

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

The Board of Directors of mTouche Technology Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 31 March 2021 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2020 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		
		31.03.2021 RM'000 (unaudited)	31.03.2020 RM'000 (unaudited)	changes %	31.03.2021 RM'000 (unaudited)	31.03.2020 RM'000 (unaudited)	changes %
Revenue	<b>A8</b>	424	1,201	-64.7	2,847	7,564	-62.4
Cost of sales		(278)	(3,415)	-91.9	(2,172)	(7,199)	-69.8
Gross profit/(loss)		146	(2,214)	>-100.0	675	365	84.9
Other income		319	476	-33.0	508	773	-34.3
Administrative expenses		(1,346)	(1,318)	2.1	(3,785)	(4,248)	-10.9
Other expenses		(5,555)	(220)	>100.0	(8,325)	(2,438)	>100.0
Finance costs		(72)	(53)	35.8	(95)	(163)	-41.7
<b>Loss before tax</b>		<b>(6,508)</b>	<b>(3,329)</b>	<b>95.5</b>	<b>(11,022)</b>	<b>(5,711)</b>	<b>93.0</b>
Tax expenses	<b>B7</b>	-	(333)	>-100.0	-	(35)	>-100.0
<b>Loss for the financial period</b>		<b>(6,508)</b>	<b>(3,662)</b>	<b>77.7</b>	<b>(11,022)</b>	<b>(5,746)</b>	<b>91.8</b>
<b>Other comprehensive loss:- Item that will be subsequently to profit or loss</b>							
Exchange differences on translating foreign operation, net of tax		(205)	(149)	37.6	(1,772)	(104)	>100.0
Other comprehensive loss for the financial period, net of tax		(205)	(149)	37.6	(1,772)	(104)	>100.0
<b>Total comprehensive loss for the financial period</b>		<b>(6,713)</b>	<b>(3,811)</b>	<b>76.1</b>	<b>(12,794)</b>	<b>(5,850)</b>	<b>&gt;100.0</b>
<b>Loss for the financial period attributable to:-</b>							
- Owners of the Company	<b>B14</b>	(6,508)	(3,690)	76.4	(10,840)	(5,680)	90.8
- Non-controlling interests		-	28	>-100.0	(182)	(66)	>100.0
		<b>(6,508)</b>	<b>(3,662)</b>	<b>77.7</b>	<b>(11,022)</b>	<b>(5,746)</b>	<b>91.8</b>
Total comprehensive loss attributable to:-							
- Owners of the Company		(6,714)	(3,981)	68.7	(13,034)	(6,250)	>100.0
- Non-controlling interests		1	170	-99.4	240	400	-40.0
		<b>(6,713)</b>	<b>(3,811)</b>	<b>76.1</b>	<b>(12,794)</b>	<b>(5,850)</b>	<b>&gt;100.0</b>

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**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**(CONT'D)**

	Note	INDIVIDUAL QUARTER QUARTER ENDED			CUMULATIVE QUARTER PERIOD ENDED		
		31.03.2021 RM'000 (unaudited)	31.03.2020 RM'000 (unaudited)	changes %	31.03.2021 RM'000 (unaudited)	31.03.2020 RM'000 (unaudited)	changes %
<b>Losses per share attributable to the owner of the company</b>	<b>B13</b>						
Basic (sen)		<u>(0.49)</u>	<u>(0.73)</u>	-32.9	<u>(1.09)</u>	<u>(1.12)</u>	-2.7
Diluted (sen)		<u>(0.49)</u>	<u>(0.67)</u>	-26.9	<u>(1.09)</u>	<u>(1.12)</u>	-2.7

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at 31.03.2021 RM'000 (unaudited)	As at 30.06.2020 RM'000 (audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,048	2,683
Right-of-use assets	1,054	1,041
Intangible assets	38,470	39,471
Deferred tax assets	1,939	2,029
	43,511	45,224
Total non-current assets		
<b>Current assets</b>		
Trade receivables and other receivables	18,305	4,383
Prepayments	1,021	1,046
Other investments	986	805
Tax recoverable	335	328
Cash and bank balances	35,323	19,189
	55,970	25,751
Total current assets		
<b>Total assets</b>	99,481	70,975
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Equity attributable to owners of the company</b>		
Share capital	162,954	121,398
Reserves	(2,107)	(335)
Accumulated losses	(69,149)	(58,309)
	91,698	62,754
Non-controlling interests	(1,676)	(1,734)
	90,022	61,020
Total equity		
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Lease liabilities	488	626
Provision for restoration cost	-	20
Defined benefits obligations	840	882
	1,328	1,528
Total non-current liabilities		
<b>Current liabilities</b>		
Trade and other payables	7,514	7,410
Lease liabilities	617	467
Tax payable	-	550
	8,131	8,427
Total current liabilities		
Total liabilities	9,459	9,955
<b>Total equity and liabilities</b>	99,481	70,975
<b>Net assets per share (sen)</b>	6.80	8.63



**MTOUCHE TECHNOLOGY BERHAD**  
**Registration No.: 200401017892 (656395-X)**  
**(Incorporated in Malaysia)**

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	[----- Non-distributable -----]						Distributable		Non-controlling interests RM'000	Total RM'000
	Share capital RM'000	Employee shares option reserve RM'000	Foreign currency translation reserve RM'000	Warrants reserve RM'000	Discount on shares RM'000	Other capital reserve RM'000	Accumulated losses RM'000	Total RM'000		
As at 1 July 2020	121,398	-	(1,800)	20,967	(20,967)	1,465	(58,309)	62,754	(1,734)	61,020
Loss for the financial period	-	-	-	-	-	-	(10,840)	(10,840)	(182)	(11,022)
Other comprehensive (loss)/income for the financial period										
- Exchange translation differences, net of tax	-	-	(1,772)	-	-	-	-	(1,772)	240	(1,532)
Total comprehensive (loss)/income for the financial period	-	-	(1,772)	-	-	-	(10,840)	(12,612)	58	(12,554)
Transaction with owners										
- Expiry of Warrant C	-	-	-	(20,967)	20,967	-	-	-	-	-
- Exercise of Warrant C	*	-	-	*	*	-	-	-	-	-
- Issuance of share capital	26,170	-	-	-	-	-	-	26,170	-	26,170
- Shares option grant	-	8,249	-	-	-	-	-	8,249	-	8,249
- Shares option exercised	15,386	(8,249)	-	-	-	-	-	7,137	-	7,137
	41,556	-	-	(20,967)	20,967	-	-	41,556	-	41,556
As at 31 March 2021 (unaudited)	162,954	-	(3,572)	-	-	1,465	(69,149)	91,698	(1,676)	90,022

\*Less than RM 1,000.

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)**

	[----- Non-distributable -----]					Distributable		Non- controlling interests RM'000	Total RM'000
	Share capital RM'000	Foreign currency translation reserve RM'000	Warrants reserve RM'000	Discount on shares RM'000	Other capital reserve RM'000	Accumulated losses RM'000	Total RM'000		
As at 1 July 2019, as previously reported (audited)	104,047	1,090	22,985	(22,985)	1,465	(31,492)	75,110	(1,657)	73,453
Adjustment on initial application of MFRS 16, net of tax	-	-	-	-	-	(75)	(75)	-	(75)
As at 1 July 2019, restated	104,047	1,090	22,985	(22,985)	1,465	(31,567)	75,035	(1,657)	73,378
Loss for the financial period	-	-	-	-	-	(5,680)	(5,680)	(66)	(5,746)
Other comprehensive income for the financial period	-	-	-	-	-	-	-	-	-
- Exchange translation differences, net of tax	-	(104)	-	-	-	-	(104)	400	296
Total comprehensive income/(loss) for the financial period	-	(104)	-	-	-	(5,680)	(5,784)	334	(5,450)
Transaction with owners	-	-	-	-	-	-	-	-	-
- Expiry of Warrant B	-	-	(2,018)	2,018	-	-	-	-	-
As at 31 March 2020 (unaudited)	104,047	986	20,967	(20,967)	1,465	(37,247)	69,251	(1,323)	67,928

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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**CONSOLIDATED STATEMENT OF CASH FLOWS**

	Period ended	
	31.03.2021 RM'000 (unaudited)	31.03.2020 RM'000 (unaudited)
<b>Operating activities</b>		
Loss before tax	(11,022)	(5,711)
Adjustments for:-		
Depreciation and amortisation	1,746	2,485
Impairment losses on financial assets	-	151
Interest expenses	95	163
Interest income	(54)	(210)
Provision of defined benefit obligation	-	216
Shares based payment expenses	4,588	-
Revaluation (gain)/loss on other investment	(181)	248
Unrealised loss/(gain) on foreign exchange	2,067	(1,097)
	(2,761)	(3,755)
Operating loss before working capital changes		
Changes in working capital:-		
Receivables	(14,898)	3,304
Payables	511	2,544
	(17,148)	2,093
Cash (used in)/generated from operations		
Tax paid	(306)	(162)
Defined benefit obligation paid	-	(221)
	(17,454)	1,710
Net cash (used in)/from operating activities		
<b>Investing activities</b>		
Additions to intangible assets	(113)	-
Purchase of property, plant and equipment	(1,120)	(337)
Interest received	54	210
	(1,179)	(127)
Net cash used in investing activities		
<b>Financing activities</b>		
Interest paid	(95)	(163)
Proceeds from issuance of share capital	36,967	-
Repayment of lease liabilities	(1)	(471)
	36,871	(634)
Net cash from/(used in) financing activities		
<b>CASH AND CASH EQUIVALENTS</b>		
Net changes	18,238	949
Effects of changes in foreign exchange rate	(2,104)	(61)
Brought forward	19,189	17,455
	35,323	18,343
Carried forward	35,323	18,343
Cash and cash equivalents at the end of the financial period comprise the following:-		
Cash and bank balances	20,197	18,343
Fixed deposits with maturity of three months or more	15,126	-
	35,323	18,343
	35,323	18,343

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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**

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**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in Malaysia Financial Reporting Standards (“MFRS”) 134 – 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 financial year ended 30 June (“FYE”) 2020 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 FYE 2020.

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 FYE 2020 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 2020.

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

**MFRS effective for financial periods beginning on or after 1 January 2020**

Amendment to MFRS 3	<i>Business Combination - Definition of a Business</i>
Amendment to MFRS 7	<i>Financial Instruments: Disclosures</i>
Amendment to MFRS 9	<i>Financial Instruments</i>
Amendment to MFRS 101	<i>Presentation of Financial Statements: Definition of Material</i>
Amendment to MFRS 108	<i>Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material</i>
Amendment to MFRS 137	<i>Provisions, Contingent Liabilities and Contingent Assets</i>
Amendment to MFRS 138	<i>Intangible Assets</i>
Amendment to IC Interpretation 22	<i>Foreign Currency Transactions and Advance Consideration</i>

**MFRS effective for financial periods beginning on or after 1 June 2020**

Amendment to MFRS 16	<i>Leases – Covid-19 – Related Rent Concessions</i>
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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 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
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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 2022**

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

**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>
Amendment to MFRS 101	<i>Presentation of Financial Statements - Classification of liabilities as current or non-current</i>
Amendment to MFRS 108	<i>Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates</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 financial year ended 30 June 2020 was not subject to any audit qualification.

**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.

**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.

**A5. Material Changes in Estimates**

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



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

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

- a. On 15 January 2021, the Company has raised total proceeds of RM7.20 million from the private placement by issuance of 116,498,000 new ordinary shares.
- b. On 27 January 2021, the Company's eligible employees have exercised its entitlement under Employees Share Option Scheme ("ESOS") at exercise prices of RM0.06 by way of issuance of 42,474,481 new ordinary shares.

**A7. Dividends Paid**

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

**A8. Segmental Information**

The management determines that its geographical segments comprise the following markets which have similar characteristics:-

- (i) Matured markets – countries which the Group has achieved stable penetration rate including Malaysia, Thailand and Hong Kong.
- (ii) Emerging markets – countries with potential growth and penetration rate including Indonesia, Vietnam, Philippines and Cambodia.

	<b>Matured markets RM'000</b>	<b>Emerging markets RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
Sales to external customers	1,931	916	-	2,847
Inter-segment sales	-	598	(598)	-
<b>Total revenue</b>	<b>1,931</b>	<b>1,514</b>	<b>(598)</b>	<b>2,847</b>
<b>Results</b>				
Loss before tax	(12,902)	(6)	1,886	(11,022)
Tax expenses	-	-	-	-
<b>Loss for the period</b>	<b>(12,902)</b>	<b>(6)</b>	<b>1,886</b>	<b>(11,022)</b>

**A9. Valuation of Property, Plant and Equipment**

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

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**A10. Material Events Subsequent to the End of the Quarter**

On 22 April 2021, the Company had completed the share consolidation of every existing 10 units of ordinary shares in the Company into 1 unit of ordinary shares.

On 5 May 2021, the Company had announced that the Company proposes to undertake renounceable rights issue of ordinary shares and free warrants by way of issuance of 794,374,098 units at an issue price of RM0.10 per Rights Shares together with 397,187,049 units of free detachable Warrants (“Warrants D”) in the Company on the basis of 6 Rights Shares together with 3 free Warrants D for every existing share held by the entitled shareholders of the Company as at 5 May 2021.

Other than disclosure above, there were no other material events subsequent to the end of the current financial quarter up to 27 May 2021.

**A11. Changes in Composition of the Group**

There were no other changes in the composition of the Group for the current financial quarter.

**A12. Contingent Assets or Changes on Contingent Liabilities**

There were no contingent assets or contingent liabilities since the last statement of financial position date.

**A13. Significant Related Party Transaction**

The Directors are of the opinion that there are no related party transactions which would have material impact on the financial position and the business of the Group during the current financial quarter.

**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 31.03.2021 RM'000 (unaudited)	As at 30.06.2020 RM'000 (audited)
	RM'000	RM'000
<u>Level 1</u>		
Other investments	986	805

There were no transfers between level 1 and level 2 in the reporting period.



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**A14. Fair Value Measurement (Cont'd)**

The carrying amounts of other financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date except as indicated in their respective notes.

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 March 2021.

**A15. Capital Commitments**

There were no capital commitments for the current financial quarter.

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**B. 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**

	INDIVIDUAL QUARTER Quarter Ended			CUMULATIVE QUARTER Period Ended		
	31.03.2021 RM'000 (unaudited)	31.03.2020 RM'000 (unaudited)	Changes (%)	31.03.2021 RM'000 (unaudited)	31.03.2020 RM'000 (unaudited)	Changes (%)
<b>Group Results</b>						
Revenue	424	1,201	-64.7	2,847	7,564	-62.4
Gross profit	146	(2,214)	>-100.0	675	365	84.9
Loss before tax	(6,508)	(3,329)	95.5	(11,022)	(5,711)	93.0

The Group registered revenue of RM0.42 million for the three (3) months ended 31 March 2021. It marked a decrease of 64.7% or RM0.78 million as compared to preceding year quarter.

The bulk of the revenue was generated mainly from:-

- mTouche (Vietnam) Co. Ltd. and Mobile Asia Vietnam Co. Ltd. on providing mobile messaging technologies, billing platforms and interactive media solutions based on wireless and internet technologies,
- mTouche (Thailand) Co. Ltd. on improved messaging content services.

For the nine (9) months period ended 31 March 2021, the Group recorded loss before tax of RM11.02 million, the increase was mainly due to share based payment expenses approximately RM4.59 million and unrealised foreign exchange loss approximately RM2.07 million.

**B2. Material Changes in Loss before Tax for the Quarter Compared with Immediate Preceding Quarter**

	Quarter Ended	
	31.03.2021 RM'000 (unaudited)	31.12.2020 RM'000 (unaudited)
	RM'000	RM'000
Revenue	424	1,217
Loss before tax	(6,508)	(3,497)

The Group recorded loss before tax of RM6.51 million during the financial quarter comparing to loss before tax RM3.50 million in the preceding quarter which largely resulted by the share based payment expenses of RM3.08 million in current financial quarter.

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**B3. Commentary on Prospects**

The Malaysian government recently announcing another total countrywide lockdown from June 1 to 14, 2021, the primary goal of the Group reviews will be to rationalize current revenue portfolios and maintain cost efficiency in the face of the Covid-19 pandemic, which has caused and will further cause the shifts in customer's spending behaviour as well as the Group employees concern and expectations. Although it is unclear when and how the Covid-19 pandemic will be contained, the Group is optimistic that, thanks to the Malaysian Government's immunisation campaign, the country would achieve herd immunity of 70% as soon as possible.

During this Covid-19 pandemic period, the Group has continued to explore creative solutions on its core business, introducing the Mobile Digital Ecosystem Platform (MDEP) and Mobile Value-Added Service Platform (MVASP), to stay afloat in the messaging and content business, which has been on the decline. To date, the Group is in the development of new services in Programmatic Marketing and Over-the-Top (OTT) video streaming which is slated for commercialization by second half of this year. The new platform on digital media services will meet the current and future overall market needs and demands.

In light of the ongoing Covid-19 pandemic, which has resulted in over 9,000 cases per day, the Group will assist the Ministry of Health Malaysia in combating the rising number of Covid-19 cases. The Group has ventured into the Healthcare Industry with the sale and distribution of Covid-19 Test Kits, and will also offer a one-stop fitness, recovery and wellness studio to serve the health-conscious Malaysian. Instead of focusing on a single core business revenue stream the Group will be able to look at numerous revenue streams for long-term sustainability.

**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.

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**B7. Tax Expenses**

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

**B8. Status of Corporate Proposals**

On 5 May 2021, the Company had announced that the Company proposes to undertake renounceable rights issue of ordinary shares and free warrants by way of issuance of 794,374,098 units at an issue price of RM0.10 per Rights Shares together with 397,187,049 units of free detachable Warrants (“Warrants D”) in the Company on the basis of 6 Rights Shares together with 3 free Warrants D for every existing share held by the entitled shareholders of the Company as at 5 May 2021.

Other than disclosure above, there are no corporate proposals announced but not completed as at 27 May 2021.

**B9. Utilisation of Proceeds Raised from Corporate Proposal**

i) The proceeds raised from the renounceable rights issue with free detachable warrants amounting RM76.24 million.

Purpose	Proposed Utilisation	Actual Utilisation	Unutilised Proceeds	Intended Timeframe for Utilisation	Deviation amount		Explanation (if the deviations > 5%)
	RM'000	RM'000	RM'000		RM'000	%	
Upgrading of existing Mobile Value-Added Service Platform	2,500	2,500	-	within 12 months	-	-	N/A
Development of a Mobile Digital Ecosystem Platform	7,500	7,500	-	within 18 months	-	-	N/A
Working Capital	3,035	3,035	-	within 24 months	-	-	N/A
Acquisition of new office premises	7,500	-	7,500#	within 24 months	-	-	N/A
Regional business expansion	12,000	12,000	-	within 24 months	-	-	N/A
Acquisition and/or investment in other complementary business and/or assets	42,708	42,708	-	within 24 months	-	-	N/A
Expenses in relation to the Corporate Exercise	1,000	1,000	-	Immediate	-	-	N/A
<b>Total</b>	<b>76,243</b>	<b>68,743</b>	<b>7,500</b>				

# In the process of revising the unutilised funds term and conditions

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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**B9. Utilisation of Proceeds Raised from Corporate Proposal (Cont'd)**

ii) On 10 July 2020, the Company had raised total proceeds of RM4.15 million from the private placement by issuance of 70,690,327 new ordinary shares.

Purpose	Proposed Utilisation	Actual Utilisation	Unutilised Proceeds	Intended Timeframe for Utilisation	Deviation amount		Explanation (if the deviations > 5%)
	RM'000	RM'000	RM'000		RM'000	%	
Business expansion	3,050	-	3,050	within 12 months	-	-	N/A
General Working capital	1,000	1,000	-	within 12 months	-	-	N/A
Expenses in relation to the Proposed Private Placement	100	100	-	Immediate	-	-	N/A
<b>Total</b>	<b>4,150</b>	<b>1,100</b>	<b>3,050</b>				

iii) On 23 September 2020, the Company had raised total proceeds of RM14.82 million from the private placement by issuance of 243,759,500 new ordinary shares.

Purpose	Proposed Utilisation	Actual Utilisation	Unutilised Proceeds	Intended Timeframe for Utilisation	Deviation amount		Explanation (if the deviations > 5%)
	RM'000	RM'000	RM'000		RM'000	%	
Development of OTT Media Platform	7,200	7,000	200	within 18 months	-	-	N/A
Operating expenses and working capital	7,421	3,000	4,421	within 24 months	-	-	N/A
Expenses in relation to the Proposed Private Placement	200	200	-	Immediate	-	-	N/A
<b>Total</b>	<b>14,821</b>	<b>10,200</b>	<b>4,621</b>				

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**B9. Utilisation of Proceeds Raised from Corporate Proposal (Cont'd)**

iv) On 15 January 2021, the Company had raised total proceeds of RM7.2 million from the private placement by issuance of 116,498.00 new ordinary shares.

Purpose	Proposed Utilisation	Actual Utilisation	Unutilised Proceeds	Intended Timeframe for Utilisation	Deviation amount	Explanation (if the deviations > 5%)	
	RM'000	RM'000	RM'000		RM'000	%	
Purchase of COVID-19 Test Kits and related equipment	4,400	-	4,400	within 6 months	-	-	N/A
Set up of clean room and cold storage facility	2,000	-	2,000	within 12 months			
Working capital for the Distribution and Sale of Test Kits Business	400	194	206	within 24 months	-	-	N/A
Expenses in relation to the Private Placement January 2021	400	400	-	Immediate	-	-	N/A
<b>Total</b>	<b>7,200</b>	<b>594</b>	<b>6,606</b>				

**B10. Borrowings and Debts Securities**

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

**B11. Material Litigation**

There were no significant changes in material litigation as at 27 May 2021.

**B12. Dividends**

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



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**B13. Losses per share**

	INDIVIDUAL QUARTER Quarter Ended		CUMULATIVE QUARTER Period Ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Losses attributable to ordinary shareholders of the Company (RM'000)	(6,508)	(3,690)	(10,840)	(5,680)
Weighted average number of ordinary shares in issue ('000)	1,323,957	508,564	990,613	508,564
Basic & diluted losses per share (sen)	(0.49)	(0.73)	(1.09)	(1.12)

The diluted losses per ordinary share is same as the basic losses per share as the average market price of the ordinary shares during the current financial quarter was lower than the exercise price of the warrants and accordingly, the effect of the assumed conversion of warrants outstanding will be anti-dilutive effect and the Company has no other dilutive potential ordinary shares in issue as at the end of the current financial quarter.

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

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2021 RM'000	Preceding Year Quarter 31.03.2020 RM'000	Current Year To Date 31.03.2021 RM'000	Preceding Year To Date 31.03.2020 RM'000
Interest income	(17)	(206)	(54)	(210)
Other income	(302)	(270)	(454)	(563)
Depreciation and amortisation	501	1,242	1,746	2,485
Foreign exchange losses/(gain)	1,216	(1,097)	2,067	(1,643)
Impairment losses on financial assets	-	(15)	-	151
Interest expenses	72	54	95	163
Share based payment expenses	3,084	-	4,588	-
Revaluation (gain)/loss on other investment	(181)	-	(181)	248

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.

**B15. Foreign Currency Risk Management**

The Group does not enter into any foreign currency contracts during the current financial quarter.



**MTOUCHE TECHNOLOGY BERHAD**  
**Registration No.: 200401017892 (656395-X)**  
**(Incorporated in Malaysia)**

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**B16. Trade Receivables**

	<b>As at 31.03.2021 RM'000 (unaudited) RM'000</b>	<b>As at 30.06.2020 RM'000 (audited) RM'000</b>
Neither past due nor impaired	885	572
Past due but not impaired:		
1-30 days	102	465
31-60 days	670	338
61-90 days	42	7
More than 365 days	-	5,498
Past due and impaired	19,405	13,536
	21,104	20,416

**By Order of the Board,**

**NG SALLY (MAICSA 7060343)**  
**TEO MEE HUI (MAICSA 7050642)**  
**Company Secretary**  
**31 May 2021**