

**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2020**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		3 months ended		9 months ended	
		31/03/2020 RM'000 (Unaudited)	31/03/2019 RM'000 (Audited)	31/03/2020 RM'000 (Unaudited)	30/12/2018 RM'000 (Audited)
Revenue	B2	10,021	-	45,374	-
Less: Cost of sales		(9,091)	-	(39,091)	-
Gross Profit		930	-	6,283	-
Other operating income		70	-	215	-
Employee benefits		(1,159)	-	(3,601)	-
Depreciation & amortisation		(1,617)	-	(4,270)	-
Other operating expenses		(1,748)	-	(3,636)	-
<b>Loss from operations</b>		(3,524)	-	(5,009)	-
Finance costs		(304)	-	(904)	-
<b>Loss before taxation</b>	B2	(3,828)	-	(5,913)	-
Income tax recover /(expenses)	B5	-	-	-	-
<b>Loss for the year/(period)</b>		(3,828)	-	(5,913)	-
<b>Other Comprehensive income</b>					
- Currency translation difference not recognised in income statement		-	-	-	-
<b>Total comprehensive loss for the financial year/(period)</b>		(3,828)	-	(5,913)	-
<b>Loss Attributable to:</b>					
Owner of the Parent		(3,713)	-	(5,701)	-
Non-controlling interest		(115)	-	(212)	-
		(3,828)	-	(5,913)	-
<b>Total comprehensive loss attributable to :</b>					
Owner of the Parent		(3,713)	-	(5,701)	-
Non-controlling interest		(115)	-	(212)	-
		(3,828)	-	(5,913)	-
<b>Loss per share (sen)</b>					
- Basic	B10	(0.62)	-	(0.96)	-
- Diluted	B10	(0.62)	-	(0.96)	-

**Note:**

As announced on 25 October 2018, the financial year end has been changed from 30 April 2019 to 30 June 2019. The comparative figures are not applicable for the current financial period.

The unaudited Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2019 and the accompanying note attached to this interim financial report.

**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2020**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	Unaudited As At 31/03/2020 RM'000	Audited As At 30/06/2019 RM'000
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment		1,457	1,660
Right of use assets		4,910	-
Intangible asset		11,867	13,813
Goodwill on consolidation		2,194	2,194
<b>Total Non-current Assets</b>		<b>20,428</b>	<b>17,667</b>
<b>Current Assets</b>			
Trade receivables		11,513	10,944
Other receivables, deposits and prepayments		11,346	2,587
Inventory		4,005	2,271
Current tax asset		337	211
Fixed deposits with licensed banks		3,377	7,740
Cash and bank balances		3,652	1,222
<b>Total Current Assets</b>		<b>34,230</b>	<b>24,975</b>
<b>Total Assets</b>		<b>54,658</b>	<b>42,642</b>
<b>Equity and Liabilities</b>			
Share capital		43,553	40,862
Capital Reserve		-	1,339
Accumulated (losses)		(12,150)	(7,788)
Non controlling interest		(807)	(595)
<b>Total Equity</b>		<b>30,596</b>	<b>33,818</b>
<b>Non-current Liabilities</b>			
Term Loan & Finance Lease	B7	9,104	365
<b>Total Non-current Liabilities</b>		<b>9,104</b>	<b>365</b>
<b>Current Liabilities</b>			
Trade payables		1,639	1,650
Other payables & accruals		3,258	2,100
Amount due to directors		-	9
Bank overdraft		4,680	4,440
Term Loan & Finance Lease	B7	5,381	260
Provision for taxation	B5	-	-
<b>Total Current Liabilities</b>		<b>14,958</b>	<b>8,459</b>
<b>Total Liabilities</b>		<b>24,062</b>	<b>8,824</b>
<b>Total Equity and Liabilities</b>		<b>54,658</b>	<b>42,642</b>
<b>Net assets per share attributable to ordinary equity holders of the parent company (RM)</b>		<b>0.05</b>	<b>0.06</b>

**Note:**

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2019 and the accompanying note attached to this interim financial report.

**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	<b>Period ended 31/03/2020 Unaudited RM'000</b>	<b>Period ended 31/03/2019 Audited RM'000</b>
<b>Cash flows from/(for) operating activities</b>		
Loss before taxation	(5,913)	-
Adjustment for:-		
Amortisation	2,957	-
Depreciation of property, plant and equipment & right of use assets	1,313	-
Interest income	(103)	-
Interest expenses	904	-
	<hr/>	<hr/>
Operating loss before working capital changes	(842)	-
(Increase)/ Decrease in trade and other receivables	(9,328)	-
Increase/ (Decrease) in trade and other payables	1,138	-
(Increase)/ Decrease in inventory	(1,734)	-
<b>Cash flows from/(for) operating activities</b>	<hr/> <b>(10,766)</b>	<hr/> <b>-</b>
Interest income	103	-
Interest paid	(904)	-
Taxation paid	(126)	-
<b>Net cash from/(for) operating activities</b>	<hr/> <b>(11,693)</b>	<hr/> <b>-</b>
<b>Cash flows from/(for) investing activities</b>		
Addition of property, plant and equipment & right of use assets	(6,061)	-
Addition of intangible assets	(1,012)	-
Disposal of fixed assets, property, plant and equipment	42	-
<b>Net cash from/(for) investing activities</b>	<hr/> <b>(7,031)</b>	<hr/> <b>-</b>
<b>Cash flows from/(for) financing activities</b>		
Proceeds from term loan & finance lease	10,645	-
Repayment of term loan & finance lease	(1,873)	-
Addition of finance lease for right of use assets	5,941	-
Repayment of finance lease for right of use assets	(853)	-
Proceeds from issuance of shares from private placement	2,691	-
<b>Net cash from/(for) financing activities</b>	<hr/> <b>16,551</b>	<hr/> <b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<hr/> <b>(2,173)</b>	<hr/> <b>-</b>
Effects of foreign exchange translation	-	-
Cash and cash equivalents at beginning of the financial year	4,522	-
<b>Cash and cash equivalents at end of the financial period</b>	<hr/> <b>2,349</b>	<hr/> <b>-</b>
<b><u>Cash and cash equivalents at the end of the financial period comprises the following :-</u></b>		
Fixed deposits with licensed banks	3,377	-
Cash and bank balances	3,652	-
Bank overdraft	(4,680)	-
	<hr/> <b>2,349</b>	<hr/> <b>-</b>

**Note:**

As announced on 25 October 2018, the financial year end has been changed from 30 April 2019 to 30 June 2019. The comparative figures are not applicable for the current financial period.

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2019 and the accompanying notes attached to this interim financial report.

TECHNODEX BHD  
Registration No. 200301025214 (627634-A)  
(Incorporated in Malaysia)

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2020

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Non-Distributable →			Attributable to Equity Holders of the Company		Non-Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Capital Reduction Reserve RM'000	Accumulated Losses RM'000	Attributable to owners of the Company RM'000			
Balance at 1 July 2019	40,862	1,339	(7,788)	34,413		(595)	33,818
Contribution by Owners of the Company							
- Conversion of warrant	-	-	-	-		-	-
- Issuance of shares from private placement	2,691	-	-	2,691		-	2,691
Acquisition of non-controlling interest	-	-	-	-		-	-
Capital Reduction	-	-	-	-		-	-
Utilisation of capital reduction credit:							
- to write off accumulated losses	-	-	-	-		-	-
- to write off current financial loss	-	(1,339)	1,339	-		-	-
Total comprehensive loss for the financial period	-	-	(5,701)	(5,701)		(212)	(5,913)
	-	-	(5,701)	(5,701)		(212)	(5,913)
Balance at 31 March 2020	43,553	-	(12,150)	31,403		(807)	30,596
Balance at 1 May 2018	65,702	-	(24,670)	41,032		13	41,045
Contribution by Owners of the Company							
- Conversion of warrant	5,160	-	-	5,160		-	5,160
Acquisition of non-controlling interest	-	-	-	-		250	250
Capital Reduction	(30,000)	30,000	-	-		-	-
Utilisation of capital reduction credit:							
- to write off accumulated losses	-	(26,977)	26,977	-		-	-
- to write off current financial loss	-	(1,684)	1,684	-		-	-
Total comprehensive loss for the financial period	-	-	(11,779)	(11,779)		(858)	(12,637)
	-	-	(11,779)	(11,779)		(858)	(12,637)
Balance at 30 June 2019	40,862	1,339	(7,788)	34,413		(595)	33,818

As announced on 25 October 2018, the financial year end has been changed from 30 April 2019 to 30 June 2019. The comparative figures are not applicable for the current financial period

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

# TECHNODEX BHD

Registration No. 200301025214 (627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Third Quarter Ended 31 March 2020

### PART 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 Malaysia Financial Reporting Standard ("MFRS") No. 134: Interim Financial Reporting, and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("AMLR").

The interim financial report should be read in conjunction with the Audited Financial Statements for the period ended 30 June 2019 and the accompanying notes attached to this interim financial report.

#### A2. Change of Financial Year End

As announced on 25 October 2018, the Company has changed the financial year end from 30 April to 30 June. The comparative figures are not applicable for the current financial period. The next audited financial statements shall be for a period of twelve (12) months, made up from 1 July 2019 to 30 June 2020.

#### A3. Summary of Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the audited financial statements for the financial period ended 30 June 2019, except for the adoption of the following MFRSs, Amendments to MFRSs and new Interpretations that have become effective on 1 January 2019.

MFRSs and/or IC Interpretations. (Including The Consequential Amendments)	Effective Date
MFRS 16 Leases	1 January 2019
IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 123: Borrowing Costs	1 January 2019
Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019

# TECHNODEX BHD

Registration No. 200301025214 (627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Third Quarter Ended 31 March 2020

### PART A-Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

#### A3. Summary of Significant Accounting Policies (Cont’d)

The adoption on the above do not have material impact on the interim financial report except the following:

(i) MFRS 16 -Leases

As a result of the adoption of MFRS 16, the existing requirements for a lessee to distinguish between finance leases and operating leases under MFRS 117 are no longer required. This standard introduces a single accounting model, requiring the lessee to recognize the right-of-use of the underlying lease asset and the future lease payment liabilities in the statements of financial position.

Right-of-use assets is based on the present value of the liability at the commencement date of the lease. Subsequently to initial recognition, the right-of-use assets are measured at cost less any accumulated depreciation, accumulated impairment losses and adjusted for any remeasurement of lease liabilities. The right-of-use assets are measured at an amount equal to the lease liabilities.

Lease liabilities arising from the premises and equipment are recognized and discounted using the incremental borrowing rate at the date of initial application, subsequent to initial recognition, the Group measures the lease liabilities by increasing the carrying amount to reflect the interest on the lease liabilities, reducing the carrying amount to reflect lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modification.

MFRS 16 has been adopted by the Group from 1 July 2019 using the modified retrospective transition approach, which measures the lease liabilities based on the present value of future lease payments calculated using the incremental borrowing rate at date of transition. Lease payment would be split into principal and interest payments, using the effective interest method. The right-of-use assets are measured at an amount equal to the lease liabilities at the date of initial application.

On the date of initial application, the Group applied the simplified transition approach and did not restate comparative amount for the period prior to first adoption.

The following tables summarises the impact of MFRS16 on the Group’s financial Statements:

	MFRS RM’000	MFRS 16 adjustments RM’000
As at 1 July 2019 impact		
<b>Statement of financial position</b>		
Right of use assets	-	839
Lease Liabilities	-	839

As at 31 March 2020, the right-of-use assets and lease liabilities amounted to RM4,910,723 and RM5,088.876 respectively.

# TECHNODEX BHD

Registration No. 200301025214 (627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Third Quarter Ended 31 March 2020

### PART A-Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

#### A3. Summary of Significant Accounting Policies (Cont’d)

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for this interim financial report:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected no material impact on the financial position and performance of the Group.

#### A4. Audit Report of Preceding Annual Financial Statements

The audited annual financial statements for the financial period 30 June 2019 were not subject to any qualification.

#### A5. Comments on Seasonal or Cyclical Factors

The results of the Group were not significantly affected by any seasonal or cyclical factors during the current quarter under review and the financial year-to-date.

#### A6. Nature and Amount of Exceptional and Extraordinary Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group during the current quarter under review and the financial year-to-date.

#### A7. Material Changes in Estimates

There were no material changes in the estimates used for the preparation of this interim financial report.

#### A8. Debts and Equity Securities

There were no issuance or repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period ended 31 March 2020 under review save as the issuance of 89,666,600 ordinary shares by way of private placement at an issue price of RM 0.03 per share on 23 March 2020 disclosed in Note B6.

#### A9. Dividend

There were no dividends paid during the current quarter under review and the financial year-to-date.

# TECHNODEX BHD

Registration No. 200301025214 (627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Third Quarter Ended 31 March 2020

### PART A-Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

#### A10. Segmental Information

##### a) Analysis of revenue by product categories

Quarter Ended 31 March 2020	Application Support & Services & Hardwares RM'000	Manpower Outsourcing & Recruitments RM'000	E-Commerce & Specified Application Services RM'000	Investment Holding RM'000	Eliminations RM'000	Total RM'000
Sales	7,815	1,919	287	-	-	10,021
Intersegment sales	-	15	15	266	(296)	-
	<u>7,815</u>	<u>1,934</u>	<u>302</u>	<u>266</u>	<u>(296)</u>	<u>10,021</u>
<b>Results</b>						
Interest Income	38	-	-	72	(72)	38
Interest expenses	(304)	(62)	(1)	(9)	72	(304)
Depreciation & amortisation	(506)	(14)	(998)	(99)	-	(1,617)
Income Tax recover /(expenses)	-	-	-	-	-	-
Segment profit/(loss) after tax	<u>(1,215)</u>	<u>(159)</u>	<u>(1,900)</u>	<u>(554)</u>	<u>-</u>	<u>(3,828)</u>

Year to dated Ended 31 March 2020	Application Support & Services & Hardwares RM'000	Manpower Outsourcing & Recruitments RM'000	E-Commerce & Specified Application Services RM'000	Investment Holding RM'000	Eliminations RM'000	Total RM'000
Sales	36,485	7,788	1,101	-	-	45,374
Intersegment sales	-	25	22	798	(845)	-
	<u>36,485</u>	<u>7,813</u>	<u>1,123</u>	<u>798</u>	<u>(845)</u>	<u>45,374</u>
<b>Segment results</b>						
Interest Income	43	7	-	270	(217)	103
Interest expenses	(901)	(186)	(3)	(31)	217	(904)
Depreciation & amortisation	(948)	(41)	(2,985)	(296)	-	(4,270)
Income Tax recover /(expenses)	-	-	-	-	-	-
Segment profit/(loss) after tax	<u>(450)</u>	<u>305</u>	<u>(4,115)</u>	<u>(1,653)</u>	<u>-</u>	<u>(5,913)</u>

b) In determining the geographical segments of the Group, segmental revenue is based on the country in which the customer is located.

The Group's segmental information by geographical location is not shown as the activities of the Group are in Malaysia.



# **TECHNODEX BHD**

Registration No. 200301025214 (627634-A)  
(Incorporated in Malaysia)

## **Unaudited Quarterly Financial Report For The Third Quarter Ended 31 March 2020**

### **PART A-Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting**

#### **A11. Valuation of Property, plant and equipment**

There were no changes in the valuation of property, plant and equipment reported in the previous audited financial statements that will have an effect in the financial quarter under review.

#### **A12. Material Events Subsequent to the End of the Current Period**

Save as disclosed in Note B6, there were no material events subsequent to the end of the current period under review.

#### **A13. Changes in Composition of the Group**

There were no changes in the composition of the Group in the current financial quarter under review.

#### **A14. Contingent Assets or Liabilities**

There were no changes in contingent liabilities and contingent assets since the end of the last annual reporting period.

#### **A15. Capital Commitments**

There were no capital commitments for the period under review.

#### **A16. Related Party Transactions**

During the current financial quarter, the Group has not entered into any related party transactions.

# TECHNODEX BHD

Registration No. 200301025214 (627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Third Quarter Ended 31 March 2020

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

#### B1. Review of Performance-Comparison with Preceding Year Corresponding Quarter.

A comparison of financial performance for the current quarter ended 31 March 2020 with the preceding year's corresponding period is not possible as there are no financial figures for 31 March 2019.

#### B2. Review of Performance-Comparison with Immediate Preceding Quarter's ("PQ") Results.

	INDIVIDUAL QUARTER ENDED		Variance	
	Current Quarter	Preceding Quarter ("PQ")		
	31/3/2020	31/12/2019	RM'000	%
	RM'000	RM'000		
Revenue	10,021	17,041	(7,020)	(41)
Loss Before Tax ("LBT")	(3,828)	(1,078)	(2,750)	(255)

For the current quarter under review, the Group has recorded a decrease of revenue by RM7.02 million or 41% as compared to the preceding quarter ended 31 December 2019 with revenue reported at RM17.04 million. Like most companies faced, the decrease in revenue was mainly due to the worldwide COVID-19 pandemic's impact of economic and business uncertainties causing disruption to global supply chains, manpower restrictions, sales collections and order process delays, customers cash flow tightening and business slowdown.

The impacts to the Group revenue segments are as following:

- (i) Lower revenue of RM6.2 million from the application support & services and hardwares.
- (ii) Lower revenue of RM0.80 million from the manpower outsourcing & recruitments services
- (iii) Marginal increase in revenue from E-Commerce and Specified Application Services segment.

The Group recorded loss before taxation of RM3.80 million for current quarter under review as compared to immediate preceding quarter ended 31 December 2019 of RM1.078 million mainly due to following: -

Descriptions	RM'000	Note
Decrease in gross profit	(1,911.00)	1
Decrease in employment benefit expenses	90.00	2
Increase in depreciation & amortisation	(146.00)	3
Increase in operating expenses	(787.00)	4
Net decrease in PBT	(2,754.00)	

# TECHNODEX BHD

Registration No. 200301025214 (627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Third Quarter Ended 31 March 2020

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

#### B2. Review of Performance-Comparison with Immediate Preceding Quarter's ("PQ") Results. (Cont'd)

Notes:-

- (1) Decrease in gross profit mainly due to decreased in revenue generated from higher profit margin segments of application support & services and manpower outsourcing & recruitments services segment.
- (2) Lower employment benefit of RM1.159 million as a result of reduced headcount (PQ 31 December 2019: RM1.249 million)
- (3) Increase in depreciation & amortization mainly due to the higher depreciation of computer IT equipment under leasing contract to government agency which commenced on current quarter.
- (4) Increase in operating expenses by RM0.787 million mainly due to the increased costs incurred to enhance our group applications systems and platforms.

#### B3. Commentary on Prospects

The Group is positioned to weather the economic uncertainties by focusing in growth a strategy which focuses on a prudent and cohesive expansion in activities closely correlated with the Group's core competencies. In anticipation of the impending economic slowdown, the Group will engage in the development of new ICT products (vertical solutions) and services, targeting at the government sector, financial institutions and property industries. The new products and services will allow the Group to penetrate into new marketplace that in turns will bring forth new income streams to the Group.

The Group is confident to perform satisfactorily amidst the economic uncertainty by taking pragmatic and well strategised action plans towards maintaining the financial performance of the Group.

The Group strategic intent is to increase market share by improving market coverage and widening its product and services offering.

#### B4. Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in any public document.

#### B5. Taxation

	Current Quarter Ended	Cumulative Quarter Ended
	31/3/2020	31/3/2020
RM'000	Unaudited	Unaudited
Income tax		
- Current provision	-	-
- (Over)/ under provision of tax in prior years	-	-
Total income tax expenses	-	-

# TECHNODEX BHD

Registration No. 200301025214 (627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Third Quarter Ended 31 March 2020

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

#### B5. Taxation (Cont'd)

There is no tax provision during the current quarter under review. The subsidiaries income taxes were calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the period.

#### B6. Corporate Proposals

There is no corporate proposals announced has not completed as at the date of this report except for the following:-

The Board of Directors of the Company had on 4 October 2019 announced that the Company proposed to undertake the Proposed Placement of up to 30% of the total number of issued shares of TDEX ("Proposed Placement") and the listing of and quotation for the Proposed Placement shares application has been approved from the Bursa Malaysia Securities Berhad on 30 October 2019.

On 23 March 2020, the Company has placed out the first tranche of the Placement, 89,666,600 new ordinary shares in TDEX ("Placement Shares") representing approximately 15.2% of TDEX's total number of issued shares, at an issue price of RM0.03 per Placement Share, were allotted to the respective subscribers.

Bursa Malaysia Securities Berhad had on 27 April 2020 approved the Company's application for an extension of time of 6 months up to 30 October 2020 for the Company to complete the implementation of the Placement.

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposed Placement is expected to be completed by the 2<sup>nd</sup> quarter of 2020.

#### B7. Borrowings and Debt Securities

Details of the Group's borrowings as at 31 March 2019 are as follows:

	As at 31/3/2020 (RM'000)
<b>Secured borrowings:-</b>	
<b>Current:</b>	
Term Loan & Finance Lease	5,381
	<b>5,381</b>
<b>Non-Current:</b>	
Term Loan & Finance Lease	9,104
	<b>9,104</b>
<b>Total</b>	<b>14,485</b>

# TECHNODEX BHD

Registration No. 200301025214 (627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Third Quarter Ended 31 March 2020

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

#### B8. Material Litigation

There was no material litigation as at the date of this report.

#### B9. Dividend

The Board of Directors does not recommend any dividend for the current quarter under review and the financial year-to-date.

#### B10. Earnings per Share

The basic earnings per share is calculated based on Group's net loss attributable to the owners of the parent of approximately RM3.713 million for the current quarter under review and net loss attributable to the owners of RM5.701 million for the current year-to-date, divided by the weighted average number of ordinary shares in issue as follows:-

	Current Quarter Ended	Cumulative Quarter Ended
	31/3/2020	31/3/2020
	Unaudited	Unaudited
Loss attributable to ordinary equity holders of the parent (RM'000)	(3,713)	(5,701)
Weighted Average Number of Ordinary Shares	596,333,207	592,377,485
Basic Loss per share (sen)	(0.62)	(0.96)

The loss for the period attributable to ordinary equity holders of the parent is not subjected to any dilutive elements, thus diluted loss per shares is not presented.

# TECHNODEX BHD

Registration No. 200301025214 (627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Third Quarter Ended 31 March 2020

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

#### B11. Status of Utilisation of Proceeds

Status of utilisation of Proceeds derived from the private placement of 89,666,600 as disclosed in Note B6 as at the date of this report is as follows: -

Purposes	Proposed utilisation for illustrative purposes*	On 23 March 2020, 89,666,600 new ordinary shares in TDEX (“Placement Shares”), at an issue price of RM0.03 per Placement Share were allotted.			
		Proceed Raised	Actual Utilisation	Unutilised Proceed	Timeframe for utilisation of proceeds (from date of listing of the Placement Shares)
	RM'000	RM'000	RM'000	RM'000	
IT contracts/orders	5,200.00	2,506.00	0.00	2,506.00	Within 18 months
Business expansion	1,500.00		0.00	0.00	Within 18 months
Expenses in relation to the Proposed Placement	400.00	185.00	185.00	0.00	Within 1 months
Total	7,100.00	2,691.00	185.00	2,506.00	

\*Proposed utilisation for illustrative purposes based on the indicative issue price of RM0.04 per Placement shares reference to Company announcement made on 5 November 2019.

The actual proceeds to be raised from the Proposed Placement are dependent on the Issue Price and number of Placement Shares successfully placed out to 3<sup>rd</sup> party investor(s). Any excess or shortfall in the actual gross proceeds raised from the above amount would be reallocated to/from the amount earmarked for our Group’s IT contracts/orders.