

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2021

The Board of Directors of mTouche Technology Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 30 June 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 YEAR ENDED		
		30.06.2021 RM'000	30.06.2020 RM'000	changes %	30.06.2021 RM'000	30.06.2020 RM'000	changes %
Revenue	A8	1,261	1,664	-24.2	4,108	9,178	-55.2
Cost of sales		(1,011)	(572)	76.7	(3,183)	(5,507)	-42.2
Gross profit		250	1,092	-77.1	925	3,671	-74.8
Other income		315	19,111	-98.4	823	28,017	-97.1
Administrative expenses		(1,097)	(1,275)	-14.0	(4,882)	(5,820)	-16.1
Other expenses		(342)	(40,971)	-99.2	(8,667)	(52,731)	-83.6
Finance costs		4	(107)	>-100.0	(91)	(202)	-55.0
Loss before tax		(870)	(22,150)	-96.1	(11,892)	(27,065)	-56.1
Tax income/(expenses)	B7	-	21	-100.0	-	49	-100.0
Loss for the financial period		(870)	(22,129)	-96.1	(11,892)	(27,016)	-56.0
Other comprehensive loss:-							
Item that will be subsequently to profit or loss							
Exchange differences on translating foreign operation, net of tax		(61)	(2,687)	-97.7	(1,833)	(2,929)	-37.4
Item that will not be subsequently to profit or loss							
Actuarial gains on defined benefits obligations		-	-	-	-	222	-100.0
Other comprehensive loss for the financial period, net of tax		(61)	(2,687)	-97.7	(1,833)	(2,707)	-32.3
Total comprehensive loss for the financial period		(931)	(24,816)	-96.2	(13,725)	(29,723)	-53.8
Loss for the financial period attributable to:-							
- Owners of the Company	B13	(1,094)	(22,121)	-95.1	(11,934)	(26,977)	-55.8
- Non-controlling interests		224	2	>100.0	42	(39)	>-100.0
		<u>(870)</u>	<u>(22,119)</u>	-96.1	<u>(11,892)</u>	<u>(27,016)</u>	-56.0
Total comprehensive loss attributable to:-							
- Owners of the Company		(771)	(24,618)	-96.9	(13,805)	(29,645)	-53.4
- Non-controlling interests		(160)	(4198)	-19.2	80	(78)	>-100.0
		<u>(931)</u>	<u>(24,816)</u>	-96.2	<u>(13,725)</u>	<u>(29,723)</u>	-53.8



MTOUCHE TECHNOLOGY BERHAD
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(CONT'D)

	Note	INDIVIDUAL QUARTER QUARTER ENDED			CUMULATIVE QUARTER YEAR ENDED		
		30.06.2021 RM'000	30.06.2020 RM'000	changes %	30.06.2021 RM'000	30.06.2020 RM'000	changes %
Losses per share attributable to the owners of the company	B13						
Basic (sen)		<u>(0.12)</u>	<u>(3.13)</u>	-96.2	<u>(1.24)</u>	<u>(5.16)</u>	-76.0
Diluted (sen)		<u>(0.12)</u>	<u>(3.13)</u>	-96.2	<u>(1.24)</u>	<u>(5.16)</u>	-76.0

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.06.2021 RM'000	As at 30.06.2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,557	2,683
Right-of-use assets	950	1,041
Intangible assets	38,147	39,471
Deferred tax assets	1,895	2,029
	42,549	45,224
Total non-current assets		
Current assets		
Trade receivables and other receivables	18,580	4,383
Prepayments	1,015	1,046
Other investments	704	805
Tax recoverable	331	328
Cash and bank balances	112,412	19,189
	133,042	25,751
Total current assets		
Total assets	175,591	70,975
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to owners of the company		
Share capital	242,386	121,398
Reserves	(2,168)	(335)
Accumulated losses	(70,243)	(58,309)
	169,975	62,754
Non-controlling interests	(1,612)	(1,734)
	168,363	61,020
Total equity		
LIABILITIES		
Non-current liabilities		
Lease liabilities	435	626
Provision for restoration cost	-	20
Defined benefits obligations	763	882
	1,198	1,528
Total non-current liabilities		
Current liabilities		
Trade and other payables	5,470	7,410
Lease liabilities	560	467
Tax payable	-	550
	6,030	8,427
Total current liabilities		
Total liabilities	7,228	9,955
Total equity and liabilities	175,591	70,975
Net assets per share (sen)	18.17	8.63



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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 (audited)	121,398	-	(1,800)	20,967	(20,967)	1,465	(58,309)	62,754	(1,734)	61,020
Loss for the financial period	-	-	-	-	-	-	(11,934)	(11,934)	42	(11,892)
Other comprehensive (loss)/income for the financial period										
- Exchange translation differences, net of tax	-	-	(1,833)	-	-	-	-	(1,833)	80	(1,753)
Total comprehensive (loss)/income for the financial period	-	-	(1,833)	-	-	-	(11,934)	(13,767)	122	(13,645)
Transaction with owners										
- Expiry of Warrant C	-	-	-	(20,967)	20,967	-	-	-	-	-
- Issuance of share capital	105,602	-	-	-	-	-	-	105,602	-	105,602
- Shares option grant	-	8,249	-	-	-	-	-	8,249	-	8,249
- Shares option exercised	15,386	(8,249)	-	-	-	-	-	7,137	-	7,137
- Issuance of Warrant D	-	-	-	39,716	(39,716)	-	-	-	-	-
	120,988	-	-	18,749	(18,749)	-	-	120,988	-	120,988
As at 30 June 2021 (unaudited)	242,386	-	(3,633)	39,716	(39,716)	1,465	(70,243)	169,975	(1,612)	168,363

CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

	[----- Non-distributable -----]						Distributable		Non-controlling interests RM'000	Total RM'000
	Share capital RM'000	Employee share 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 2019, as previously reported (audited)	104,047	-	1,090	22,985	(22,985)	1,465	(31,493)	75,109	(1,656)	73,453
Adjustment on initial application of MFRS 16, net of tax	-	-	-	-	-	-	(61)	(61)	-	(61)
As at 1 July 2019, restated	104,047	-	1,090	22,985	(22,985)	1,465	(31,554)	75,048	(1,656)	73,392
Loss for the financial period	-	-	-	-	-	-	(26,977)	(26,977)	(39)	(27,016)
Other comprehensive income for the financial period										
- Remeasurement loss on net defined liability, net of tax	-	-	-	-	-	-	222	222	-	222
- Exchange translation differences, net of tax	-	-	(2,890)	-	-	-	-	(2,890)	(39)	(2,929)
Total comprehensive income/(loss) for the financial period	-	-	(2,890)	-	-	-	(26,755)	(29,645)	(78)	(29,723)
Transaction with owners										
- Share option granted	-	12,129	-	-	-	-	-	12,129	-	12,129
- Share option exercised	17,351	(12,129)	-	-	-	-	-	5,222	-	5,222
- Expiry of Warrant B	-	-	-	(2,018)	2,018	-	-	-	-	-
	17,351	-	-	(2,018)	2,018	-	-	17,351	-	17,351
As at 30 June 2020 (audited)	121,398	-	(1,800)	20,967	(20,967)	1,465	(58,309)	62,754	(1,734)	61,020

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended	
	30.06.2021	30.06.2020
	RM'000	RM'000
Operating activities		
Loss before tax	(11,892)	(27,065)
Adjustments for:-		
Depreciation and amortisation	2,482	3,893
Share based payment expenses	4,588	5,222
Impairment losses on financial assets	6	31,706
Impairment losses on intangible assets	-	12,547
Interest expenses	91	83
Interest income	(432)	(825)
Provision of defined benefit obligation	(63)	176
Revaluation loss/(gain) on other investments	101	(311)
Trade receivables written off	-	714
Gain on disposal of subsidiaries	-	(21,463)
Property, plant and equipment written off	93	-
Loss on disposal of property, plant and equipment	4	-
Loss on disposal of other investments	-	248
Unrealised loss on foreign exchange	664	-
	<u>(4,358)</u>	<u>4,925</u>
Operating (loss)/profit before working capital changes		
Changes in working capital:-		
Receivables	(15,206)	(42,097)
Payables	(1,496)	37,123
	<u>(21,060)</u>	<u>(49)</u>
Cash used in operations		
Tax paid	(345)	(586)
Defined benefit obligation paid	-	(221)
	<u>(21,405)</u>	<u>(856)</u>
Net cash used in operating activities		
Investing activities		
Additions to intangible assets	-	(10,136)
Additions to other investments	-	4
Purchase of property, plant and equipment	(1,142)	(134)
Proceeds from disposal of property, plant and equipment	182	-
Proceeds from disposal of subsidiaries	-	(7)
Interest received	432	825
	<u>(528)</u>	<u>(9,448)</u>
Net cash used in investing activities		
Financing activities		
Interest paid	(91)	(83)
Proceeds from issuance of share capital	116,400	12,129
Repayment of lease liabilities	(512)	(660)
	<u>115,797</u>	<u>11,386</u>
Net cash generated from financing activities		
CASH AND CASH EQUIVALENTS		
Net changes	93,864	1,082
Effects of changes in foreign exchange rate	(641)	652
Brought forward	19,189	17,455
	<u>112,412</u>	<u>19,189</u>
Carried forward		



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CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	30.06.2021	Year ended	30.06.2020
	RM'000		RM'000
Cash and cash equivalents at the end of the financial year comprise the following:-			
Cash and bank balances	96,964		4,062
Fixed deposits with maturity of three months or more	15,448		15,127
	<u>112,412</u>		<u>19,189</u>

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 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 2020 (“FYE”) 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. the Company had completed the share consolidation of every existing 10 units of ordinary shares in the Company into 1 unit of ordinary shares.
- b. the Company issued 794,323,417 new ordinary shares pursuant to the rights issue exercise.

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.

	Matured markets RM'000	Emerging markets RM'000	Elimination RM'000	Total RM'000
Revenue				
Sales to external customers	2,556	2,151	-	4,707
Inter-segment sales	-	-	(599)	(599)
Total revenue	2,556	2,151	(599)	4,108
Results				
Loss before tax	(13,725)	(54)	1,887	(11,892)
Tax expenses	-	-	-	-
Loss for the period	(13,725)	(54)	1,887	(11,892)

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

There were no other material events subsequent to the end of the current financial quarter up to 27 Aug 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 30.06.2021 RM'000	As at 30.06.2020 RM'000
<u>Level 1</u> Other investments	704	805

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

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 30 June 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 or Loss and Other Comprehensive Income

Group Results	INDIVIDUAL QUARTER Quarter Ended			CUMULATIVE QUARTER Year Ended		
	30.06.2021 RM'000	30.06.2020 RM'000	Changes (%)	30.06.2021 RM'000	30.06.2020 RM'000	Changes (%)
Revenue	1,261	1,6164	-24.2	4,108	9,178	-55.2
Gross profit	250	1,092	-77.1	925	3,671	-74.8
Loss before tax	(870)	(22,150)	-96.1	(11,892)	(27,065)	-56.1

The Group registered revenue of RM1.26 million for the three (3) months ended 30 June 2021. It marked a decrease of 24.2% or RM0.40 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 twelve (12) months year ended 30 June 2021, the Group recorded loss before tax of RM11.80 million, the decrease was mainly due to last cumulative quarter having impairment losses on intangible assets and impairment losses on financial assets.

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

	Quarter Ended	
	30.06.2021 (unaudited) RM'000	31.03.2021 (unaudited) RM'000
Revenue	1,261	424
Loss before tax	(870)	(6,508)

The Group recorded loss before tax of RM0.87 million during the financial quarter comparing to loss before tax RM6.50 million in the preceding quarter which largely resulted by the share based payment expenses of RM3.08 million in the immediate preceding quarter.

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B3. Commentary on Prospects

The Malaysian government recently announced National Recovery Plan and updating Standard Operating Procedures (SOPs) for Phase 1, Phase 2 and Phase 3 for various industries to be reopened in states and federal territories, this will drive the country's economic growth. Although this pandemic is ongoing, 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 due to new variants, the Group remains 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 20,000 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.

B7. Tax Expenses

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

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B8. Status of Corporate Proposals

On 22 April 2021, the Company's existing number of 1,323,956,839 Shares has been consolidated into 132,395,674 Consolidated Shares (*after disregarding the fractional entitlements arising from the Share Consolidation*), pursuant to the Share Consolidation.

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.

On 10 June 2021, the Rights Issue with Warrants is completed with the listing and quotation of 794,323,417 Rights Shares and 397,161,708 Warrants D on the ACE Market of Bursa Securities.

Other than disclosure above, there are no corporate proposals announced but not completed as at 27 August 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
Total	76,243	68,743	7,500				

In the process of revising the unutilised funds term and conditions

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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	3,000	50	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
Total	4,150	4,100	50				

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
Total	14,821	10,200	4,621				

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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	500	3,900	within 6 months	-	-	N/A
Set up of clean room and cold storage facility	2,000	-	2,000	within 12 months	-	-	N/A
Working capital for the Distribution and Sale of Test Kits Business	400	196	204	within 24 months	-	-	N/A
Expenses in relation to the Private Placement January 2021	400	400	-	Immediate	-	-	N/A
Total	7,200	1,096	6,104				

v) On 3 June 2021, the Company had raised a total proceed of RM79.4 million from the rights issue by issuance of 794,323,417 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	%	
Expansion of the distribution and sale of Test Kits	10,000	-	10,000	within 12 months	-	-	N/A
Funding of the Wellness Business	56,000	-	56,000	within 36 months	-	-	N/A
Working capital	12,432	-	12,432	within 24 months	-	-	N/A
Expenses in relation to the Corporate Exercise	1,000	1,000	-	Immediate	-	-	N/A
Total	79,432	1,000	78,432				

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B10. Borrowings and Debts Securities

There were no borrowings or debt securities in the Group as at 30 June 2021.

B11. Material Litigation

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

B12. Dividends

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

B13. Losses per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended		Year Ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Losses attributable to ordinary shareholders of the Company (RM'000)	(1,094)	(22,131)	(11,934)	(26,977)
Weighted average number of ordinary shares in issue ('000)	926,719	706,903	962,724	522,670
Basic & diluted losses per share (sen)	(0.12)	(3.13)	(1.24)	(5.16)

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 30.06.2021 RM'000	Preceding Year Quarter 30.06.2020 RM'000	Current Year To Date 30.06.2021 RM'000	Preceding Year To Date 30.06.2020 RM'000
Interest income	(377)	(616)	(432)	(825)
Gain on disposal of subsidiaries	-	(16,438)	-	(21,463)
Loss on disposal of property, plant and equipment	4	-	4	-
Other income	-	(2,057)	(454)	(3,446)
Depreciation and amortisation	735	512	2,482	3,893
Foreign exchange losses/(gain)	(1,403)	(1,097)	664	(1,643)
Impairment losses on financial assets	6	24,643	6	31,706
Impairment losses on intangible assets	-	12,351	-	12,547
Interest expenses	(5)	106	91	83
Property, plant and equipment written off	93	-	93	-
Share based payment expenses	-	5,202	4,588	5,222
Revaluation loss/(gain) on other investment	282	(496)	101	(311)



MTOUCHE TECHNOLOGY BERHAD
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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.

B16. Trade Receivables

	As at 30.06.2021 RM'000	As at 30.06.2020 RM'000
Neither past due nor impaired	1,031	667
Past due but not impaired:		
1-30 days	118	280
31-60 days	57	338
61-90 days	565	40
91-365 days	-	25
More than 365 days	29	5,694
Past due and impaired	19,228	14,617
	21,028	21,661

By Order of the Board,

NG SALLY (MAICSA 7060343)
TEO MEE HUI (MAICSA 7050642)
Company Secretary
30 August 2021