

ADVANCE INFORMATION MARKETING BERHAD

(Registration No. 200401006266 (644769-D))

(Incorporated in Malaysia)

FINANCIAL REPORT

UNAUDITED FOR THE 3RD QUARTER

ENDED 30 SEPTEMBER 2024

ADVANCE INFORMATION MARKETING BERHAD
(Registration No. 200401006266 (644769-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024

		As at 30.9.2024	As at 31.12.2023
	Note	<u>RM'000</u>	<u>RM'000</u>
ASSETS			
Non-Current Assets			
Property, plant and equipment	8	7,369	5,499
Right-of-use assets		1,575	1,461
Intangible assets		133	93
Other investments		1,150	3,155
Deferred tax assets		16	16
		<u>10,243</u>	<u>10,224</u>
Current Assets			
Inventories		669	179
Trade receivables		409	520
Other receivables, deposits and prepayments		14,328	287
Contract assets		65	14
Tax recoverable		53	-
Other investment - money market fund		551	19,816
Cash and bank balances		387	9,592
		<u>16,462</u>	<u>30,408</u>
TOTAL ASSETS		<u><u>26,705</u></u>	<u><u>40,632</u></u>
EQUITY			
Share capital		53,511	53,511
Reserves		(30,290)	(23,634)
Equity attributable to owners of the Company		23,221	29,877
Non-controlling interests		(26)	(13)
TOTAL EQUITY		<u><u>23,195</u></u>	<u><u>29,864</u></u>
LIABILITIES			
Non-Current Liabilities			
Employee benefits		17	18
Borrowing and lease liabilities	19	1,688	1,552
Hire purchase		472	-
Deferred tax liabilities		133	133
		<u>2,310</u>	<u>1,703</u>
Current Liabilities			
Trade payables		135	217
Other payables and accruals		303	8,177
Contract liabilities		4	-
Borrowing and lease liabilities	19	732	671
Hire purchase		26	-
Provision for taxation		-	-
		<u>1,200</u>	<u>9,065</u>
TOTAL LIABILITIES		<u><u>3,510</u></u>	<u><u>10,768</u></u>
TOTAL EQUITY AND LIABILITIES		<u><u>26,705</u></u>	<u><u>40,632</u></u>
Net Assets per share (RM)		0.0594	0.3114

This unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2024

	Note	Individual Quarter		Cumulative Quarter	
		Current Quarter 30.09.2024 RM'000	Preceding Year Corresponding Quarter 30.09.2023 RM'000	Current Year To Date 30.09.2024 RM'000	Preceding Year Corresponding Period 30.09.2023 RM'000
Revenue		740	921	2,285	2,612
Cost of sales and services		(597)	(803)	(1,936)	(2,311)
Gross profit		143	118	349	301
Other income		17	113	187	124
Administrative and other operating expenses		(1,424)	(1,073)	(5,013)	(3,431)
Operating loss		(1,264)	(842)	(4,477)	(3,006)
Finance costs		(49)	(30)	(107)	(89)
Loss before taxation	17	(1,313)	(872)	(4,584)	(3,095)
Taxation	18	-	-	-	-
Loss after tax for the period		(1,313)	(872)	(4,584)	(3,095)
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Remeasurement of defined benefit liability		-	-	-	-
Income tax relating to remeasurement of defined benefit liability		-	-	-	-
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Exchange translation differences for foreign operations		(53)	(31)	(80)	(71)
Equity instrument measured at fair value through other comprehensive income ("FVTOCI")		(1,514)	(327)	(2,987)	(982)
Revaluation on property plant and equipment					1,252
Bonus warrants received from equity instrument measured at FVTOCI		-	-	982	-
Total other comprehensive loss for the period		(1,567)	(358)	(2,085)	199
Total comprehensive loss for the period		(2,880)	(1,230)	(6,669)	(2,896)
Loss for the year attributable to:					
Owners of the Company		(1,308)	(872)	(4,571)	(3,095)
Non-controlling interests		(5)	-	(13)	-
		(1,313)	(872)	(4,584)	(3,095)
Total comprehensive loss attributable to:					
Owners of the Company		(2,875)	(1,230)	(6,656)	(2,896)
Non-controlling interests		(5)	-	(13)	-
		(2,880)	(1,230)	(6,669)	(2,896)
Loss per share :-					
- Basic (sen)	24	(0.335)	(0.909)	(1.171)	(3.227)
- Diluted (sen)		(0.454)	(0.909)	(1.587)	(3.227)

This unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

The annexed notes are an integral part of this statement.

ADVANCE INFORMATION MARKETING BERHAD
(Registration No. 200401006266 (644769-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

For the period ended 30 September 2024

	<----- Attributable to owners of the Company ----->							Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Warrant Reserve RM'000	Other reserve RM'000	Revaluation Reserve RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Accumulated Losses RM'000			
Balance as at 1 January 2024	53,511	14,770	(14,770)	1,199	(709)	(1,737)	(22,387)	29,877	(13)	29,864
Loss for the year	-	-	-	-	-	-	(4,571)	(4,571)	(13)	(4,584)
Right issue with warrants	-	-	-	-	-	-	-	-	-	-
Other comprehensive loss for the year	-	-	-	-	(80)	(2,005)	-	(2,085)	-	(2,085)
Total comprehensive loss for the year	-	-	-	-	(80)	(2,005)	(4,571)	(6,656)	(13)	(6,669)
Issuance of shares pursuant to private placement	-	-	-	-	-	-	-	-	-	-
Issuance of shares pursuant to right issues	-	-	-	-	-	-	-	-	-	-
Balance as at 30 September 2024	53,511	14,770	(14,770)	1,199	(789)	(3,742)	(26,958)	23,221	(26)	23,195

For the period ended 30 September 2023

	<----- Attributable to owners of the Company ----->							Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	Ordinary Shares RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Revaluation Reserve RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Accumulated Losses RM'000			
Balance as at 1 January 2023	28,052	-	-	-	(797)	(755)	(17,796)	8,704	-	8,704
Loss for the period	-	-	-	-	-	-	(3,095)	(3,095)	-	(3,095)
Other comprehensive loss for the year	-	-	-	1,252	(71)	(982)	-	199	-	199
Total comprehensive loss for the year	-	-	-	1,252	(71)	(982)	(3,095)	(2,896)	-	(2,896)
Issuance of shares pursuant to private placement	2,046	-	-	-	-	-	-	2,046	-	2,046
Balance as at 30 September 2023	30,098	-	-	1,252	(868)	(1,737)	(20,891)	7,854	-	7,854

This unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

ADVANCE INFORMATION MARKETING BERHAD
(Registration No. 200401006266 (644769-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	Current Year To Date 30.09.2024 RM'000	Preceding Year Corresponding Period 30.09.2023 RM'000
Cash flow from operating activities		
Loss before taxation	(4,584)	(3,095)
Adjustment for:-		
Depreciation of property, plant and equipment	254	159
Right-of-use assets written off	147	-
Depreciation of right-of-use assets	131	122
Interest expense	107	89
Amortisation of intangible assets	56	32
Property, plant and equipment written off	32	-
Gain on lease termination	(168)	-
Fair value gain on other investment - money market fund	(143)	(7)
Interest income	(85)	(1)
	<u>-</u>	<u>-</u>
Operating loss before working capital changes	(4,253)	(2,701)
Increase in inventories	(40)	(14)
Increase in contract assets	(51)	-
Increase in receivables	(14,456)	(589)
Increase in contract liabilities	4	-
(Decrease) / increase in payables	(7,955)	1,113
Cash generated used in operations	(26,751)	(2,191)
Net tax (paid) / refunded	(53)	(57)
Interest received	43	1
Interest paid	(107)	(89)
Net cash generated from / (used in) operating activities	<u>(26,868)</u>	<u>(2,336)</u>
Cash flows from investing activities		
Redemption of other investment - money market fund	20,450	1,029
Acquisition of property, plant and equipment	(1,509)	(8)
Placement to other investment - money market fund	(1,000)	(1,000)
Acquisition of intangible assets	(100)	-
Net cash generated from investing activities	<u>17,841</u>	<u>21</u>
Cash flows from financing activities		
Proceeds from issuance of shares pursuant to private placement	-	2,046
Drawdown of term loan	1,400	-
Repayment of term loan	(1,474)	(32)
Repayment of lease liabilities	(58)	(31)
Repayment of hire purchase	(60)	-
Net cash (used in) / generated from financing activities	<u>(192)</u>	<u>1,983</u>
Net (decrease) / increase in cash and cash equivalents	(9,219)	(332)
Exchange differences on cash and cash equivalents	14	(169)
Cash and cash equivalents at beginning of the year	9,059	567
Cash and cash equivalents at the end of the year	<u>(146)</u>	<u>66</u>
Cash and cash equivalents comprise:		
Cash and bank balances	387	66
Bank overdraft	(533)	-
	<u>(146)</u>	<u>66</u>

This unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting and the provisions of the Companies Act 2016, Interim Financial Reporting and paragraph 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements of the Group should be read in conjunction with the audited financial statements for the financial year ended ("FYE") 31 December 2023. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the FYE 31 December 2023. The interim financial statements of the Group for financial period ended ("FPE") 30 June 2024 are prepared under the historical cost convention unless otherwise indicated in the summary of significant accounting policies.

2 Significant Accounting Policies

The accounting policies adopted in the preparation of this report are consistent with those followed in the preparation of the Group's audited financial statements for the FYE 31 December 2023.

2.1 Adoption of Standards, Amendments and IC Interpretations

The accounting policies adopted are consistent with those of previous financial year except for the adoption of the following new and amended MFRSs and IC Interpretation which are effective for accounting period beginning on or after 1 January 2024 :-

Amendments to MFRS 16, Lease Liability in a Sale and Leaseback
Amendments to MFRS 101, Non-current Liabilities with Covenants
Amendments to MFRS 101, Classification of Liabilities as Current or Non- Current

The initial application of the above-mentioned MFRSs and amendments to MFRSs have no significant impact on the financial statements of the Group and the Company.

2.2 MFRSs, Amendments to MFRS and IC Interpretation Issued But Not Yet Effective

The Group and the Company have not early adopted the following new MFRSs and IC Interpretation and amendments to MFRSs that have been issued by the MASB but are not yet effective :-

Effective for annual periods beginning on or after 1 January 2025

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

Effective date deferred to a date to be announced by the MASB

Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

The Group and the Company will apply the above new MFRSs and IC Interpretation and amendments to MFRSs that are applicable once they become effective. The above standards and amendments are not expected to have any material financial impact on the financial statements of the Group on initial adoption.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

3. Auditors' Report on preceding annual financial statements

The auditors' reports on the financial statements of the Company and its subsidiaries for the FYE 31 December 2023 were not subject to any qualification.

4. Seasonality or cyclical

The Group's operations have not been materially affected by any seasonal/cyclical factors.

5. Nature and amount of unusual items affecting assets, liabilities, equity, net income or cash flows

There was no item or event that was unusual by reason of its nature, size or incidence during the current quarter which affected the assets, liabilities, equity, net income or cash flows of the Group.

6. Changes in estimates

There was no material change in the estimates used for the preparation of these interim financial statements.

7. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review.

8. Valuation of property, plant and equipment

There was no change in the valuation of the property, plant and equipment reported in the previous audited financial statements that would have an effect on the current quarter's financial statements.

9. Material events subsequent to the end of the interim period

There's was no material events subsequent to the end of the interim period.

10. Contingent assets and contingent liabilities

There was no contingent asset and contingent liability during the financial quarter under review.

11. Capital commitments

There were no capital commitments since the last audited Statement of Financial Position as at 31 December 2023.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

12. Segmental information

The revenue and loss before taxation of the Group for the current quarter were generated from the following segments:

	Business Process Outsourcing Services RM'000	Retail RM'000	Others RM'000	Consolidated RM'000
Segment Revenue				
Malaysia	468	115	-	583
Indonesia	157	-	-	157
	<u>625</u>	<u>115</u>	<u>-</u>	<u>740</u>
Segment Loss				
Malaysia	(154)	(282)	(659)	(1,095)
Indonesia	(218)	-	-	(218)
	<u>(372)</u>	<u>(282)</u>	<u>(659)</u>	<u>(1,313)</u>
Segment Assets as per period to date				
Malaysia	5,627	14,832	4,753	25,212
Indonesia	1,493	-	-	1,493
	<u>7,120</u>	<u>14,832</u>	<u>4,753</u>	<u>26,705</u>
Segment Liabilities as per period to date				
Malaysia	(1,664)	(1,043)	(126)	(2,833)
Indonesia	(677)	-	-	(677)
	<u>(2,341)</u>	<u>(1,043)</u>	<u>(126)</u>	<u>(3,510)</u>

The segment assets and segment liabilities as per period to date by taking into consideration of the non-current assets, current assets, non-current liabilities and current liabilities.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

13. Review of performance

**TABLE 1: FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	Individual Quarter				Cumulative Quarter			
	Current Quarter 30.09.2024 RM'000	Preceding Year Corresponding Quarter 30.09.2023 RM'000	Changes Amount RM'000	Changes %	Current Year To Date 30.09.2024 RM'000	Preceding Year Corresponding Period 30.09.2023 RM'000	Changes Amount RM'000	Changes %
Revenue	740	921	(181)	-20%	2,285	2,612	(327)	-13%
Operating loss	(1,264)	(842)	(422)	50%	(4,477)	(3,006)	(1,471)	49%
Loss before taxation	(1,313)	(872)	(441)	51%	(4,584)	(3,095)	(1,489)	48%
Loss after tax for the period	(1,313)	(872)	(441)	51%	(4,584)	(3,095)	(1,489)	48%
Loss for the period attributable to: Owners of the Company	(1,308)	(872)	(436)	51%	(4,571)	(3,095)	(1,476)	48%

During the quarter ending on 30 September 2024, the Group reported unaudited revenue of RM0.74 million, a decrease from RM0.92 million recorded in the corresponding quarter of the previous year. This decrease was mainly due to reduced performance in the Business Process Outsourcing Services ("BPOS") segment in Indonesia and the pharmacy retail segment in Malaysia.

Despite the decline, BPOS remains the primary revenue contributor, accounting for 84% of total group revenue. The main drop in revenue for the quarter was contributed by the Indonesia segment, due to the downscale of business since September, resulting in only 21% of sales contributed for the quarter.

In the pharmacy retail segment, revenue from the franchise pharmacy business was lower than in the same quarter of the previous year, largely due to the closure of the Bukit Raja outlet in May. However, the Group opened two new outlets in September, generating RM115k in revenue within just one month.

The decrease in overall revenue was partially offset by an increase in revenue from Malaysia's BPO segment, which benefited from new customers and higher sales volume. Malaysia's BPO segment revenue increased by 51%, from RM0.3 million to RM0.47 million, becoming the main contributor to the Group's revenue for the quarter. This growth was driven by an increase in orders from major clients and a rise in the number of clients compared to the same quarter last year.

The Group recorded an unaudited loss before tax of RM1.31 million for the quarter ending 30 September 2024, compared to a loss before tax of RM0.87 million in the same quarter of the previous year. This increase in loss before tax was primarily due to higher non-operating losses incurred this year.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

14. Material Changes in The Loss Before Tax As Compared To the Immediate Preceding Quarter

TABLE 2: FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER

	Individual Quarter			
	Current Quarter 30.09.2024 RM'000	Immediate Preceding Quarter 30.06.2024 RM'000	Changes Amount RM'000	Changes %
Revenue	740	809	(69)	-9%
Operating loss	(1,264)	(1,419)	155	-11%
Loss before taxation	(1,313)	(1,444)	131	-9%
Loss after tax for the period	(1,313)	(1,444)	131	-9%
Loss for the period attributable to: Owners of the Company	(1,308)	(1,444)	131	-9%

The Group's revenue for this quarter was RM0.74 million, representing a 9% decrease compared to the preceding quarter. This decrease was primarily due to the lower contribution of the BPOS business in Indonesia in current quarter.

The drop in revenue was offset by an increase in revenue from Malaysia's BPOS segment, which rose from RM0.3 million to RM0.47 million. This growth was due to an increase in sales orders from a major client in the current quarter.

Revenue from the pharmacy retail business also increased significantly, from RM20k to RM115k. This was influenced by the closure of the Bukit Raja outlet in May 2024, which resulted in only one month of revenue being generated in the previous quarter. However, two new outlets were opened in September, contributing to the increased revenue.

Additionally, the Group recorded an unaudited loss before tax of RM1.31 million, a decrease from the RM1.44 million recorded in the preceding quarter. This reduction in loss was primarily due to decreased expenses, especially in the pharmacy retail business, as the first outlet was closed in May to cut losses.

15. Prospects

The delay in the setting up of the pharmacy outlets in the current quarter review had impacted the anticipated improved performance. However, this was partially overcome by better performance of the BPOS segment especially in Malaysia.

It is expected the all the proposed pharmacy outlets shall be fully operational latest by the 4th quarter of 2024 thereby having a more significant contribution to the Group's financial performance in the ensuing quarter.

16. Profit forecast

The Group did not disclose or announce any profit forecast or profit guarantee in any public document in the financial quarter under review.

17. Loss before taxation

This is arrived at after charging/(crediting) amongst other, the following items :

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.09.2024 RM'000	Preceding Year Corresponding Quarter 30.09.2023 RM'000	Current Year To Date 30.09.2024 RM'000	Preceding Year Corresponding Period 30.09.2023 RM'000
Depreciation of property, plant and equipment	96	52	254	159
Right-of-use assets written off	147	-	147	-
Depreciation of right-of-use assets	50	41	131	122
Interest expense	49	30	107	89
Amortisation of intangible assets	7	14	56	32
Property, plant and equipment written off	32	-	32	-
Gain on lease termination	(168)	-	(168)	-

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

17. Loss before taxation (Con't)

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.09.2024 RM'000	Preceding Year Corresponding Quarter 30.09.2023 RM'000	Current Year To Date 30.09.2024 RM'000	Preceding Year Corresponding Period 30.09.2023 RM'000
Fair value gain on other investment - money market fund	(9)	-	(143)	(7)
Interest income	(16)	-	(85)	(1)

18. Taxation

	Current 30.09.2024 RM'000	Current Year 30.09.2024 RM'000
Deferred tax income / (expense)	-	-

Currently there is no provision for taxation as all subsidiaries were incurring losses.

19. Borrowing and lease liabilities

		As at 30.09.2024 RM'000	As at 30.09.2023 RM'000
Short-term - secured:			
Term loan	(a)	74	67
Lease liabilities	(b)	125	65
Hire purchase		26	-
Bank overdraft	(c)	533	-
		<u>758</u>	<u>132</u>
Long-term - secured:			
Term loan	(a)	1,325	1,422
Lease liabilities	(b)	363	168
Hire purchase		472	-
		<u>2,160</u>	<u>1,590</u>
Total borrowing and lease liabilities - secured:			
Term loan	(a)	1,399	168
Lease liabilities	(b)	488	132
Hire purchase		498	-
Bank overdraft	(c)	533	-
		<u>2,918</u>	<u>300</u>

(a) The term loan is secured by the following:

- (i) First party legal charge over the freehold land and building of a subsidiary.
- (ii) Corporate guarantee by the Company.

(b) The lease liabilities consist of leasing of leasehold land, building and shoplots.

(c) The bank overdraft stated was denominated in foreign currency as follows:-

	As at 30.09.2024		As at 30.09.2023	
	IDR'000	RM'000	IDR'000	RM'000
Bank overdraft	<u>1,957,843</u>	<u>533</u>	-	-

The facility was obtained from a licensed bank in October 2023 with a limit of RM596,000 / IDR2,000,000,000. The facility was secured by legal charge over the leasehold building of a subsidiary. As at period end, the unutilised limit was RM63,000 / IDR42,157,000

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

20. Status of Utilisation of Proceeds

(A) Private Placement ("PP")

With the completion of private placement on 21 February 2023, the Company had raised a total proceed of RM2,045,925.

The status of utilisation of proceeds raised as is as follows:

Details of utilisation	Proposed utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000	Expected timeframe for utilisation of proceeds (from listing date of the Placement Shares)
Working capital	967	967	-	Within 24 months
Upgrade the information technology-related equipment and systems	1,017	47	970	Within 24 months
Expenses for the PP	62	62	-	Immediately
Total	2,046	1,076	970	

(B) Right Issue ("RI")

With the completion of right issue on 28 December 2023, the Company had raised a total proceed of RM23,413,001

The status of utilisation of proceeds raised is as follows:

Details of utilisation	Proposed utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000	Expected timeframe for utilisation of proceeds (from listing date of the Rights Shares)
Expansion of pharmacy business	5,220	5,220	-	Within 12 months
Working capital of the pharmacy business	15,979	15,833	146	Within 24 months
Repayment of borrowings	1,484	1,484	-	Within 3 months
Expenses for the RI	730	730	-	Immediately
Total	23,413	23,267	146	

21. Dividend

There was no dividend proposed or declared during the quarter under review.

22. Procurement of new contract/termination of existing contract

There was no procurement of new contract or termination of existing contract during the quarter under review.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

23. Fair value on investment

Included in the other investment is an amount of RM1.105 million which is the fair value of investment in quoted shares that is determined directly by reference to their published market price as at 30 September 2024.

24. Basis of calculation of loss per share

The basic and diluted loss per share for the quarter and cumulative year to date are computed as follows:

(a) Basic loss per share

	Current Quarter 30.09.2024	Preceding Year Corresponding Quarter 30.09.2023	Current Year To Date 30.09.2024	Preceding Year Corresponding Period 30.09.2023
Net loss attributable to owners of the company (RM'000)	(1,308)	(872)	(4,571)	(3,095)
Weighted average number of ordinary shares issue ('000)	390,217	95,898	390,217	95,898
Basic loss per share (sen)	<u>(0.335)</u>	<u>(0.909)</u>	<u>(1.171)</u>	<u>(3.227)</u>

The basic loss per ordinary share is calculated by dividing the consolidated net loss attributable to equity owners of the Company by the weighted average number of ordinary shares in issue during the financial period.

(b) Diluted loss per share

	Current Quarter 30.09.2024	Preceding Year Corresponding Quarter 30.09.2023	Current Year To Date 30.09.2024	Preceding Year Corresponding Period 30.09.2023
Net loss attributable to owners of the company (RM'000)	(1,308)	(872)	(4,571)	(3,095)
Weighted average number of ordinary shares issue ('000)	390,217	95,898	390,217	95,898
Effect of dilution for the conversion of warrants ('000)	(102,200)	-	(102,200)	-
Adjusted weighted average number of ordinary shares for the purpose of diluted LPS ('000)	288,017	95,898	288,017	95,898
Diluted loss per share (sen)	<u>(0.454)</u>	<u>(0.909)</u>	<u>(1.587)</u>	<u>(3.227)</u>

The diluted loss per ordinary share is calculated by dividing the consolidated net loss attributable to equity owners of the Company by the weighted average number of ordinary shares including the effects of all dilutive potential ordinary shares.

25. Material Litigation

On 05.06.2024, the Company had filed a Bankruptcy Notice against Chean Meng Hee in the High Court of Kuala Lumpur under case No. WA-29NCC-946-06/2024.

On 6 November 2024, Chean Meng Hee's solicitors filed an application to set aside the Bankruptcy Notice ("the said Application"). On 7 November 2024 at the hearing of the Creditor's Petition, the Court directed parties to file further affidavits and submissions regarding the said Application.

The Court had fixed 10 January 2025 for the hearing of the said Application.

26. Significant Related Party Transactions

There is no significant related party transaction during the financial quarter under review.

27. Date of Authorisation for Issue

This interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.