

## UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2022

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

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		3 months ended		6 months ended	
		31/12/2022 RM'000 (Unaudited)	31/12/2021 RM'000 (Audited)	31/12/2022 RM'000 (Unaudited)	31/12/2021 RM'000 (Audited)
<b>Continuing Operations</b>					
Revenue	B1&B2	15,131	12,502	31,535	23,422
Less: Cost of sales	B6	(13,899)	(11,555)	(29,163)	(21,558)
Gross Profit		1,232	947	2,372	1,864
Other operating income		41	135	50	305
Employee benefits		(994)	(704)	(1,811)	(1,415)
Key management personnels's remuneration		(459)	(421)	(963)	(903)
Depreciation & amortisation		(464)	(573)	(963)	(1,115)
Other operating expenses		(904)	(637)	(1,927)	(1,564)
<b>(Loss) from operations</b>		(1,548)	(1,253)	(3,242)	(2,828)
Finance costs	B6	(86)	(53)	(176)	(107)
<b>(Loss) before taxation</b>	B1, B2	(1,634)	(1,306)	(3,418)	(2,935)
Income tax recover /(expenses)	B5	-	-	-	-
<b>(Loss) for the period</b>		(1,634)	(1,306)	(3,418)	(2,935)
<b>Other Comprehensive income</b>					
- Currency translation difference not recognised in income statement		-	-	-	-
<b>Total comprehensive Profit / (loss) for the period</b>		(1,634)	(1,306)	(3,418)	(2,935)
<b>(Loss) Attributable to:</b>					
Owner of the Parent		(1,632)	(1,301)	(3,412)	(2,921)
Non-controlling interest		(2)	(5)	(6)	(14)
		(1,634)	(1,306)	(3,418)	(2,935)
<b>Total comprehensive Profit / (Loss) attributable to :</b>					
Owner of the Parent		(1,632)	(1,301)	(3,412)	(2,921)
Non-controlling interest		(2)	(5)	(6)	(14)
		(1,634)	(1,306)	(3,418)	(2,935)
<b>Profit / (loss) per share (sen)</b>					
- Basic	B12	(0.19)	(0.16)	(0.40)	(0.36)
- Diluted	B12	(0.19)	(0.16)	(0.40)	(0.36)

**Note:**

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 year ended 30 June 2022 and the accompanying note attached to this interim financial report.

**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2022**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	Unaudited As At 31/12/2022 RM'000	Audited As At 30/06/2022 6 months ended
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment		866	754
Right of use assets		1,340	1,148
Intangible asset		1,065	1,552
Goodwill on consolidation		1,154	1,154
Other Investments		635	706
<b>Total Non-current Assets</b>		<b>5,060</b>	<b>5,314</b>
<b>Current Assets</b>			
Trade receivables		9,621	10,575
Other receivables, deposits and prepayments		7,163	2,857
Lease receivables		-	1,879
Inventory		5,926	3,838
Current tax asset		379	414
Fixed deposits with licensed banks		7,604	3,877
Cash and bank balances		4,459	9,689
<b>Total Current Assets</b>		<b>35,152</b>	<b>33,129</b>
<b>Total Assets</b>		<b>40,212</b>	<b>38,443</b>
<b>Equity and Liabilities</b>			
Share capital		58,630	58,630
Capital Reserve		-	-
Accumulated (losses)		(33,761)	(30,349)
Non controlling interest		(14)	(8)
<b>Total Equity</b>		<b>24,855</b>	<b>28,273</b>
<b>Non-current Liabilities</b>			
Lease Liabilities	B8	856	594
<b>Total Non-current Liabilities</b>		<b>856</b>	<b>594</b>
<b>Current Liabilities</b>			
Trade payables		1,383	1,763
Other payables & accruals		9,264	947
Bank overdraft		3,314	3,783
Lease Liabilities	B8	499	3,019
Deferred Income		41	64
<b>Total Current Liabilities</b>		<b>14,501</b>	<b>9,576</b>
<b>Total Liabilities</b>		<b>15,357</b>	<b>10,170</b>
<b>Total Equity and Liabilities</b>		<b>40,212</b>	<b>38,443</b>
<b>Net assets per share attributable to ordinary equity holders of the parent company (RM)</b>		<b>0.03</b>	<b>0.04</b>

**Note:**

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying note attached to this interim financial report.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Note	Period ended 31/12/2022 Unaudited RM'000	Year ended 30/06/2022 Audited RM'000
<b>Cash flows from/(for) operating activities</b>			
Loss before taxation:		(3,418)	(9,052)
Adjustment for:-			
Amortisation of intangible assets - included discontinued operations		487	1,379
Depreciation of property, plant and equipment & right of use assets- included discontinued operations		476	934
Interest income		(41)	(260)
Finance income lease receivables		(14)	(266)
Lease liabilities interest expense	B6	78	378
Bank Overdraft interest expense		140	186
Fair value adjustments on other investment		71	670
Impairment loss of Intangible assets		-	429
Impairment of trade & other receivables		-	4
Gain on lease modification		-	(6)
Written off Inventory		-	149
Impairment loss of goodwill on consolidation		-	1,040
		<hr/>	<hr/>
Operating loss before working capital changes		(2,221)	(4,415)
(Increase)/ Decrease in trade and other receivables		(3,352)	(2,278)
Increase/ (Decrease) in trade and other payables		8,016	(1,564)
Increase/ (Decrease) in deferred income		(23)	(50)
(Increase)/ Decrease in inventory		(2,088)	386
		<hr/>	<hr/>
<b>Cash flows from/(for) operating activities</b>		332	(7,921)
Interest income		41	260
Bank overdraft interest expense		(140)	(186)
Taxation refund		-	43
Taxation paid		(44)	(190)
		<hr/>	<hr/>
<b>Net cash from/(for) operating activities</b>		189	(7,994)
<b>Cash flows from/(for) investing activities</b>			
Purchase of property, plant and equipment		(208)	(153)
Addition of right-of-use assets			(93)
Repayment of lease receivables		1,893	5,679
Purchase of quoted investments		-	(1,376)
		<hr/>	<hr/>
<b>Net cash from/(for) investing activities</b>		1,685	4,057
<b>Cash flows from/(for) financing activities</b>			
Repayment of lease liabilities		(2,908)	(6,048)
Proceeds from issuance of shares from private placement		-	3,773
		<hr/>	<hr/>
<b>Net cash from/(for) financing activities</b>		(2,908)	(2,275)
<b>Net increase/(decrease) in cash and cash equivalents</b>		(1,034)	(6,212)
Effects of foreign exchange translation		-	-
Cash and cash equivalents at beginning of the financial year		9,783	15,995
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of the financial period</b>		8,749	9,783
<b><u>Cash and cash equivalents at the end of the financial period comprises the following :-</u></b>			
Fixed deposits with licensed banks		7,604	3,877
Cash and bank balances		4,459	9,689
Bank overdraft		(3,314)	(3,783)
		<hr/>	<hr/>
		8,749	9,783

**Note:**

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 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 SECOND QUARTER ENDED 31 DECEMBER 2022**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

6 months ended	← Attributable to Equity Holders of the Company →					
	← Non-Distributable →					
	Share Capital RM'000	Capital Reduction Reserve RM'000	Accumulated Losses RM'000	Attributable to owners of the Company RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
Balance at 1 July 2022	58,630	-	(30,349)	28,281	(8)	28,273
Contribution by Owners of the Company - Issuance of shares	-	-	-	-	-	-
Total comprehensive loss for the financial period	-	-	(3,412)	(3,412)	(6)	(3,418)
	-	-	(3,412)	(3,412)	(6)	(3,418)
Balance at 31 December 2022	<u>58,630</u>	<u>-</u>	<u>(33,761)</u>	<u>24,869</u>	<u>(14)</u>	<u>24,855</u>
Balance at 1 July 2021	54,857	-	(21,378)	33,479	22	33,501
Contribution by Owners of the Company - Issuance of shares	3,773	-	-	3,773	-	3,773
Total comprehensive loss for the financial year	-	-	(8,971)	(8,971)	(30)	(9,001)
	-	-	(8,971)	(8,971)	(30)	(9,001)
Balance at 30 June 2022	<u>58,630</u>	<u>-</u>	<u>(30,349)</u>	<u>28,281</u>	<u>(8)</u>	<u>28,273</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

**Unaudited Quarterly Financial Report For The Second Quarter Ended 31 December 2022****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 financial year ended 30 June 2022 and the accompanying notes attached to this interim financial report.

**A2. 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 year ended 30 June 2022, except for the adoption of the following MFRSs, Amendments to MFRSs and new Interpretations that have become effective on 1 July 2022.

MFRSs and/or IC Interpretations. (Including The Consequential Amendments)	Effective Date of Adoption
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards	1 July 2022
Amendments to MFRS 3: Business Combinations	1 July 2022
Amendments to MFRS 9: Financial Instruments	1 July 2022
Amendments to MFRS 116: Property, Plant & Equipment	1 July 2022
Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets	1 July 2022

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 for financial periods beginning on or after
MFRS 17: Insurance of Contracts	1 January 2023
Amendments to MFRS 101: Presentation of Financial Statements	1 January 2023
Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
Amendments to MFRS 112: Income Taxes	1 January 2023
Amendments to MFRS 16: Leases	1 January 2024
Amendments to MFRS 10 and MFRS128: Sale or Contribution of Assets between an Investor and its Associate or Joint venture	To be determined

**Unaudited Quarterly Financial Report For The Second Quarter Ended 31 December 2022****PART A-Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting****A2. Summary of Significant Accounting Policies (Cont’d)**

The Group and the Company will adopt the above-mentioned standards, amendments or interpretations, if applicable, when they become effective in respective financial periods. The Directors do not expect any material impact to the financial statements of the above pronouncements.

**A3. Audit Report of Preceding Annual Financial Statements**

The audited annual financial statements for the financial year ended 30 June 2022 were not subject to any qualification.

**A4. 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.

**A5. 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.

**A6. Material Changes in Estimates**

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

**A7. 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 December 2022 under review.

**A8. Dividend**

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

**Unaudited Quarterly Financial Report For The Second Quarter Ended 31 December 2022****PART A-Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting****A9. Segmental Information****a) Analysis of revenue by product categories**

Quarter Ended 31 December 2022	Note	Hardware, Software and Professional Services RM'000	Manpower Outsourcing & Recruitments Services RM'000	E-Commerce & Specified Application Services RM'000	Investment Holding RM'000	Eliminations RM'000	Total RM'000
Sales		13,530	1,601	-	-	-	15,131
Intersegment sales		3	3	-	215	(221)	-
		13,533	1,604	-	215	(221)	15,131
<b>Segment results</b>							
Interest Income		13	-	-	130	(113)	30
Interest expenses	B6	165	37	-	9	(113)	98
Depreciation & amortisation		95	10	234	125	-	464
Income Tax recover /(expenses)		-	-	-	-	-	-
Segment profit/(loss) after tax		(699)	267	(269)	(933)	-	(1,634)
<b>Year to date Ended 31 December 2022</b>							
	Note	Hardware, Software and Professional Services RM'000	Manpower Outsourcing & Recruitments Services RM'000	E-Commerce & Specified Application Services RM'000	Investment Holding RM'000	Eliminations RM'000	Total RM'000
Sales		27,987	3,546	2	-	-	31,535
Intersegment sales		6	5	-	430	(441)	-
		27,993	3,551	2	430	(441)	31,535
<b>Segment results</b>							
Interest Income		19	2	-	240	(220)	41
Interest expenses	B6	349	76	-	13	(220)	218
Depreciation & amortisation		207	20	487	249	-	963
Income Tax recover /(expenses)		-	-	-	-	-	-
Segment profit/(loss) after tax		(1,172)	415	(556)	(2,105)	-	(3,418)

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.

**A10. 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.

**Unaudited Quarterly Financial Report For The Second Quarter Ended 31 December 2022****PART A-Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting****A11. Material Events Subsequent to the End of the Current Period**

Save as disclosed in Note B7, there were no material events subsequent to the end of the current period under review.

**A12. Changes in Composition of the Group**

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

**A13. Contingent Assets or Liabilities**

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

**A14. Capital Commitments**

There were no capital commitments for the period under review.

**A15. Related Party Transactions**

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



**Unaudited Quarterly Financial Report For The Second Quarter Ended 31 December 2022****PART B. – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET****B1. Review of Financial Performance for Current Quarter.**

A comparison of financial performance of the Group for: -

- i) The **current quarter (“Q22023”)** ended 31 December 2022 with the **preceding year’s corresponding quarter (“Q22022”)** ended 31 December 2021; and
- ii) the **current year to date (“CY2023”)** ended 31 December 2022 with the **preceding year to date (“PY2022”)** ended 31 December 2021 as follows: -

Descriptions	INDIVIDUAL QUARTER ENDED		Changes		CUMULATIVE 2 QUARTERS ENDED		Changes	
	31/12/2022	31/12/2021			31/12/2022	31/12/2021		
	Q22023	Q22022	CY2023	PY2022				
	RM'000	RM'000	RM'000	RM'000				
	Unaudited	Audited	RM'000	%	Unaudited	Audited	RM'000	%
<b>Revenue</b>	15,131	12,502	<b>2,629</b>	<b>21%</b>	31,535	23,422	<b>8,113</b>	<b>35%</b>
<b>Profit/(Loss) Before Tax (“PBT”) (“LBT”)</b>	(1,634)	(1,306)	(328)	<b>25%</b>	(3,418)	(2,935)	(483)	<b>16%</b>

For the **Q22023’s** revenue of **RM15.13 million** as compared to the **Q22022’s** revenue of **RM12.50 million**, the Group recorded an **increase in revenue of RM2.63 million or +21%**.

For the **CY2023** as compared to the **PY2022**, the Group’s revenue of **RM31.53 million** increased by **RM8.11 million or 35%**.

For the **quarterly and year-to-date** under review, **higher revenue** was reported from **both the hardware, software and professional services and manpower outsourcing and recruitment services** mainly attributed to **higher contribution** from **Hardware project sales order** as well as **professionals outsourcing contract and recruitment placement services**.

The Group’s **LBT** of **RM1.63 million** for **Q22023** as compared to **LBT RM1.30 million** in the **Q22022**, representing an **increase in LBT of RM0.32 million**.

For the **year-to-date** under review, the Group reported a **higher LBT of RM3.41 million** as compared to **LBT RM2.93 million** in the **PY2022**, representing a **higher LBT of RM0.48 million**.

For the **quarterly and year-to-date** under review, **higher LBT** was mainly attributed to **lower other operating income** as well as **higher employee benefits & key management remuneration and other operating expenses** as a result of increase in business supports, sales and marketing activities, **however it was mitigated by gross profit increased** which in tandem with the higher revenue.

**Unaudited Quarterly Financial Report For The Second Quarter Ended 31 December 2022****PART B. – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET**

**B2. Review of Financial Performance-Comparison** of financial performance of the Group for the current quarter (“Q22023”) ended 31 December 2022 with preceding quarter (“Q12023”) ended 30 September 2022.

Descriptions	INDIVIDUAL QUARTER ENDED		VARIANCE	
	31/12/2022	30/09/2022		
	Q22023	Q12023		
	RM'000	RM'000	RM'000	%
	Unaudited	Audited		
Revenue	15,131	16,403	(1,272)	-8%
(Loss) Before Tax ("LBT")	(1,634)	(1,783)	149	-8%

For the Q22023 under review, the Group reported revenue of **RM15.13 million** as compared to **RM16.40 million** in the Q12023, representing a **decrease of RM1.27 million** or **-8%**.

For Q22023, lower revenue was reported from both the hardware, software and professional services and manpower outsourcing and recruitment services mainly attributed to lower contribution from hardware export sales order and professionals outsourcing contract services.

The Group’s LBT of **RM1.63 million** for Q22023 as compared to LBT of **RM1.78 million** in the Q12023, representing a lower LBT of **RM0.15 million**. This was mainly attributed to lower other operating expenses as a result of lower fair value loss adjustments on other investment.

**B3. Commentary on Prospects**

The Malaysia economy registered a stronger growth in the second quarter of 2022 and is expected to continue its recovery on the back of ongoing policy support. On international economic environment, the ongoing geopolitical tensions and various trade sanctions contributed to elevated commodity prices resulted in supply chain issues and hence, led to higher costs and inflation globally. The local and global economic growth expected to moderate as a result of major central banks around the world has begun to tighten monetary policies to contain inflation, which has triggered fears of a recession.

The Group observed the market conditions, in line with the Malaysia government’s main focus on empowering the digital economy and believe the ICT spenders will likely to come from the government sector, and for private sector will be spending more on essential services such as cyber security services.

Premised on the above and coupled with the marked acceleration in the adoption of digitalisation, the Group remains focused on executing its strategies to achieve better financial performance through strengthens its products and services to meet the current requirements and needs of the market. Barring any unforeseen circumstances, our Board of Directors is confident that that the group will weather oncoming challenges and is cautiously positive about the group’s prospects for the next financial year ending 30 June 2023.

**Unaudited Quarterly Financial Report For The Second Quarter Ended 31 December 2022****PART B. – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET****B4. Profit Forecast and Profit Guarantee**

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

**B5. Taxation**

There is no provision for taxation for this quarter as the Company is in an adjusted business loss position and there are unused tax losses and unabsorbed capital allowances available to be offset against taxable income.

**B6. Interest Expenses**

Breakdown of classification of interest expenses

	Current Quarter Ended		Cumulative Quarter Ended	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
	Unaudited	Audited	Unaudited	Audited
	RM'000	RM'000	RM'000	RM'000
i) Cost of sales				
Lease liabilities interest	12	85	42	188
ii) Finance costs				
Lease liabilities interest	18	22	36	30
Bank overdraft interest	68	31	140	77
Total Interest expenses	98	138	218	295

**B7. Corporate Proposals**

There is no corporate proposals announced has not completed as at the date of this report.

**Unaudited Quarterly Financial Report For The Second Quarter Ended 31 December 2022****PART B. – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET****B8. Borrowings and Debt Securities**

Details of the Group's borrowings as at 31 December 2022 are as follows: -

	<b>As at 31/12/2022 (RM'000)</b>
<b>Current:</b>	
Bank overdraft	3,314
Lease Liabilities	499
	<b>3,813</b>
<b>Non-Current:</b>	
Lease Liabilities	856
	<b>856</b>
<b>Total</b>	<b>4,669</b>

**B9. Material Litigation**

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

**B10. Dividend**

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

**B11. 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 RM1.632 million for the current quarter under review and net loss attributable to the owners of RM3.412 million for the current year-to-date, divided by the weighted average number of ordinary shares in issue as follows: -

	<b>Current Quarter Ended</b>	<b>Cumulative Quarter Ended</b>
	<b>31/12/2022</b>	<b>31/12/2022</b>
	<b>Unaudited</b>	<b>Unaudited</b>
Loss attributable to ordinary equity holders of the parent (RM'000)	(1,632)	(3,412)
Weighted Average Number of Ordinary Shares	843,796,423	843,796,423
Basic profit per share (sen)	(0.19)	(0.40)

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.

**Unaudited Quarterly Financial Report For The Second Quarter Ended 31 December 2022****PART B. – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET****B12. Status of Utilisation of Proceeds**

- i) The status of the utilisation of proceeds from the Private Placement of up to 30% of the total number of issued shares of the Company as at 31 December 2022 is as follows: -

Purpose	Proceed raised	Actual utilisation	Unutilised proceed	Initial Timeframe for utilisation of proceeds (1)	Revised Timeframe for utilisation of proceeds (2)
	RM'000	RM'000	RM'000		
IT contracts and /or orders	4,175.00	(4,175.00)	-	Within 18 months	
Business expansion (2)	1,500.00	-	1,500.00	Within 18 months (1)	Within 54 months (2)
Expenses in relation to the Private Placement	200.00	(200.00)	-	Within 1 months	
Total	5,875.00	(4,375.00)	1,500.00		

**Notes:**

- (1) From 26 March 2020 and 22 May 2020, date of listing of the Previous Placement Shares.  
(2) The business expansion to the South East Asia region has been approved by the Board for extension of timeframe to allow the Company to have additional time to utilise the balance of the proceeds as a result of the pandemic impacts.

- ii) The Status of utilisation of Proceeds derived from the Private Placement of up to 10% of the total number of issued shares of the Company as at 31 December 2022 is as follows: -

Purpose	Proceed raised	Deviation (3)	Actual utilisation	Unutilised proceed	Timeframe for utilisation of proceeds (2)
	RM'000	RM'000	RM'000	RM'000	
Information technology (“IT”) contracts and orders	11,594.00	157.00	(11,751.00)	0.00	Within 18 months
Estimated expenses for the Proposed Private Placement	300.00	(157.00)	(143.00)	0.00	Within 1 month
Total	11,894.00	-	(11,894.00)	0.00	

**Notes:**

- (1) The PP has completed on 11 January 2022.  
(2) From date of listing of the Placement Shares.  
(3) The actual expenses in relation to the Private Placement is RM143,000, the unutilised amount of RM157,000 will be utilised for Information technology (“IT”) contracts and orders.