

MLABS SYSTEMS BERHAD
Company No. 200401014724 (653227-V)
(Incorporated in Malaysia)

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2021**

The Board of Directors of Mlabs Systems Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 31 December 2021 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June (“FYE”) 2021 and the accompanying explanatory notes attached to the unaudited consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER Quarter Ended		CUMULATIVE QUARTER Period Ended	
		31.12.2021 RM'000 (unaudited)	31.12.2020 RM'000 (unaudited)	31.12.2021 RM'000 (unaudited)	31.12.2020 RM'000 (unaudited)
Revenue	A8	9,383	2,489	12,166	5,475
Cost of sales		(7,657)	(2,154)	(9,334)	(4,313)
Gross profit		1,726	335	2,832	1,162
Other income		2,638	402	2,437	858
Administrative and operating expenses		(3,129)	(2,429)	(5,905)	(8,215)
Selling and distribution expenses		(1,514)	(42)	(1,654)	(105)
Other operating expenses		(307)	(526)	(410)	(928)
Loss from operations		(586)	(2,260)	(2,700)	(7,228)
Finance costs		(293)	(12)	(301)	(25)
Loss before tax	B14	(879)	(2,272)	(3,001)	(7,253)
Tax expense	B7	-	-	-	-
Loss for the financial period		(879)	(2,272)	(3,001)	(7,253)
Other comprehensive income/(loss):-					
Item that will be subsequently reclassified to profit or loss					
Exchange differences on translating foreign operation		195	(174)	661	(326)
Other comprehensive income/(loss) for the financial period		195	(174)	661	(326)
Total comprehensive loss for the financial period		(684)	(2,446)	(2,340)	(7,579)
(Loss)/profit for the financial period attributable to:					
- Owners of the Company		(1,009)	(2,136)	(2,882)	(7,218)
- Non-controlling interests		130	(136)	(119)	(35)
		(879)	(2,272)	(3,001)	(7,253)
Total comprehensive (loss)/income attributable to:					
- Owners of the Company		(909)	(2,219)	(2,336)	(7,374)
- Non-controlling interests		225	(227)	(4)	(205)
		(684)	(2,446)	(2,340)	(7,579)
Losses per share attributable to the owner of the company					
Basic (sen)	B13	(0.08)	(1.08)	(0.23)	(3.63)

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As At 31.12.2021 RM'000 (unaudited)	As At 30.06.2021 RM'000 (audited)
ASSETS			
Non-current assets			
Property, plant & equipment		9,950	2,258
Intangible assets		9,922	9,955
Investment properties		18,556	8,815
Right-of-use assets		733	898
Development right		11,215	-
Other investment		12,600	2,026
Non-trade receivables, deposits and prepayments		65	64
Total non-current assets		<u>63,041</u>	<u>24,016</u>
Current assets			
Inventories		940	446
Trade receivables	B15	5,039	3,268
Non-trade receivables, deposits and prepayments		5,661	19,965
Contract asset		227	594
Tax recoverable		42	120
Cash, bank balances and short-term fund		79,831	100,236
Total current assets		<u>91,740</u>	<u>124,509</u>
Total assets		<u>154,781</u>	<u>148,525</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		110,049	101,402
Reserves		30,449	33,748
Equity attributable to owners of the Company		<u>140,498</u>	<u>135,150</u>
Non-controlling interests		1,747	889
Total equity		<u>142,245</u>	<u>136,039</u>
LIABILITIES			
Non-current liability			
Lease liabilities		260	381
Current liabilities			
Trade payables		269	434
Non-trade payables and accruals		10,837	9,242
Contract liabilities		60	1,056
Lease liabilities		281	542
Amount due to directors		821	823
Taxation		8	8
Total current liabilities		<u>12,276</u>	<u>12,105</u>
Total liabilities		<u>12,536</u>	<u>12,486</u>
Total equity and liabilities		<u>154,781</u>	<u>148,525</u>
Net asset per share (RM)		<u>0.098</u>	<u>0.114</u>

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

< ----- Non-distributable ----- > **Distributable**

	Share capital RM'000	ESOS Reserve RM'000	Foreign currency translation reserve RM'000	Warrants reserve RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interests RM'000	Total RM'000
As at 30 June 2021	101,402	-	(331)	44,798	(10,719)	135,150	889	136,039
Loss for the financial period	-	-	-	-	(2,882)	(2,882)	(119)	(3,001)
Other comprehensive income for the financial period								
- Exchange translation differences	-	-	546	-	-	546	115	661
Total comprehensive loss for the financial period	-	-	546	-	(2,882)	(2,336)	(4)	(2,340)
Arising from increase in equity interest in a subsidiary	-	-	-	-	(963)	(963)	862	(101)
Ordinary share issued pursuant to:-								
- Private placement	8,647	-	-	-	-	8,647	-	8,647
As at 31 Dec 2021	110,049	-	215	44,798	(14,564)	140,498	1,747	142,245
As at 30 June 2020	42,553	-	109	43,930	(39,610)	46,982	2,000	48,982
Loss for the financial period	-	-	-	-	(7,218)	(7,218)	(35)	(7,253)
Other comprehensive loss for the financial period								
- Exchange translation differences	-	-	(156)	-	-	(156)	(170)	(326)
Total comprehensive loss for the financial period	-	-	(156)	-	(7,218)	(7,374)	(205)	(7,579)
Warrant expired	-	-	-	(43,930)	43,930	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	(269)	(269)
Subscription of shares by Non-Controlling Interest in a subsidiary	-	-	-	-	-	-	142	142
Grant of Employee Share Option Scheme ("ESOS")	-	3,511	-	-	-	3,511	-	3,511
Ordinary share issued pursuant to:-								
-ESOS	8,704	(3,244)	-	-	-	5,460	-	5,460
-Private placement	5,759	-	-	-	-	5,759	-	5,759
-Right issue	22,363	-	-	44,798	-	67,161	-	67,161
As at 31 Dec 2020	79,379	267	(47)	44,798	(2,898)	121,499	1,668	123,167

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CONSOLIDATED STATEMENT OF CASH FLOWS

	31.12.2021 RM'000 (unaudited)	Period Ended 31.12.2020 RM'000 (unaudited)
Operating activities		
Loss before tax	(3,001)	(7,253)
Adjustments for:-		
Amortisation of intangible assets	62	1,001
Depreciation of investment property	59	35
Depreciation of property, plant and equipment	420	271
Depreciation of right-of-use asset	167	295
Interest expense	15	25
Interest income	(2)	(1)
Income distribution from short-term fund	(156)	(285)
Gain on disposal of property, plant and equipment	-	(1)
Fair value adjustment on investment and short term fund	292	(453)
Fair value gain on quoted shares	(780)	-
Reversal of impairment loss on right-of-use asset	-	(81)
Inventories written off	2	-
Reversal of impairment loss on inventories	-	(84)
Share-based payments	-	3,511
Unrealised foreign exchange (gain)/loss	(115)	936
Operating loss before working capital changes	(3,037)	(2,084)
Changes in working capital:-		
Inventories	(496)	(33)
Film in production	-	(722)
Payables	432	817
Receivables	12,971	(10,334)
Net cash from/(used in) operating activities	9,870	(12,356)
Investing activities		
Acquisition of:		
- Property, plant and equipment	(8,112)	(138)
- Investment properties	(9,800)	-
- Intangible assets and software development	(11,222)	(6,879)
- Subsidiary	-	(46)
- Quoted shares	(4,620)	-
Income received from short-term fund	156	285
Interest received	2	1
Fair value adjustment on investment	-	11
Proceed on withdrawal of investment	(5,460)	-
Net cash used in investing activities	(39,056)	(6,766)
Financing activities		
Proceed from issuance of ordinary shares pursuant to		
- ESOS	-	5,460
- Private placement	8,647	5,759
- Right issues	-	67,161
Interest paid	(15)	(25)
Repayment of lease liabilities	(381)	(286)
Net cash from financing activities	8,251	78,069

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CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

CASH AND CASH EQUIVALENTS

Net changes	(20,935)	58,947
Effects of changes in foreign exchange rate	530	311
Brought forward	100,236	22,490
	<hr/>	<hr/>
Carried forward	79,831	81,748
	<hr/>	<hr/>

Cash and cash equivalents at the end of the financial period comprise the following:

Cash, bank balances and short-term fund	79,831	81,748
	<hr/>	<hr/>

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in MFRS 134 – Interim Financial Reporting, the International Accounting Standard 34 Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the FYE 2021 and the accompanying explanatory notes attached to the interim financial statements.

These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the FYE 2021.

The accounting policies and methods of computation used in the interim financial statements are consistent with those adopted in the audited financial statements of the Group for the FYE 2021 except for the changes in accounting policies and presentation resulting from the adoption of new and revised MFRSs and amendments to MFRSs that are effective for financial periods beginning on or after 1 January 2021.

The Group has adopted the following Amendments to Standards during the financial period.

MFRS effective for financial periods beginning on or after 1 January 2021

Amendment to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases – Interest Rate Benchmark Reform - Phase 2

MFRS effective for financial periods beginning on or after 1 April 2021

Amendment to MFRS 16 *Leases: Covid-19 – Related Rent Concessions beyond 30 June 2021*

The adoption of the above pronouncements did not have material impact on the financial statements of the Group and of the Company.

The Group has not adopted the following new MFRSs and amendments to MFRSs issued by the Malaysian Accounting Standards Board:

MFRS effective for financial periods beginning on or after 1 January 2022

Amendments to MFRS 3	<i>Business Combinations- Reference to the Conceptual Framework</i>
Amendments to MFRS 116	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>
Amendments to MFRS 137	<i>Provisions, Contingent Liabilities and Contingent Assts – Onerous Contracts – Cost of Fulfilling a Contract</i>
Amendments to MFRS 1	<i>First-time Adoption of Malaysian Financial Reporting Standards -Annual Improvements to MFRS Standards 2018-2020</i>
Amendments to MFRS 9	<i>Financial Instruments - Annual Improvements to MFRS Standards 2018-2020</i>

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A1. Basis of Preparation (Cont'd)

The Group has not adopted the following new MFRSs and amendments to MFRSs issued by the Malaysian Accounting Standards Board (cont'd):

MFRS effective for financial periods beginning on or after 1 January 2023

MFRS 17	<i>Insurance Contracts</i>
Amendments to MFRS 17	<i>Insurance Contracts</i>
Amendments to MFRS 101	<i>Presentation of Financial Statements - Classifications of Liabilities as Current or Non-current</i>
Amendments to MFRS 101	<i>Presentation of Financial Statements – Disclosure of Accounting Policies</i>
Amendments to MFRS 108	<i>Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates</i>
Amendments to MFRS 112	<i>Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>

The Group is in the process of assessing the impact of implementing these Standards, since the effects would only be observable for the future financial years.

A2. Auditors' Report on the Preceding Annual Financial Statements

The auditor's report on the latest audited financial statements for the FYE 2021 contained qualified opinion on the basis as below :-

- i. A subsidiary had invested in Coinful Capital Fund, which the fund participated in Coinful Growth Fund I "CGFI". CGFI is unquoted with investments in Digital Assets and derivatives with underlying Digital Assets a reference rate or index, utilising options, futures, swaps and other derivative instruments as well as Digital Assets' "decentralised finance" products. As at FYE 2021, the fair value of the investment is determined based on the net asset value of the Fund according to the policies stated in the agreement and was accounted for as unquoted financial asset at fair value though profit or loss amounted to RM1,711,602. The auditor was unable to satisfy themselves as they were unable to determine the fair value of the investment as well as the subsidiary's participating shares in the fund due to the nature of the investment.
- ii. The bank confirmation for a subsidiary to confirm the cash in bank of RM5,016,174 was unable to reach the auditor at the date of the audited financial statement. As such, the auditor was unable to ascertain the completeness of the balances and disclosures.

The management will seek professional advice on additional procedure to complement the existing confirmation of value method by the Fund administrator. This will include determining what is the acceptable market practice and procedure on digital currency valuation and confirmation. Management will also consider liquidating the cryptocurrency investment if it encounters challenges in meeting audit requirement for the purpose of determining their fair value.

The bank confirmation issue is resolved with the confirmation received by the auditor on 8 November 2021 at 10.30pm and there was no discrepancy on the balances.

A3. Seasonal or Cyclical Factors of Interim Operations

The results of the Group were not materially affected by any significant seasonal or cyclical factors during the current financial quarter and period.

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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 flow of the Group during the current financial quarter and period.

A5. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial period, which may have a material effect in the current financial quarter and period results.

A6. Issues, Repurchases, and Repayments of Debt and Equity Securities

There is no issues, repurchases, and repayments of debts and equity securities of the Group during the current financial quarter and period except for:-

- i. On 13 September 2021, the Company announced the fixed issue price of 241,568,000 private placement shares at RM0.036 each and were issued on 14 September 2021.
- ii. On 14 September 2021, 73,915,000 shares options were offered to eligible employee at an exercise price of RM0.0425 each and were expired.
- iii. On 25 November 2021, 73,915,000 shares option were offered to eligible employee at an exercise price of RM0.035 each and were expired.

A7. Dividends Paid

There were no dividends declared and paid for the current financial quarter.

A8. Segmental Information

Segmental information is presented in respect of the Group's business and geographical segments. The primary format of business segments, are based on the Group's management and internal reporting structure.

Business segments

The Group is organised into business units based on their products and services, and has three reportable segments as follows:

Research and development, and assembling	:	Research and development, assembling and trading of multimedia video conferencing system, IT, fintech and digitalisation related products and services, and mobile application solutions
Films	:	Film distribution rights, investment, production and related services
Trading	:	Trading of alcohol products, kitchen equipment and related products

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A8. Segmental Information (Cont'd)

Business segments (Cont'd)

Period Ended 31.12.2021	Research and development, and assembling	Films	Trading	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	10,454	1,455	257	-	12,166
Result:					
Segment result	(3,893)	(75)	(1,468)	(2)	(5,438)
Other Income	1,499	6	932	-	2,437
Loss Before Tax	(2,394)	(69)	(536)	(2)	(3,001)
Segment Assets	91,110	2,343	6,381	54,947	154,781
Segment Liabilities	9,294	2,321	2,587	(1,666)	12,536

Geographical segments

The business segment is managed in few principal locations namely Malaysia, Thailand, China and Taiwan. In presenting information on the basis of geographical segments, segmental revenue is presented based on the geographical location of customers.

The geographical segmental information on the Group is as follows:-

Period Ended 31.12.2021	Malaysia	Outside Malaysia	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
Revenue	10,433	1,733	-	12,166
Result:				
Segment result	(4,093)	(1,343)	(2)	(5,438)
Other Income	1,020	1,417	-	2,437
(Loss)/Profit Before Tax	(3,073)	74	(2)	(3,001)

A9. Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment during the current financial quarter and period.

A10. Events after the End of the Quarter

There is no event after the end of the quarter.

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A11. Changes in Composition of the Group

On 30 August 2021, the Company entered into a share sales agreement to acquire 2,500,000 ordinary shares at RM1.00 for a total consideration of RM5,000,000 representing 100% shareholdings of Ikhlas Al Dain Sdn Bhd (“IKHLAS”).

On 6 December 2021, the Company acquired an additional 49% equity interest in its subsidiary, Pacifica Direct Sdn. Bhd. (“PDSB”) comprising 98,000 ordinary shares from a non-controlling shareholder for a cash consideration of RM100,000. Subsequently, PDSB become a wholly-owned subsidiary of the company.

Save for the above, there were no other changes in the composition of the Group for the current financial quarter and period.

A12. Contingent Assets or Changes on Contingent Liabilities

There were no contingent assets or contingent liabilities as at 31 December 2021.

A13. Significant Related Party Transaction

All related party transactions and balances within the Group had been entered into in the normal course of business and were carried out on normal commercial terms during the current financial quarter and period.

A14. Fair Value Measurement

The financial assets maturing within the next 12 months reasonably approximate their fair values due to the relatively short-term maturity of the financial instruments.

Fair value hierarchy

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

	As at 31.12.2021 RM'000 (unaudited)	As at 30.06.2021 RM'000 (audited)
Group		
<u>Level 1</u>		
Unit trust fund	15	14
Trust assets	1,433	1,712
	1,448	1,726
	1,448	1,726

The Group does not have any financial liabilities carried at fair value nor any financial instruments classified as Level 2 and Level 3 as at 31 December 2021.

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A15. Capital Commitments

Capital commitments at 31 December 2021 as follows:-

	As at 31.12.2021 RMB	As at 31.12.2021 RM
Approved and contracted for:		
RCPS subscriptions	-	1,000,000
Registered share capital of SCCDL to be paid up by 31 December 2046	1,000,000	605,400

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**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF
BURSA SECURITIES FOR THE ACE MARKET**

B1. Review of Performance

Statement of Profit & Loss and Other Comprehensive Income

Group Results	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Quarter Ended		Changes (%)	Period Ended		Changes (%)
	31.12.2021 RM'000 (unaudited)	31.12.2020 RM'000 (unaudited)		31.12.2021 RM'000 (unaudited)	31.12.2020 RM'000 (unaudited)	
Revenue	9,383	2,489	277%	12,166	5,475	122%
Gross profit	1,726	335	415%	2,832	1,162	144%
Loss before interest and tax	(586)	(2,260)	74%	(2,700)	(7,228)	137%
Loss before tax	(879)	(2,272)	61%	(3,001)	(7,253)	141%
Loss after tax	(879)	(2,272)	61%	(3,001)	(7,253)	141%
Loss attributable to ordinary equity holders of the parent	(1,009)	(2,136)	53%	(2,882)	(7,218)	140%

The Group registered revenue of RM9.38 million for the three (3) months ended 31 December 2021, was mainly generated from Mlabs Research Sdn Bhd (“Research”) on trading of web conferencing related products and services and Inbase Partners Limited (“Inbase”) on technology and corporate advisory services and provision of mobile application solutions. The current financial quarter loss of RM0.88 million compared to preceding corresponding financial quarter loss of RM2.27 million is attributable to the share based payments in the preceding financial quarter.

B2. Material Changes in Financial Performance for the Quarter Compared with Immediate Preceding Quarter

Group Results	Quarter Ended		Changes (%)
	31.12.2021 RM'000 (unaudited)	30.09.2021 RM'000 (unaudited)	
Revenue	9,383	2,783	237%
Gross profit	1,726	1,106	56%
Loss before interest and tax	(586)	(2,115)	72%
Loss before tax	(879)	(2,122)	59%
Loss after tax	(879)	(2,122)	59%
Loss attributable to ordinary equity holders of the parent	(1,009)	(1,873)	46%

The Group registered higher revenue of RM9.38 million in the current financial quarter compared to immediate preceding financial quarter of RM2.78 million. The higher revenue and gross profit from the current financial quarter are mainly generated from our subsidiaries, Research and Inbase from the supply and trading of web conferencing related products and services.

The Group recorded losses of RM0.88 million as compared to immediate preceding financial quarter loss of RM2.12 million is mainly attributable to higher revenue and gross profit as mentioned above.

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B3. Commentary on Prospects

The economic outlook for FYE2022 remains uncertain with the COVID-19 pandemic continues to affect globally and the rising infection rate further impact businesses and communities. Despite the challenges, the Group is optimistic on the business potential of the ICT industry.

The Group will continue to enhance its current digitilisation solutions to remain competitive in the industry. To further strengthen the Group position as one of the key player in the market, we collaborate with strategic partners to create synergy and enhance our portfolio of innovative technological offerings. The Group virtual event platform and services was launched in FYE 2020 with the demand for organizations to meet their statutory compliance or resumption of business activities during the pandemic. We have conducted over 120 virtual general meetings for public limited companies.

The Group subsidiary in Taiwan, Inbase Partners Ltd (“Inbase”) offers cutting edge fintech and digital advisory services. Despite the hit of pandemic affecting economic activities, the business were not materially affected with businesses conducted online. Nevertheless, Inbase is continuously identifying and developing other business opportunities that could further enhances its business. These include investment in digital assets and precious metals by using in-house and other digital platforms. Inbase’s new digital platform codenamed “Catch Markets” is launched to the market during Oct 2021 for test run, the management of Inbase foresee to flow in the licences income from Q2 of calendar year 2022 but subject to the pandemic situation.

Longhouse Films Sdn Bhd’s (“Longhouse”) projects have been forced to postpone with the implementation of Movement Control Order (“MCO”) since FYE2020. Nevertheless, the team now aims to have the projects back on track with the relaxation of the SOP. Longhouse is building up a new slate which will comprise of its core business units which are distributions, production and developments, investments, and brands acquisition via product placements.

The acquisition of Ikhlas was completed on 9 November 2021. Ikhlas is approved by Ministry of Finance to conduct the business of factoring, development financing, leasing and building credit since 2011. The newly acquired subsidiary will provide an opportunity for the Group to enhance its revenue and earnings by tapping into factoring business which business model can be transformed and improved with the Group’s digital technology expertise.

B4. Variation on Revenue or Profit Estimate, Forecast, Projection or Internal Targets

Not applicable.

B5. Variance of Actual Profit After Tax and Minority Interest and the Forecast Profit after Tax and Minority Interest

Not applicable.

B6. Shortfall in the Profit Guarantee

Not applicable.

B7. Taxation

The Group has no tax liability during the current financial quarter.

B8. Status of Corporate Proposals

There was no corporate proposal announced as at the date of this report.

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B9. Utilisation of Proceeds Raised from Corporate Proposal

On 21 July 2020, the Company had raised total proceeds of RM9.2 million from the private placement by issuance of 267,350,000 new ordinary shares.

Purpose	Proposed Utilisation	Actual Utilisation	Balance	Intended Timeframe for Utilisation
	RM'000	RM'000	RM'000	
Marketing expenses for the Let's Talk mobile application	3,000	2,367	633	Within 24 months
Working Capital	5,909	5,909	-	Within 24 months
Expenses in relation to the proposals	332	332	-	Immediate
	9,241	8,608	633	

On 14 December 2020, the Company had raised total proceeds of RM68.0 million from the right issues by issuance of 755,123,412 new ordinary shares.

Purpose	Proposed Utilisation	Actual Utilisation	Balance	Intended Timeframe for Utilisation
	RM'000	RM'000	RM'000	
Remote meeting and videotelephony enablers	23,000	-	23,000	Within 36 months
Broadcasting and livestreaming centre	7,600	7,600	-	Within 6 months
Acquisition and/or investments in complementary business and/or assets	25,000	-	25,000	Within 24 months
Working Capital	11,561	3,612	7,949	Within 24 months
Expenses in relation to the proposals	800	800	-	Immediate
	67,961	12,012	55,949	

On 14 September 2021, the Company had raised total proceeds of RM8.7 million from the private placement by issuance of 241,568,000 new ordinary shares

Purpose	Proposed Utilisation	Actual Utilisation	Balance	Intended Timeframe for Utilisation
	RM'000	RM'000	RM'000	
Development of animated series	8,538	-	8,538	Within 36 months
Expenses in relation to the proposals	158	158	-	Immediate
	8,696	158	8,538	

B10. Borrowings and Debts Securities

There were no borrowings or debt securities in the Group as at 31 December 2021.

B11. Material Litigation

There were no material litigation as at the date of this report.

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B12. Dividends

No dividend was declared and paid during the current financial quarter.

B13. Losses per share

(a) The basic losses per share is computed by dividing the Group's net loss attributable to members of the Group with the weighted average number of ordinary shares in issue as follows:

	INDIVIDUAL QUARTER Quarter Ended		CUMULATIVE QUARTER Period Ended	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Losses attributable to ordinary shareholders of the Company (RM'000)	(1,009)	(2,136)	(2,882)	(7,218)
Weighted average number of ordinary shares in issue ('000)	1,247,227	198,644	1,247,227	198,644
Basic & diluted losses per share (sen)	(0.08)	(1.08)	(0.23)	(3.63)

(b) Diluted

The Group has no potential dilutive shares outstanding as at 31 December 2021.

B14. Note to the Statements of Profit or Loss and Other Comprehensive Income

Loss before tax has been determined after charging/(crediting), amongst others, the followings items :-

	INDIVIDUAL QUARTER Quarter Ended		CUMULATIVE QUARTER Period Ended	
	31.12.2021 RM'000	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2020 RM'000
Interest expense	7	13	15	25
Interest income	(1)	(1)	(2)	(1)
Income distribution from short term fund	-	(158)	(156)	(285)
Inventory written off	-	-	2	-
Depreciation and amortisation	453	637	708	1,602
Fair value adjustment on investment and short-term fund	259	(175)	292	(453)
Fair value gain on quoted share	(780)	-	(780)	-
Unrealised foreign exchange gain	(14)	933	(115)	936
Realised foreign exchange (gain)/loss	(1,155)	(399)	6	5

Save for the above, the other items as required under Chapter 9 Appendix 9B (16) of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

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B15. Trade Receivables

	As at 31.12.2021 RM'000 (unaudited)	As at 30.6.2021 RM'000 (audited)
Trade receivables	7,299	5,528
Less: Impairment losses	(2,260)	(2,260)
	5,039	3,268

Aging analysis of trade receivables of the Group are as follows:

	As at 31.12.2021 RM'000 (unaudited)	As at 30.06.2021 RM'000 (audited)
Neither past due nor impaired	2,965	596
Past due but not impaired:		
Less than 3 months	455	287
3 to 6 months	168	1,186
More than 6 months	1,451	1,199
Past due and impaired	2,260	2,260
Trade receivables (gross)	7,299	5,528

B16. Authorisation for Issue

The interim financial statements are authorised for issue by the Board of Directors in accordance with a resolution of the directors.