

WAJA KONSORTIUM BERHAD

**INTERIM FINANCIAL STATEMENTS
FOR THE SIXTH QUARTER ENDED
30 JUNE 2023**

WAJA KONSORTIUM BERHAD
Company no. 200301016513 (618933-D)
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE
SIXTH QUARTER ENDED 30 JUNE 2023**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30 JUNE 2023 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 JUNE 2023 RM'000	CURRENT YEAR TO-DATE 30 JUNE 2023 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30 JUNE 2023 RM'000
Continuing operations					
Revenue	B1	15,872	-	58,092	-
Cost of sales		(12,866)	-	(53,603)	-
Gross profit		3,006	-	4,489	-
Other income		(9)	-	563	-
Administration expense		(24,934)	-	(29,698)	-
Distribution and selling expenses		-	-	-	-
Other expenses		(1,886)	-	(2,147)	-
(Loss)/Profit from operations		(23,823)	-	(26,793)	-
Finance costs, net		(10)	-	(55)	-
(Loss)/Profit before tax	B1	(23,833)	-	(26,848)	-
Income tax income/(expense)	B5	(548)	-	(697)	-
(Loss)/Profit from continuing operations		(24,381)	-	(27,545)	-
Discontinued operations					
Loss from discontinued operations, net of tax	B9	(5,943)	-	(17,893)	-
Loss for the period		(30,324)	-	(45,438)	-
Other comprehensive (expenses)/income					
Foreign currency translation differences for foreign operation		1,080	-	(140)	-
Total comprehensive expenses for the year		(29,244)	-	(45,578)	-
(Loss)/Profit attributable to:					
Owners of the Company					
from continuing operations		(22,742)	-	(26,139)	-
from discontinued operations		(5,943)	-	(17,893)	-
		(28,685)	-	(44,032)	-
Non-controlling interests		(1,639)	-	(1,406)	-
		(30,324)	-	(45,438)	-
Total comprehensive (expenses)/ income attributable to:					
Owners of the Company					
from continuing operations		(21,522)	-	(26,139)	-
from discontinued operations		(6,083)	-	(18,033)	-
		(27,605)	-	(44,172)	-
Non-controlling interests		(1,639)	-	(1,406)	-
		(29,244)	-	(45,578)	-
(Loss)/Profit per ordinary share attributable to Owners of the Company					
Basic (loss)/profit per ordinary share (sen)					
from continuing operations	B10 (i)	(2.23)	-	(2.71)	-
from discontinued operations	B10 (i)	(0.58)	-	(1.86)	-
		(2.81)	-	(4.57)	-
Diluted (loss)/profit per ordinary share (sen)					
from continuing operations	B10 (ii)	-	-	-	-
from discontinued operations	B10 (ii)	-	-	-	-
		-	-	-	-

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial statements.

The financial year end of the Group has been changed from 31 December to 30 June. Therefore, there will be no comparative financial information for corresponding quarter and preceding year.

WAJA KONSORTIUM BERHAD
Company no. 200301016513 (618933-D)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS FOR THE
SIXTH QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 30 JUNE 2023 (UNAUDITED) RM'000	AS AT 31 DECEMBER 2021 (AUDITED) RM'000
Note		
ASSETS		
Non-current assets		
Plant and equipment	34	1,143
Right-of-use assets	563	2,847
Other investment	824	334
Goodwill	1,758	
Deferred tax assets	47	-
	3,226	4,324
Current assets		
Inventories	-	4,960
Contract assets	32,119	5,712
Contract costs	-	972
Trade receivables	4,270	35,496
Other receivables	5,591	1,452
Tax recoverable	31	162
Short term investments	285	4,824
Deposits, cash and bank balances	8,337	14,348
Total current assets	50,633	67,926
TOTAL ASSETS	53,859	72,250
EQUITY AND LIABILITIES		
Equity		
Share capital	113,357	90,893
Fair value reserve	-	(1,080)
Foreign currency translation reserve	-	1,220
ESOS reserve	2,120	-
Accumulated losses	B10 (78,279)	(50,256)
Equity attributable to owners of the Company	37,198	40,777
Non-controlling interests	(238)	1,176
TOTAL EQUITY	36,960	41,953
Non-current liabilities		
Lease liabilities	310	1,033
	310	1,033
Current liabilities		
Lease liabilities	115	1,768
Contract liabilities	195	245
Trade payables	12,850	21,435
Other payables	3,045	5,694
Tax payable	384	122
Total current liabilities	16,589	29,264
TOTAL LIABILITIES	16,899	30,297
TOTAL EQUITY AND LIABILITIES	53,859	72,250
Net assets per share (RM)	0.03	0.05

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial statements.

WAJA KONSORTIUM BERHAD
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**INTERIM FINANCIAL STATEMENTS FOR THE
SIXTH QUARTER ENDED 30 JUNE 2023**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Note	Attributable to owners of the Company							Accumulated Losses RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	ICPS - Equity Component RM'000	Warrants Reserve RM'000	Fair Value Reserve RM'000	Foreign Exchange Reserve RM'000	ESOS disposal Reserve RM'000	Reserve of disposal group held for sale RM'000				
At 1 January 2021	63,201	3,896	1,971	(1,080)	1,419	-	(1,072)	(23,787)	44,548	(2,037)	42,511
Loss for the financial year	-	-	-	-	-	-	-	(24,557)	(24,557)	808	(23,749)
Other comprehensive (expenses)/income:											
Foreign currency translation differences for foreign operations	-	-	-	-	(199)	-	1,072	-	873	-	873
Total comprehensive (expenses)/income	-	-	-	-	(199)	-	1,072	(24,557)	(23,684)	808	(22,876)
Transactions with Owners of the Company											
Issuance of ordinary shares pursuant to:											
- conversion of ICPS	19,663	(4,973)	-	-	-	-	-	-	14,690	-	14,690
- exercise of Warrant-A	3,691	-	-	-	-	-	-	-	3,691	-	3,691
- exercise of Warrant-B	4,483	-	(1,846)	-	-	-	-	-	2,637	-	2,637
Lapse of Warrants-B	-	-	(125)	-	-	-	-	125	-	-	-
Arising from dilution of equity interest in subsidiary company	-	-	-	-	-	-	-	(2,037)	(2,037)	2,405	368
Effects on deferred tax asset on conversion of ICPS	(61)	(295)	-	-	-	-	-	-	(356)	-	(356)
Reclassification from ICPS liability component	(84)	1,372	-	-	-	-	-	-	1,288	-	1,288
Total transaction with Owners of the Company	27,692	(3,896)	(1,971)	-	-	-	-	(1,912)	19,913	2,405	22,318
At 31 December 2021	90,893	-	-	(1,080)	1,220	-	-	(50,256)	40,777	1,176	41,953
At 1 January 2022	90,893	-	-	(1,080)	1,220	-	-	(50,256)	40,777	1,176	41,953
Loss for the financial year	-	-	-	-	-	-	-	(44,032)	(44,032)	(1,406)	(45,438)
Other comprehensive (expenses)/income:											
Foreign currency translation differences for foreign operations	-	-	-	1,080	(1,220)	-	-	-	(140)	-	(140)
Total comprehensive expenses	-	-	-	1,080	(1,220)	-	-	(44,032)	(44,172)	(1,406)	(45,578)
Transactions with Owners of the Company											
Issuance of ordinary shares pursuant to:											
- Private Placement	8,194	-	-	-	-	-	-	-	8,194	-	8,194
- exercise of ESOS options	14,270	-	-	-	-	(21,009)	-	16,009	9,270	-	9,270
Issuance of ESOS options	-	-	-	-	-	23,129	-	-	23,129	-	23,129
Arising from dilution of equity interest in subsidiary company	-	-	-	-	-	-	-	-	-	(8)	(8)
Total transaction with Owners of the Company	22,464	-	-	-	-	2,120	-	16,009	40,593	(8)	40,585
At 30 June 2023	113,357	-	-	-	-	2,120	-	(78,279)	37,198	(238)	36,960

The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial statements.

WAJA KONSORTIUM BERHAD
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**INTERIM FINANCIAL STATEMENTS FOR THE
SIXTH QUARTER ENDED 30 JUNE 2023**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	CURRENT PERIOD-TO-DATE 30 JUNE 2023 RM'000	PRECEDING YEAR CORRESPONDING CUMULATIVE PERIOD 30 JUNE 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax		
- continuing operations	(26,848)	-
- discontinued operations	(17,889)	-
	(44,737)	-
<i>Adjustments for:</i>		
Depreciation of plant and equipment	190	-
Depreciation of right-of-use assets	1,546	-
Loss on disposal of investment	1,080	-
Loss on disposal of plant and equipment	101	-
Loss on disposal of a subsidiary	9,401	-
Interest income	(350)	-
Allowance for impairment of former subsidiaries	5,990	-
Plant & equipment written off	158	-
Recovery of goods written off	(124)	-
Impairment of goodwill	800	-
Gain on lease termination on right-of-use assets	(23)	-
Gain on foreign exchange - unrealised	(39)	-
Loss on fair value in quoted shares	176	-
Share based payment	23,129	-
Lease interest	82	-
	(2,620)	-
Operating (loss)/profit before working capital changes		
Inventories	-	-
Receivables	15,897	-
Payables	(12,820)	-
Contract assets/(liabilities)	(26,497)	-
Contract costs	972	-
	(25,068)	-
Cash used in operations		
Interest paid	(82)	-
Income tax paid	(454)	-
	(25,604)	-
Net cash used in operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition in other investment	(1,000)	-
Interest received	350	-
Proceeds from disposal of plant and equipment	130	-
Proceeds from disposal of subsidiary	11	-
Purchase of plant and equipment	(68)	-
	(577)	-
Net cash used in investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from a related party	(53)	-
Proceeds from issuance of ordinary shares pursuant to placement	8,194	-
Exercise of ESOS	9,270	-
Acquisition of equity interest from NCI	(255)	-
Repayment of lease liabilities	(1,807)	-
	15,349	-
Net cash used in financing activities		
Net decrease in cash and cash equivalents	(10,832)	-
Effects of exchange rate changes	282	-
Cash and cash equivalents at beginning of financial year	19,172	-
Cash and cash equivalents at end of financial year	8,622	-
Cash and cash equivalents comprise the followings		
Short term investment	285	-
Cash on hand and at banks	8,273	-
Deposits with licensed bank	64	-
	8,622	-

The unaudited condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial statements.

The financial year end of the Group has been changed from 31 December to 30 June. Therefore, there will be no comparative financial information for corresponding quarter and preceding year.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023**

**PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS
 (“MFRS”) 134 ON INTERIM FINANCIAL REPORTING**

A1 BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the requirement of MFRS134: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

As announced on 30 September 2022, the financial year end of the Group has been changed from 31 December to 30 June.

A2 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted as disclosed in the Group’s annual audited financial statements for the year ended 31 December 2021.

The Group has adopted the new and revised Malaysian Financial Reporting Standards (“**MFRSs**”) and IC Interpretations that became mandatory for the current reporting period. The adoption of these new and revised MFRSs and IC Interpretations does not result in significant changes in the accounting policies of the Group.

A3 AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

There was no audit qualification on the respective financial statements of the Company and its subsidiaries for the financial year ended 31 December 2021.

A4 SEASONALITY OR CYCLICALITY OF OPERATIONS

The business of the Group is such that some of its products, particularly those relating to digital equipment are subjected to seasonal variations. Demand for these products tends to increase in the second half of the year. However, it is pertinent to note that the demand of the Group’s products is also dependent on the actual overall global economic environment; and the turnaround time of product delivery. Further explanation notes are disclosed in Note B1.

A5 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

During the current financial period under review, there were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows that are unusual by reasons of their nature, size or incidence, except those disclosed in Note A14.

A6 MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates that have had effect on the current financial year under review.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023**

**PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS
 (“MFRS”) 134 ON INTERIM FINANCIAL REPORTING (CONT'D)**

**A7 ISSUANCE, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENT OF DEBT AND
EQUITY SECURITIES**

During the financial period under review, the number of issued shares capital of the Company was increased from 896,074,148 to 1,085,134,148 by way of allotment and issuance of:

- On 17 May 2022, 89,060,000 new ordinary shares arising from placement of up to 10% of the total number of issued shares.
- On 20 June 2023 and 27 June 2023, 40,000,000 and 60,000,000 of new ordinary shares were issued respectively under the Employees’ Share Option Scheme of the Company (“ESOS”) at the exercise price of RM0.0927 per ordinary share.

A8 VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no revaluation on any of the Group's property, plant and equipment during the current financial period under review. The valuation of property, plant and equipment has been brought forward, without amendment from the previous audited financial statements.

A9 DIVIDENDS

There was no dividend declared or paid during the current financial period under review.

A10 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM REPORTING PERIOD

Save as disclosed below and in Notes A14 and B6, there were no other material events subsequent to the end of the current quarter.

A11 CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There was no contingent liabilities and contingent assets since the last audited financial report and up to the date of this report.

A12 CAPITAL COMMITMENTS

There were no capital commitments as at the current financial period under review.

WAJA KONSORTIUM BERHAD (“WAJA” or the “Company”)
Company No. 200301016513 (618933-D)
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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023

PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS (“MFRS”) 134 ON INTERIM FINANCIAL REPORTING

A13 SEGMENTAL INFORMATION

	Malaysia - continuing RM'000	Malaysia - discontinued RM'000	China - discontinued RM'000	Singapore - discontinued RM'000	USA - discontinued RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
30 JUNE 2023								
REVENUE								
External sales:								
- Interconnect	-	-	-	1,863	25,803	27,666	-	27,666
- General construction	57,984	-	-	-	-	57,984	-	57,984
- ICT services	108	1,433	-	-	-	1,541	-	1,541
	<u>58,092</u>	<u>1,433</u>	<u>-</u>	<u>1,863</u>	<u>25,803</u>	<u>87,191</u>	<u>-</u>	<u>87,191</u>
RESULTS								
Operating profit/(loss)	(26,793)	(8,951)	-	(4,081)	(4,830)	(44,655)	-	(44,655)
Finance cost, net	(55)	(2)	-	-	(25)	(82)	-	(82)
Profit/(Loss) before tax	(26,848)	(8,953)	-	(4,081)	(4,855)	(44,737)	-	(44,737)
Taxation	(697)	-	-	-	(4)	(701)	-	(701)
Profit/(Loss) after tax	(27,545)	(8,953)	-	(4,081)	(4,859)	(45,438)	-	(45,438)
Minority interest	1,406	-	-	-	-	1,406	-	1,406
Net profit/(loss) attributable to owners of the Company	<u>(26,139)</u>	<u>(8,953)</u>	<u>-</u>	<u>(4,081)</u>	<u>(4,859)</u>	<u>(44,032)</u>	<u>-</u>	<u>(44,032)</u>
ASSETS AND LIABILITIES								
Segment assets								
Consolidated total assets	87,171	-	-	-	-	87,171	(33,312)	53,859
Segment liabilities								
Consolidated total liabilities	44,220	-	-	-	-	44,220	(27,321)	16,899
OTHER INFORMATION								
Depreciation	366	12	-	77	1,281	1,736	-	1,736
Capital expenditure	24	12	-	-	32	68	-	68

The financial year end of the Group has been changed from 31 December to 30 June. Therefore, there will be no comparative financial information for corresponding quarter and preceding year.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023

PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS (“MFRS”) 134 ON INTERIM FINANCIAL REPORTING (CONT’D)

A14 CHANGES IN THE COMPOSITION OF THE GROUP

Save for below, there was no change in the composition of the Group during the financial year-to-date.

1. The Company had on 3 October 2022, entered into a Share Sale and Purchase Agreement (“Agreement”) with Mrs. Goh Mee Chin (“Purchaser”) to dispose the entire issued share capital of SGD10,290,903.00 of Rapid Conn (S) Pte. Ltd. (“RCS”) for a total consideration of RM10,000.00 only (“Consideration”), subject to and upon the terms and conditions of the Agreement (“Proposed Disposal”).
2. On 31 October 2022, the Company had entered into a Share Sale and Purchase Agreement (“Agreement”) with Mr. Hooi Den Yen (“Purchaser”) to dispose the entire issued share capital of RM10,500,000.00 of Connect Tech Sdn. Bhd. (“CTSB”) for a total consideration of RM100.00 only (“Consideration”), subject to and upon the terms and conditions of the Agreement (“Proposed Disposal”).
3. On 31 October 2022, the Company had entered into a Share Sale and Purchase Agreement (“Agreement”) with Mrs. Goh Mee Fong (“Purchaser”) to dispose the entire issued share capital of USD731,580.00 of Rapid Conn Inc. (“RCI”) for a total consideration of USD100.00 only (“Consideration”), subject to and upon the terms and conditions of the Agreement (“Proposed Disposal”).
4. The wholly-owned subsidiary of the Company, Waja Development Sdn. Bhd. (“WDSB”) had on 17 March 2023 incorporated a new majority-owned subsidiary, namely Waja Properties Sdn. Bhd. (“WPSB”). WDSB is holding 680 ordinary shares of RM1 each representing 68% of total paid-up share capital
5. The Company had on 10 April 2023 entered into a conditional share sale agreement with Liu Sai Sum, Ooi Jen Liang and Tan Chai Yoong for the proposed acquisition of 51,000 ordinary shares in Oceantec Sdn Bhd (“Oceantec”), representing 51% equity interest in Oceantec, for a cash consideration of RM2.55 million (“Proposed Oceantec Acquisition”).

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA SECURITIES FOR THE ACE MARKET

B1 REVIEW OF PERFORMANCE

	Individual Quarter	Cumulative Quarter
	Current Year	Current Year
	Quarter	To-Date
	30 June	30 June
	2023	2023
	RM'000	RM'000
Continuing operations		
Revenue:		
- General construction	15,764	57,984
- ICT services	108	108
	15,872	58,092
Operating loss	(23,823)	(26,793)
(Loss)/Profit before tax	(23,833)	(26,848)
Loss after tax	(24,381)	(27,545)
Discontinued operations		
Loss from discontinued operations, net of tax	(5,943)	(17,893)
Loss for the period	(30,324)	(45,438)
Loss attributable to owners of the company		
- from continuing operations	(22,742)	(26,139)
- from discontinued operations	(5,943)	(17,893)
	(28,685)	(44,032)

The following average exchange rates were used in the calculation of currency translation:

USD:RM	4.3933
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Current Year-To-Date vs Preceding Year Corresponding Period

Overall Review of Group's Financial Performance

For the current financial period ended 30 June 2023, the Group's revenue and loss before tax were RM58.1 million and RM26.8 million respectively.

Higher loss before tax was mainly due to share-based payment of RM23.1 million arising from issuance of ESOS options, loss on disposal of other investment of RM1.1 million and impairment of goodwill of RM0.8 million.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA SECURITIES FOR THE ACE MARKET (CONT'D)

B2 COMPARISON WITH PRECEDING QUARTER'S RESULTS

	Current Quarter	Immediate	
	30 June	Preceding Quarter	
	2023	31 March	%
	RM'000	2023	
	RM'000	RM'000	
Continuing operations			
Revenue:			
- General construction	15,764	6,100	-158.4%
- ICT services	108	-	
	<u>15,764</u>	<u>6,100</u>	-158.4%
Operating Profit/ (Loss)	(23,823)	(572)	-4064.9%
Profit/ (Loss) before tax	(23,833)	(579)	-4016.2%
Profit/ (Loss) after tax	(24,381)	(619)	-3838.8%
Discontinued operations			
Loss from discontinued operations, net of tax	(5,943)	(4,061)	-46.3%
Loss for the period	<u>(30,324)</u>	<u>(4,680)</u>	-547.9%

In current quarter, the Group recorded a revenue of RM15.8 million and a loss before tax of RM23.8 million as compared to the revenue and loss before tax at RM6.1 million and RM0.6 million respectively for the preceding quarter ended 31 March 2023.

The increase in revenue was mainly due to the higher progressive work done cost in current quarter.

Higher loss before tax was mainly due to share-based payment of RM23.1 million arising from issuance of ESOS options, loss on disposal of other investment of RM1.1 million and impairment of goodwill of RM0.8 million. It was partially set-off by profit made in Construction segment of approximately RM0.9 million.

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WAJA KONSORTIUM BERHAD (“WAJA” or the “Company”)
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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA SECURITIES FOR THE ACE MARKET (CONT'D)**

B3 PROSPECTS FOR THE FINANCIAL YEAR 2023

The Company anticipate a challenging outlook due to continuing issues in labour shortages, higher construction’s material and labour costs for on-going projects.

Higher costs may lead to the deferring of new project launch which may affect our project tenders. Nevertheless, the Company remain vigilant by undertaking necessary measures to mitigate the adverse impacts.

We are cautious of performance in construction business to improve and broaden our earning base to achieve improved financial performance.

B4 VARIANCE OF FORECAST AND PROFIT GUARANTEE

The Group did not issue any profit forecast or profit guarantee and thus this is not applicable to the Group.

B5 TAXATION

	Quarter Ended	Year to Date
	30 June	30 June
	2023	2023
	RM'000	RM'000
Domestic		
- current year's taxation	(556)	(706)
- prior year's taxation	-	1
Deferred taxation	8	8
	(548)	(697)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA SECURITIES FOR THE ACE MARKET (CONT'D)**

B6 STATUS OF CORPORATE PROPOSAL (CONT'D)

Save as disclosed below, there were no other corporate proposals announced but not completed as at to-date.

Placement, Diversification, ESOS and Change of Name (“Proposals”)

On behalf of the Board of Directors, Mercury Securities Sdn Bhd has on 13 April 2021 announced that the Company proposes to undertake the following:

1. Proposed placement of up to 30% of Company’s total number of issued shares;
2. Proposed diversification of the principal activities of Company and its subsidiaries (“Group”) to Include the undertaking of construction, project management and related activities;
3. Employees’ share option scheme (“ESOS”) Involving up to 30% of total number of issued shares;
4. Proposed change of name of the Company from “ConnectCounty Holdings Berhad” To “Waja Konsortium Berhad” (“Proposed Change of Name”)

(Collectively, referred to as the “**Proposals**”)

The proposals were approved by shareholders at Extraordinary General Meeting on 15 June 2021. Subsequently, the effective date for the implementation of the ESOS has been fixed on 16 June 2021, being the date of full compliance of the ESOS and the proposed change of name effected on 28 July 2021.

The Board had on 29 April 2022 (“Price Fixing Date”), fixed the issue price at RM0.092 per Placement Share (“Issue Price”).

The Issue Price represented a discount of approximately 9.2% to the 5-day VWAMP of the Shares up to and including 28 April 2022, being the last full trading day immediately prior to the Price Fixing Date, of RM0.1013 per Share.

Subsequently on 17 May 2022, the Company had completed the Placement on the ACE Market of Bursa Malaysia Securities Berhad following the listing of and quotation for 89,060,000 Shares on the ACE Market of Bursa Securities.

The Company raised actual total gross proceeds of RM8,193,520 and the utilisation of which has been revised accordingly.

WAJA KONSORTIUM BERHAD (“WAJA” or the “Company”)
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(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023**

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA SECURITIES FOR THE ACE MARKET (CONT'D)**

B6 STATUS OF CORPORATE PROPOSAL (CONT'D)

Placement, Diversification, ESOS and Change of Name (“Proposals”) (Cont'd)

As at 23 August 2023, the status of utilisation of proceeds is as follow: -

Description	Proposed Utilisation RM'000	Revised Utilisation RM'000	Actual Utilisation as at 22 Feb 2023 RM'000	Balance RM'000	Intended Timeframe for Utilisation of Proceeds
Construction Business	43,459	3,519	3,519	-	Completed
Working capital	3,152	3,152	3,152	-	Completed
Estimated expenses	1,523	1,523	1,523	-	Completed
Total	48,134	8,194	8,194	-	

ESOS

The details of the options over ordinary shares of the Company are as follows:

	Granted	Lapsed	Exercised	Outstanding as at 30 June 2023
2022 Feb Option	268,822,243	(268,822,243)	-	-
2022 Dec Option	140,000,000	-	(100,000,000)	40,000,000
	<u>Exercise price</u> (RM) - 0.0927		<u>Exercise period</u> 20-06-2023 - 27-06-2023	

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BURSA SECURITIES FOR THE ACE MARKET (CONT'D)

B7 MATERIAL LITIGATIONS

There is no pending material litigation as at the date of this announcement.

B8 DIVIDENDS

The Directors did not propose any dividends as at the date of this announcement.

B9 DISCONTINUED OPERATIONS

Analysis of the results of the discontinued operations is as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	YEAR TO DATE
	30 JUNE 2023
	RM'000
Revenue	29,285
Cost of sales	(23,236)
Gross profit	<u>6,049</u>
Other income	1,498
Administration expense	(8,415)
Distribution and selling expenses	(2,147)
Other expenses	(14,803)
Loss from operations	<u>(17,818)</u>
Finance costs, net	(71)
Loss before tax	<u>(17,889)</u>
Income tax expense	(4)
Loss for the period	<u><u>(17,893)</u></u>

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023**

**PART C: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA SECURITIES FOR THE ACE MARKET (CONT'D)**

B10 LOSS PER SHARE (“LPS”)

(i) Basic LPS

The Basic loss per share amounts are calculated by dividing loss from the continuing and discontinued operations for the financial year net of tax, attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

The following reflect the loss and shares data used in the computation of basic loss per share for the period ended 30 June:

	Quarter Ended	Year to Date
	30 June	30 June
	2023	2023
	RM'000	RM'000
Net loss attributable to shareholders		
- from continuing operations	(22,742)	(26,139)
- from discontinued operations	(5,943)	(17,893)
	(28,685)	(44,032)
Weighted average number of ordinary shares ('000 in units)	1,018,101	964,581
- from continuing operations	(2.23)	(2.71)
- from discontinued operations	(0.58)	(1.86)
Basic loss per share (sen)	(2.81)	(4.57)

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
30 JUNE 2023

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA SECURITIES FOR THE ACE MARKET (CONT'D)

B10 LOSS PER SHARE (“LPS”) (CONT'D)

(ii) Diluted LPS

Diluted earnings per share amounts are calculated by dividing profit from continuing and discontinued operations for the financial year, net of tax, attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	Quarter Ended	Year to Date
	30 June	30 June
	2023	2023
	RM'000	RM'000
Net loss attributable to shareholders		
- from continuing operations	(22,742)	(26,139)
- from discontinued operations	(5,943)	(17,893)
	(28,685)	(44,032)
Weighted average number of shares ('000 in units)	1,018,101	964,581
Add assuming:		
Exercise of ESOS	40,000	40,000
	1,058,101	1,004,581
- from continuing operations	-*	-*
- from discontinued operations	-*	-*
Diluted loss per share (sen)	-	-

* The diluted loss per ordinary shares are the same as the Company has no dilutive potential ordinary shares.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIXTH QUARTER ENDED
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PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA SECURITIES FOR THE ACE MARKET (CONT'D)

B11 NOTE TO THE STATEMENT OF COMPREHENSIVE INCOME

Loss for the year from continuing operations and discontinued operations was arrived after charging
/(crediting):

	Quarter Ended	Year to Date
	30 June	30 June
	2023	2023
	RM'000	RM'000
Depreciation of plant and equipment	11	190
Depreciation of right-of-use assets	33	1,546
Loss on disposal of other investment	1,080	1,080
Loss on disposal of plant and equipment	-	101
Loss on disposal of a subsidiary	5,943	15,391
Interest income	(3)	(350)
Plant & equipment written off	158	158
Recovery of goods written off	(76)	(124)
Impairment of goodwill	800	800
Loss on lease termination on right-of-use assets	(15)	(23)
(Gain)/Loss on foreign exchange - unrealised	183	(39)
Loss on fair value in quoted shares	16	176
Share based payment	23,129	23,129
Lease interest	15	82