

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR 2ND QUARTER ENDED 31 AUGUST 2020

	INDIVIDUAL QUARTER		YEAR TO DATE	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR	PRECEDING YEAR
	31/8/2020	31/8/2019	31/8/2020	31/8/2019
	RM('000)	RM('000)	RM('000)	RM('000)
REVENUE	2,532	9,728	4,750	15,702
COST OF SALES	(888)	(2,609)	(1,574)	(4,856)
GROSS PROFIT	1,644	7,119	3,176	10,846
OTHER INCOME	480	563	666	7,099
	<u>2,124</u>	<u>7,682</u>	<u>3,842</u>	<u>17,945</u>
ADMINISTRATIVE EXPENSES	(4,649)	(4,171)	(9,030)	(10,962)
SELLING AND DISTRIBUTION EXPENSES	(160)	(287)	(321)	(652)
OTHER EXPENSES	(1,723)	(1,626)	(3,532)	(3,455)
FINANCE COSTS	(547)	(761)	(1,142)	(1,114)
SHARE OF RESULTS - ASSOCIATES	(275)	444	(593)	444
	<u>(5,230)</u>	<u>1,281</u>	<u>(10,776)</u>	<u>2,206</u>
(LOSS)/PROFIT BEFORE TAXATION	(5,230)	1,281	(10,776)	2,206
INCOME TAX EXPENSES	-	-	-	-
	<u>(5,230)</u>	<u>1,281</u>	<u>(10,776)</u>	<u>2,206</u>
(LOSS)/PROFIT AFTER TAXATION	(5,230)	1,281	(10,776)	2,206
OTHER COMPREHENSIVE INCOME, NET OF TAX - FOREIGN CURRENCY TRANSLATION	(30)	(58)	188	282
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD	<u>(5,260)</u>	<u>1,223</u>	<u>(10,588)</u>	<u>2,488</u>
(LOSS)/PROFIT AFTER TAXATION ATTRIBUTED TO:				
Owners of the company	(5,361)	1,071	(10,900)	2,150
Minority Interest	131	210	124	56
	<u>(5,230)</u>	<u>1,281</u>	<u>(10,776)</u>	<u>2,206</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME ATTRIBUTED TO:				
Owners of the company	(5,391)	1,013	(10,712)	2,432
Minority Interest	131	210	124	56
	<u>(5,260)</u>	<u>1,223</u>	<u>(10,588)</u>	<u>2,488</u>
EARNINGS PER SHARE (SEN)				
(a) Basic				
* based on weighted average number of ordinary shares of 1,280,353,241 shares.	(0.42) *	-	(0.85) *	-
** based on weighted average number of ordinary shares of 1,101,813,500 shares.		0.10 **		0.20 **
(b) Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of Eduspec Holdings Berhad for the financial year ended 29 February 2020)

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2020

	(Unaudited) 31-Aug-20 RM('000)	Audited 29-Feb-20 RM('000)
ASSETS		
NON-CURRENT ASSETS		
Investment in associates	2,629	3,223
Property & Equipment	5,073	6,113
Right of use assets	22,995	24,166
Intangible assets	8,637	9,490
Goodwill on consolidation	6,427	6,427
	45,761	49,419
CURRENT ASSETS		
Inventories	28,723	28,834
Trade receivables	2,074	2,356
Other receivables, deposits and prepayments	16,105	13,946
Amount owing by associates	5,202	5,527
Tax recoverable	692	497
Fixed deposits with licensed banks	10,012	12
Cash and bank balances	11,039	564
	73,847	51,736
TOTAL ASSETS	119,608	101,155
EQUITY AND LIABILITIES		
EQUITY		
Share capital	78,598	45,598
Reserves	(24,505)	(13,791)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	54,093	31,807
NON-CONTROLLING INTERESTS	(303)	41
TOTAL EQUITY	53,790	31,848
NON-CURRENT LIABILITIES		
Long-term borrowings	11,326	14,102
Lease liabilities	8,830	9,188
Deferred Taxation	10	10
	20,166	23,300
CURRENT LIABILITIES		
Trade payables	1,720	2,030
Other payables and accruals	18,739	21,072
Short-term borrowings	23,737	20,775
Lease liabilities	898	1,448
Bank overdrafts	558	583
Provision for taxation	-	99
	45,652	46,007
TOTAL LIABILITIES	65,818	69,307
TOTAL EQUITY AND LIABILITIES	119,608	101,155
Net assets per share attributable to ordinary equity holders of the parent (sen)	4.2 *	2.6 **

* based on weighted average number of ordinary shares of 1,280,353,241 shares.

** based on weighted average number of ordinary shares of 1,232,952,429 shares.

Note: Following the reverse acquisition, the current year balance sheet is prepared using Reverse Acquisition Accounting principles.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of Eduspec Holdings Berhad for the financial year ended 29 February 2020)

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
(Incorporated in Malaysia)

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR 2ND QUARTER ENDED 31 AUGUST 2020

(The figures have not been audited)

	Share Capital	Redeemable Convertible Preference Shares	Reverse Acquisition Reserve	Foreign Exchange Translation Reserve	Retained Profits/ (Accumulated Loss)	Total	Minority Interest	Total
	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)
<u>2nd Quarter ended 31 August 2020</u>								
Balance at 1 June 2020	50,098	500	(18,570)	589	(1,131)	31,486	34	31,520
Total comprehensive income for the quarter	-	-	-	(30)	(5,361)	(5,391)	131	(5,260)
Issuance of RCPS	-	28,000	-	-	-	28,000	-	28,000
Conversion of RCPS	28,500	(28,500)	-	-	-	-	-	-
Preference shares dividend declared	-	-	-	-	(2)	(2)	-	(2)
Acquisition of subsidiary	-	-	-	-	-	-	(468)	(468)
Balance at 31 August 2020	<u>78,598</u>	<u>-</u>	<u>(18,570)</u>	<u>559</u>	<u>(6,494)</u>	<u>54,093</u>	<u>(303)</u>	<u>53,790</u>
<u>1st Quarter ended 31 May 2020</u>								
Balance at 1 March 2020	45,598	-	(18,570)	371	4,408	31,807	41	31,848
Total comprehensive income for the quarter	-	-	-	218	(5,539)	(5,321)	(7)	(5,328)
Issuance of RCPS	-	5,000	-	-	-	5,000	-	5,000
Conversion of RCPS	4,500	(4,500)	-	-	-	-	-	-
Balance at 31 May 2020	<u>50,098</u>	<u>500</u>	<u>(18,570)</u>	<u>589</u>	<u>(1,131)</u>	<u>31,486</u>	<u>34</u>	<u>31,520</u>

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER 1 JUNE 2020 TO 31 AUGUST 2020

(The figures have not been audited)

	(Unaudited) CURRENT YEAR QUARTER 31-Aug-20 RM('000)	(Unaudited) PRECEDING YEAR QUARTER 31-Aug-19 RM('000)
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss Before Taxation	(5,230)	1,281
Adjustments for:		
Amortisation of development costs	993	923
Depreciation of Plant and equipment	548	700
Depreciation of right of use assets	181	-
Fair value gain of investment of associates	-	(80)
Fixed assets written off	-	3
Gain on disposal of subsidiary	-	(150)
Interest expenses	547	761
Allowance for impairment losses on:		
- Other receivables	-	17
Share of results: -		
- Associates	275	(444)
Unrealized foreign exchange (gain)/loss	(266)	308
Operating (loss)/profit before working capital changes	(2,952)	3,319
Decrease in inventories	70	1,022
Increase in trade and other receivables	(3,091)	(4,848)
(Decrease)/Increase in trade and other payables	(3,066)	475
Decrease in associates	14	513
CASH (USED IN)/FROM OPERATIONS	(9,025)	481
Income tax paid	(219)	(99)
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	(9,244)	382
CASH FLOWS USED IN INVESTING ACTIVITIES		
Development costs incurred,net	(339)	(230)
Purchase of plant and equipment	-	(361)
Advances to associates	(11)	(9)
Net cash inflow for disposal of subsidiary	-	150
NET CASH USED IN INVESTING ACTIVITIES	(350)	(450)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(758)	(29)
Repayment of lease liabilities	(647)	-
Proceeds from issuance of RCPS	28,000	-
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	26,595	(29)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	17,001	(97)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL QUARTER	3,522	500
EFFECTS OF FOREIGN CURRENCY EXCHANGE	(30)	(58)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER	20,493	345
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER: -		
	RM('000)	RM('000)
Fixed deposits with a licenced bank	10,012	12
Cash and bank balances	11,039	1,253
Bank Overdraft	(558)	(765)
	20,493	500