tax | (128) | (181) | - | (210) | (128) | (391) |

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.

REKATECH CAPITAL BERHAD 200401002347 (640850-U)
(Formerly known as Mega Sun City Holdings Berhad)
(Incorporated in Malaysia)

Unaudited Interim Financial Report
For The Financial Period Ended 30 September 2023

B. ADDITIONAL INFORMATION PURSUANT TO BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of the Group's results for the current financial quarter ended 30 September 2023

For the current financial quarter ended 30 September 2023, the Group achieved unaudited revenue of RM0.78million which is lower than the revenue of RM2.01million recorded in the previous period corresponding quarter. The decrease in revenue is mainly due to the lower income generated from trading in building, steel and construction materials.

B2. Material changes in loss after tax for the current financial quarter compared to the immediate preceding quarter

The loss after tax of the Group for the current financial quarter was approximately RM0.13million which is lower than loss after tax RM0.39million recorded in the previous period corresponding quarter. The decrease in losses is mainly due to the higher profit margin generated from property investment holding business.

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 2024.

B4. Profit forecast / Profit guarantee

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

B5. Loss before tax

| | Individual Quarter | | Cumulative Quarter | |
|--|--|--|--|--|
| | Current Period Quarter 30.09.23 RM'000 | Preceding Period Quarter 30.09.22 RM'000 | Current Period To Date 30.09.23 RM'000 | Preceding Period To Date 30.09.22 RM'000 |
| Loss before tax is arrived at after charging : | | | | |
| Amortisation and Depreciation charge | 302 | 479 | 302 | 479 |
| Finance costs | 1 | 2 | 1 | 2 |

REKATECH CAPITAL BERHAD 200401002347 (640850-U)
(Formerly known as Mega Sun City Holdings Berhad)
(Incorporated in Malaysia)

Unaudited Interim Financial Report
For The Financial Period Ended 30 September 2023

B6. Income tax expense

| | Individual Quarter Current Period Quarter 30.09.23 RM'000 | Cumulative Quarter Current Period To Date 30.09.23 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

There were no corporate proposals outstanding at the date of this report.

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.

B10. Earnings per share ("EPS")

| | Individual Quarter Ended | | Cumulative Quarter Ended | |
|--|---------------------------------|-----------------|---------------------------------|-----------------|
| | 30.09.23 | 30.09.22 | 30.09.23 | 30.09.22 |
| Basic earnings per share | | | | |
| Loss attributable to equity holders of the Company for the period (RM'000) | (128) | (391) | (128) | (391) |
| Weighted average number of ordinary shares in issue ('000) | 592,000 | 592,000 | 592,000 | 592,000 |
| Basic earnings per share (sen) | (0.02) | (0.07) | (0.02) | (0.07) |
| Diluted earnings per share (sen) | * | * | * | * |

* The diluted earnings per share for the period ended 30 September 2023 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.

REKATECH CAPITAL BERHAD 200401002347 (640850-U)
(Formerly known as Mega Sun City Holdings Berhad)
(Incorporated in Malaysia)

Unaudited Interim Financial Report
For The Financial Period Ended 30 September 2023

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 2023.

BY ORDER OF THE BOARD

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

Date: 30 November 2023