

SANICHI TECHNOLOGY BERHAD

Company No. 661826-K
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

(The figures below are unaudited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 31 December 2021 RM'000	Preceding Year Corresponding Quarter 31 December 2020 RM'000	Current Year to date 31 December 2021 RM'000	Preceding Year Corresponding Period 31 December 2020 RM'000
Revenue	6,117	7,987	17,708	23,692
Cost of sales	(8,203)	(12,068)	(16,959)	(24,809)
Gross profit / (loss)	(2,086)	(4,081)	749	(1,117)
Other income	2,362	9,708	3,864	12,675
Operating expenses	(85,634)	(6,334)	(95,202)	(16,531)
Loss from operations	(85,358)	(707)	(90,589)	(4,973)
Finance costs	(330)	(520)	(2,395)	(2,752)
Loss before taxation	(85,688)	(1,227)	(92,984)	(7,725)
Tax expense	(801)	446	(1,248)	27
Loss after tax from continuing operation	(86,489)	(781)	(94,232)	(7,698)
Loss from discontinued operations, net of tax	-	-	-	-
Loss for the year	(86,489)	(781)	(94,232)	(7,698)
Other Comprehensive Profit / (Loss), net of tax				
Foreign currency translation	1,169	(124)	-	(613)
Overprovision of taxation	-	-	-	-
	<u>1,169</u>	<u>(124)</u>	<u>-</u>	<u>(613)</u>
Total Comprehensive Loss For The Financial Year	(85,320)	(905)	(94,232)	(8,311)
Loss attributable to:				
Owners of the Parent	(86,655)	(789)	(94,392)	(7,705)
Non-controlling interest	166	8	160	7
	<u>(86,489)</u>	<u>(781)</u>	<u>(94,232)</u>	<u>(7,698)</u>
Total comprehensive Loss attributable to:				
Owners of the Parent	(85,480)	(912)	(94,392)	(8,318)
Non-controlling interest	160	7	160	7
	<u>(85,320)</u>	<u>(905)</u>	<u>(94,232)</u>	<u>(8,311)</u>
Loss per share (sen)				
Basic (note B13)	(9.43)	(0.06)	(10.27)	(0.62)
Diluted (note B13)	(5.47)	(0.05)	(5.96)	(0.48)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and accompanying explanatory notes attached to the interim financial statements.

SANICHI TECHNOLOGY BERHAD

Company No. 661826-K
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	(Unaudited) As at 31 December 2021 RM'000	(Audited) As at 31 December 2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	40,896	44,530
Right-of-use of asset	94	44
Investment properties	35,130	38,675
Goodwill	-	494
Other investment	20,389	23,145
	96,509	106,888
Current assets		
Inventories	59,606	60,100
Trade and other receivables	48,190	43,367
Contract assets	5,224	7,549
Tax assets	208	55
Cash and cash equivalents	154,230	137,130
	267,458	248,200
TOTAL ASSETS	363,967	355,088
EQUITY AND LIABILITIES		
EQUITY		
Share capital	332,886	236,676
Retained earnings	(55,948)	38,444
Other reserve	9,204	9,472
Equity attributable to owners of the parent	286,142	284,592
Non-controlling interests	9,156	8,996
Total equity	295,298	293,588
Non-current liabilities		
Borrowings	33,846	36,186
Current liabilities		
Trade and other payables	24,197	22,448
Finance lease payables	28	10
Borrowings	6,699	1,956
Current tax liabilities	823	132
Provisions	3,076	768
	34,823	25,314
TOTAL LIABILITIES	68,669	61,500
TOTAL EQUITY AND LIABILITIES	363,967	355,088
Net assets per share attributable to owners of the parent (RM)	0.20	0.14

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and accompanying explanatory notes attached to the interim financial statements.)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Attributable to Owners of the Parent					
	Share Capital RM'000	Translation reserve RM'000	Warrant reserve RM'000	Accumulated Profit RM'000	Non-controlling interest RM'000	Total Equity RM'000
At 1 January 2021	236,676	239	9,233	38,444	8,996	293,588
Loss for the financial year	-	-	-	(94,392)	160	(94,232)
Foreign currency translation	-	(268)	-	-	-	(268)
Issuance Rights Issue Shares	96,210	-	-	-	-	96,210
At 31 December 2021 (unaudited)	<u>332,886</u>	<u>(29)</u>	<u>9,233</u>	<u>(55,948)</u>	<u>9,156</u>	<u>295,298</u>
At 1 January 2020	184,200	(878)	9,233	46,149	1,265	239,969
Loss for the financial period	-	-	-	(7,705)	7	(7,698)
Foreign currency translation	-	(613)	-	-	-	(613)
Exercised employees' stock options scheme	29,259	-	-	-	-	29,259
Private placement	23,217	-	-	-	-	23,217
Incorporation of a subsidiary	-	-	-	-	9,000	9,000
Accretion of interest in subsidiary	-	1,730	-	-	(1,276)	454
At 31 December 2020 (audited)	<u>236,676</u>	<u>239</u>	<u>9,233</u>	<u>38,444</u>	<u>8,996</u>	<u>293,588</u>

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2021

(The figures below are unaudited)

	Current Year to 31 December 2021 RM'000	Preceding Year Corresponding Period to 31 December 2020 RM'000
Cash flows from operating activities		
Loss before tax	(92,984)	(7,725)
Adjustments for:-		
Non-cash items	85,823	(2,321)
Non operating items	782	42
Operating loss before working capital changes	(6,379)	(10,004)
Changes in working capital:		
Net changes in current assets	11,306	16,640
Net changes in current liabilities	5,069	(37,509)
Cash generated from / (used) in operations	9,996	(30,873)
Interest received	1,499	2,710
Tax refund	-	483
Tax paid	(720)	(579)
Net cash generated from / (used in) operating activities	10,775	(28,259)
Cash flows from investing activities		
Accretion of interest in a subsidiary	-	(1,500)
Proceeds from issuance of shares	96,210	52,476
Proceeds from disposal of plant and equipment	-	34
Purchase of right of use assets	(100)	(29)
Proceeds from incorporation of a subsidiary	-	9,000
Purchase of other investment	(77,219)	(11,362)
Purchase of investment property	-	(390)
Renovation of building	(228)	-
Addition of fixed deposit	(50,260)	41,851
Purchase of plant and equipment	(241)	(3,073)
Net cash generated from investing activities	(31,838)	87,007
Cash flows from financing activities		
Interest paid	(2,281)	(2,752)
Repayment of finance lease	1,475	
Repayment of borrowings	(2,331)	(2,253)
Net cash used in financing activities	(3,137)	(5,005)
Effects of changes in exchange rates	(268)	613
Net increase in cash and cash equivalents	(24,469)	54,356
Cash and cash equivalents at beginning of the year	56,860	2,504
Cash and cash equivalents at end of the year	32,391	56,860
Cash and cash equivalents comprise:		
Fixed deposits	3,000	306
Cash and bank balances**	29,391	56,554
	32,391	56,860

** Cash and bank balances include amounts held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and accompanying explanatory notes attached to the interim financial statements.

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A. EXPLANATORY NOTES IN ACCORDANCE WITH FRS 134

A1. Basis of Preparation

The unaudited condensed interim financial statements for the quarter ended 30 December 2021 have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) No. 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market (“ACE Listing Requirements”). The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of Sanichi Technology Berhad (“Sanichi” or “Company”) and its subsidiaries (collectively known as “Sanichi Group” or “Group”) for the financial year ended (“FYE”) 31 December 2020.

The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2020, except in the current financial year, the Group has adopted all the new and revised standards which are effective for the financial year beginning 1 January 2021. The adoption of these standards did not have any effect on the financial performance or position of the Group and of the Company.

A2. Seasonality or Cyclical Factors

The Group’s operations for the current quarter under review were not significantly affected by any seasonal or cyclical factors.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

During the quarter, there were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

A4. Material Change in Estimates

There were no materials changes in estimates of amounts reported in prior financial years that have a material effect on the results for the quarter under review.

A5. Issuances, Repurchases and Repayments of Debt and Equity Securities

During the quarter, there were no issuances, repurchases and repayments of debt and equity securities except for disclosed in Note B7 and one issuance of 145 shares under conversion of Warrant E at RM0.25 dated 13 December 2021.

A6. Dividend Paid

There were no dividends declared or paid during the current financial quarter under review.

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A7. Segmental Information

The board views the Group as having two segments from an industry perspective. The reportable segments are the Precision Mould business and the Property Development business. The Precision Mould business is geographically located in Malaysia and Thailand. The Property Development business is geographically located in Malaysia only.

The Group	Precision Mould	Property Development	Others	Consolidated
31 December 2021	RM'000	RM'000	RM'000	RM'000
Revenue				
External sales	9,184	7,467	1,057	17,708
Inter segment sales	-	-	-	-
Total revenue	<u>9,184</u>	<u>7,467</u>	<u>1,057</u>	<u>17,708</u>
Results				
Loss from operations	(6,930)	(2,551)	(81,107)	(90,588)
Finance cost	(360)	-	(2,035)	(2,395)
Income from other investment	-	-	-	-
Loss before tax				<u>(92,984)</u>
Income tax				<u>(1,248)</u>
Net loss for the year				<u>(94,232)</u>

The Group	Precision Mould	Property Development	Others	Consolidated
31 December 2020	RM'000	RM'000	RM'000	RM'000
Revenue				
External sales	6,561	15,786	1,345	23,692
Inter segment sales	-	-	-	-
Total revenue	<u>6,561</u>	<u>15,786</u>	<u>1,345</u>	<u>23,692</u>
Results				
Loss from operation	(5,023)	(1,882)	1,932	(4,973)
Finance cost	(269)	-	(2,483)	<u>(2,752)</u>
Loss before tax				<u>(7,725)</u>
Income tax				<u>27</u>
Net loss for the year				<u>(7,698)</u>

A8. Material Events Subsequent to the End of the Quarter under Review

There were no material events subsequent to the end of the quarter under review except for those disclosed in note B7.

A9. Changes in the Composition of the Group

During the quarter under review, there were no significant changes in the composition of the Group.

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A10. Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date up to the date of this report.

A11. Capital Commitments

There were no material capital commitments in respect of property, plant and equipment as at the end of the current quarter under review.

A12. Significant Related Parties Transactions

During the current financial quarter, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

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B. ADDITIONAL INFORMATION REQUIRED BY ACE LISTING REQUIREMENTS (APPENDIX 9B)

B1. Review of Group's Results for the Current Quarter and Year-to-Date Ended 31 December 2021

	Individual period (period ended 31 December 2021)			Cumulative period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes (in Amount)	Current Year-to-date	Preceding Year Corresponding Period	Changes (in Amount)
	31 Dec 2021	31 Dec 2020		31 Dec 2021	31 Dec 2020	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	6,117	7,987	(1,870)	17,708	23,692	(5,984)
Operating loss	(87,720)	(10,415)	(77,305)	(94,453)	(17,648)	(76,805)
Loss before interest and tax	(85,358)	(707)	(84,651)	(90,589)	(4,973)	(85,616)
Loss before tax	(85,688)	(1,227)	(84,461)	(92,984)	(7,725)	(85,259)
Loss after tax	(86,489)	(781)	(85,708)	(94,232)	(7,698)	(86,534)
Loss attributable to ordinary equity holders of the parent	(86,655)	(789)	(85,866)	(94,392)	(7,705)	(86,687)

The Group recorded a revenue of RM 6.12 million for the quarter ended 31 December 2021. The Group's loss before tax ("LBT") and loss after tax ("LAT") for the quarter were RM 85.69 million and RM 86.49 million for the period respectively.

The Group recorded a revenue of RM 7.99 million for the immediate preceding quarter at 31 December 2020. The Group recorded LBT and LAT of RM 1.23 million and RM 0.78 million respectively for the immediate preceding quarter at 31 December 2020. The LBT in the current quarter was mainly due to impairment loss, unrealized loss on fair value during the quarter.

The slowing down of revenue recognition from property development segments which resulted a significant decrease in revenue recognition as compared to immediate preceding quarter ended 31 December 2020.

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B2. Variation of Results for the Current Quarter Ended 31 December 2021 against Immediate Preceding Quarter

	Current Quarter 31/12/2021 RM'000	Preceding Quarter 30/9/2021 RM'000	Variance RM'000
Revenue	6,117	6,186	(69)
Operating (Loss) / Profit	(87,720)	2,151	(89,871)
(Loss) / Profit before Interest and tax	(85,358)	2,899	(88,257)
(Loss) / Profit before tax	(85,688)	2,303	(87,991)
(Loss) / Profit after tax	(86,489)	2,150	(88,639)
(Loss) / Profit attributable to ordinary equity holders of the parent	(86,655)	2,153	(88,808)

The Group recorded the decrease of approximately 1.1% in its revenue to RM 6.12 million for the quarter ended 31 December 2021 against RM 6.19 million for the immediate preceding quarter ended 30 September 2021. The Group registered LBT and LAT of RM 85.69 million and RM 86.49 million respectively for the current quarter ended 31 December 2021, as compared to PBT and PAT of RM 2.30 million and RM 2.15 million respectively in the immediate preceding quarter ended 30 September 2021. The reason for the Group's decrease in revenue for the current quarter was mainly due to slowing down of revenue recognition from property development division within the quarter ended 31 December 2021 as compared to preceding quarter 30 September 2021.

B3. Group's Prospects for FYE 31 December 2022

Barring any unforeseen circumstances, the Board expects the Group's performance to be challenging for the financial year ending 31 December 2022. Volatility of foreign exchange rates will continue to affect the Group's tooling business as a significant percentage of its revenue is derived from overseas markets. Furthermore, the uncertainty carried the impact of covid-19 that might affect the performance of the Group in the near future. The uncertainty caused the overall market in a downtrend which has an adverse impact that trigger the adjustment of fair value for Sanichi's financial assets. However, the completion of several share issuances during the year and the expected completion of property development in Marina Point Melaka would strengthen the financial health of the Group. The Group would cautiously observe the market and explore every business opportunities despite in this uncertain market.

B4. Variance of Profit Forecast

The Group did not publish any profit forecast for the period/year under review.

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B5. Tax Expenses

Taxation comprises the following:-

	Individual quarter ended		Cumulative quarter ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
In respect of the current period:-				
Current taxation	1,055	1,050	902	631
Deferred taxation	-	(192)	-	(192)
	<u>1,055</u>	<u>858</u>	<u>902</u>	<u>439</u>
In respect of the previous period:-				
Taxation	346	(466)	346	(466)
Deferred taxation	-	-	-	-
Net tax charge/(credit)	<u>1,401</u>	<u>392</u>	<u>1,248</u>	<u>(27)</u>

B6. Profits / (Losses) on Sale of Unquoted Investments and Properties

There was no disposal of unquoted investments and properties during the quarter under review and financial year-to-date.

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B7. Status of Corporate Proposals

There were no corporate proposal announced but not completed as at the date of this report except for:-

- 1.) The Company wishes to announce that the Company proposes to undertake (1) proposed diversification of the business of Sanichi and its subsidiaries (“Sanichi Group” or the “Group”) to include the manufacture, sale and marketing of gloves and other related activities (“Gloves Business”) (“Proposed Diversification”); (2) proposed consolidation of every 10 existing ordinary shares in Sanichi (“Sanichi Shares” or “Shares”) into 1 Share (“Consolidated Share”) (“Proposed Share Consolidation”); (3) proposed renounceable rights issue of up to 1,424,437,980 new Shares (“Rights Shares”) together with up to 712,218,990 free detachable warrants in Sanichi (“Warrants F”) on the basis of 6 Rights Shares together with 3 free Warrants F for every 1 Consolidated Share held by the entitled shareholders of the Company on an entitlement date to be determined (“Entitlement Date”) (“Entitled Shareholders”) (“Proposed Rights Issue with Warrants”); (4) termination of the existing employees’ share options scheme of the Company, which took effect on 7 November 2014 for a period of 5 years and subsequently extended for another 5 years (“Existing ESOS”) (“Proposed Termination of Existing ESOS”); and (5) proposed establishment of a new employees’ share options scheme (“New ESOS” or “Scheme”) involving up to 30% of the total number of issued Shares (excluding treasury shares, if any) (“Proposed New ESOS”). Please refer to announcement dated 3 February 2021, 19 February 2021 and 22 March 2021 for further details. The Company had on 5 April 2021 announced that the listing and quotation of 200,471,911 Consolidated Shares and 36,932,791 Consolidated Warrants E on the ACE Market of Bursa Securities has been completed on 6 April 2021. The Company wishes to announce that the effective date for the implementation of the ESOS is 19 August 2021, being the date on which the Company is in full compliance with requirements including Rule 6.44(1) of the Listing Requirements.

The Company wishes to announce that the Company has resolved to fix the issue price of the Rights Shares at RM0.08 per Rights Share (“Issue Price”) and the exercise price of the Warrants F at RM0.10 per Warrant F (“Exercise Price”). The Board had fixed the Issue Price after taking into consideration (i) the funding requirements of the Group as set out in Section 7 of the circular to shareholders of the Company dated 24 February 2021 (“Circular”); (ii) the TEAP of Sanichi Shares based on the 5-day VWAP of Sanichi Shares up to and including 7 April 2021, being the last trading day before the date of fixing the Issue Price and the Exercise Price (“LTD”); and (iii) the rationale for the Rights Issue with Warrants, as set out in Section 8 of the Circular. The Issue Price represents a discount of 23.44% to the TEAP of Sanichi Shares of RM0.1045, calculated based on the 5-day VWAP of Sanichi Shares up to and including the LTD of RM0.2648. The Board had fixed the Exercise Price after taking into consideration, amongst others, the TEAP of Sanichi Shares. The Exercise Price represents a discount of 4.31% to the aforementioned TEAP. Please refer to announcement dated 8 April 2021.
- 2.) The Company wishes to announce that the Company had on 17 July 2020 entered into a Collaboration Agreement (“the Agreement”) with PDZ Holdings Bhd (“PDZ”) (individually and collectively known as “Party” or “the Parties”) to jointly develop and operate a regional e-Commerce logistics hub located in Desaru, Kota Tinggi, Johor which will eventuate to the forming of Special Purpose Vehicle (“SPV”). Please refer to announcement dated 17 May 2020, 17 July 2020 and 30 October 2020 for further details. No major development after the agreement signed.

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- 3.) The Company wishes to announce that the Company had on 11 December 2018 entered into a Memorandum of Understanding (“MOU”) with FKS Holdings Pte. Ltd. (“FKS”) (Company No. 201502196H), a company incorporated in Singapore. The Board of Directors of Sanichi on 14 December 2018 wishes to further inform that the Parties agree to enter into an agreement within 6 months from the date of the MOU (i.e. 11 December 2018) or such other extended period as may be agreed by the Parties. Please refer to announcement for further details. No major development after the MOU signed.
- 4.) The Company wishes to announce that the Company had on 18 May 2020 entered into a Memorandum of Understanding with PNE PCB BERHAD (Registration No. 198801000741 (168098-V) or any of its subsidiaries, a company incorporated in Malaysia and having its correspondence address at 6, Jalan Firma 2/1, Kawasan Perindustrian Tebrau, 81100 Johor Bahru, Johor, AT SYSTEMATIZATION BERHAD (Registration No. 200401006297 (644800-X) or any of its subsidiaries, a company incorporated in Malaysia and having its correspondence address at Lot 11.2, Level 11, Menara Lien Hoe, No.8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor and ARZON SOLAR, LLC, a company incorporated in the United States of America and having its correspondence address at 3425 Fujita Street, Torrance, California 90505, USA. Please refer to announcements dated 18 May 2020, 20 May 2020, 27 May 2020, 17 August 2020, 27 November 2020, 25 February 2021, 12 May 2021, 30 August 2021, 30 November 2021 and 28 February 2022 for further details. No major development after the MOU signed.
- 5.) The Company wishes to announce a Press Release entitled "Sanichi's 8 sen Rights Issue offer is world's lowest price for Glove Stocks". Please refer to announcements dated 22 April 2021.
- 6.) The Company wishes to announce that the Company renounceable the Rights Issue of up to 1,424,428,212 new ordinary shares in Sanichi (“Sanichi Shares” or “Shares”) (“Rights Shares”) at an issue price of RM0.08 per rights share together with up to 712,214,106 free detachable warrants in Sanichi (“Warrants F”) on the basis of 6 Rights Shares together with 3 free Warrants F for every 1 existing share held by the entitled shareholders of Sanichi. On behalf of the Board, Mercury Securities wishes to announce that pursuant to the close of acceptance, excess applications and payment for the Rights Shares with Warrants F, the Company had received valid acceptance and excess applications for a total of 1,202,623,503 Rights Shares, representing 99.98% subscription of the total number of Rights Shares available for subscription under the Rights Issue with Warrants. Successful applicants of the Rights Shares will be given Warrants F on the basis of 1 Warrants F for every 2 Rights Shares successfully subscribed for. The total number of excess Rights Shares available for allocation was 616,725,714. In view that the total number of excess Rights Shares applied for was 616,517,751, the board has decided to allot the excess Rights Shares to all the entitled shareholders and/or their renounce(s) and/or transferee(s) who have applied for the excess Right Shares in full. Please refer to announcements dated 23 April 2021, 11 May 2021 and 20 May 2021. On behalf of the Board, Mercury Securities wishes to announce that the Rights Issue with Warrants has been completed following the listing and quotation of 1,202,623,503 Rights Shares, 601,311,751 Warrants F and 63,302,561 Additional Warrants E on the ACE Market of Bursa Securities on 28 May 2021.

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Status of utilization of proceeds raised from corporate proposals

a) Rights Issue with Warrants

The utilization of the proceeds of RM62.95 million from the Rights Issue with Warrants of 572,273,460 new ordinary shares of RM0.11 each with 286,136,730 Warrants D, 6,064,595 Warrants B and 34,889,061 Warrants C.

Purpose	Proposed Utilisation	Actual Utilisation as at 21/2/2022	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Completing the construction of a factory building	5,500	5,500	Within eighteen (18) months	-	-
Expansion of production capacity	6,000	6,000	Within twenty four (24) months	-	-
Marketing expenses	4,000	4,000	Within twenty four (24) months	-	-
Acquisition of properties for investment	36,000	10,000	Within twenty four (24) months	26,000	72.22
Acquisition and/or investment in other complementary businesses	4,957	4,957	Within twenty four (24) months	-	-
Working capital	5,493	5,493	Within twenty four (24) months	-	-
Estimated expenses for the corporate exercise	1,000	1,000	Immediate	-	-
	62,950	36,950		26,000	41.30

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b) Rights Issue with Warrants

The utilization of the proceeds of RM73.866 million from the Rights Issue with Warrants of 738,658,516 new ordinary shares of RM0.10 each with free 369,329,241 Warrants E, 13,541,530 Warrants C and 31,792,008 Warrants D.

Purpose	Proposed Utilisation	Actual Utilisation as at 21/2/2022	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Property development activities	60,000	41,539	Within thirty-six (36) months	18,461	30.77
Working capital	12,946	12,946	Up to twelve (12) months	-	-
Estimated expenses for the corporate exercise	920	920	Immediate	-	-
	73,866	55,405		18,461	24.99

c) Private placement

The utilization of the proceeds of RM23.217 million from the Private Placement of 200,000,000 new ordinary shares of RM0.0526 each, 100,000,000 new ordinary shares of RM0.0602 each and 113,938,600 new ordinary shares of RM0.0586 each as of the date of this report is as follows:-

Purpose	Proposed Utilisation	Actual Utilisation as at 21/2/2022	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Development of Marina Point Project	22,866	-	Within eighteen (18) months	22,866	100
Estimated expenses for the corporate exercise	351	351	Immediate	-	-
	23,217	351		22,866	98.49

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B8. Group Borrowings and Debt Securities

The Group's borrowings, all repayable in Ringgit Malaysia and secured, as at the end of the quarter under review are as follows:

	RM'000
<u>Short Term Borrowings</u>	
Lease Liabilities	28
Term Loans	6,699
	<u>6,727</u>
<u>Long Term Borrowings</u>	
Lease Liabilities	-
Term Loans	33,846
	<u>33,846</u>
Total	<u>40,573</u>

The Group does not have any foreign borrowings and debt securities as at the date of this report.

B9. Trade Receivables

The Group's normal trade credit terms granted to trade receivables ranged from 1 month to 2 months (2020: 1 month to 2 months). Other credit terms are assessed and approved on a case by case basis. There are no trade receivables from related parties.

	As at quarter ended 31 December 2021				
	Current	1 – 3 months	3 – 5 months	More than 6 months	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Precision mould division	383	32	4,201	411	5,027
Property development division	796	31	-	2,758	3,585
Total	1,179	63	4,201	3,169	8,612

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

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B11. Material Litigation

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

B12. Dividend Proposed

No dividend was declared and recommended for payment during the quarter under review.

B13. Earnings Per Share (“EPS”) / Loss Per Share (“LPS”)

Basic LPS

	Current quarter ended		Cumulative quarter ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Net loss for the year (RM'000)	(86,655)	(789)	(94,392)	(7,705)
Weighted average number of shares in issue ('000)	918,751	1,233,500	918,751	1,233,500
Basic LPS (sen)	<u>(9.43)</u>	<u>(0.06)</u>	<u>(10.27)</u>	<u>(0.62)</u>

Basic LPS is calculated by dividing the net profit attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the year.

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Diluted EPS / LPS

1) Diluted Earnings / (Loss) per ordinary shares

The diluted earnings / (loss) per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue and issuable after the conversion of all outstanding warrants during the financial year ended 31 December 2021.

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Corresponding Quarter Ended	Current Year To Date Ended	Preceding Corresponding Year To Date Ended
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Net loss attributable to ordinary equity holders of the Company (RM'000)	(86,655)	(789)	(94,392)	(7,705)
Weighted average number of ordinary shares in issue ('000)	918,751	1,233,500	918,751	1,233,500
Effect of dilution after conversion of all outstanding ICULS, ESOS and Warrants ('000)	664,614	369,329	664,614	369,329
Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted earnings per share	1,583,365	1,602,829	1,583,365	1,602,829
Diluted basic loss per share (sen)	(5.47)	(0.05)	(5.96)	(0.48)

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B14. Comprehensive Income / (Expenses) Disclosure

	Current quarter ended		Cumulative quarter ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Interest income	871	9,067	1,499	10,708
Interest expense	(304)	(1,067)	(2,281)	(2,753)
Depreciation and amortization	(1,137)	(1,217)	(5,104)	(4,915)
Allowance of diminution of value of investment	(66,459)	(706)	(66,165)	-
Unrealised gain / (loss) on foreign exchange	(464)	176	(58)	105
Realised (loss) / gain on foreign exchange	(12)	187	(38)	86
Reversal of impairment loss	1,032	-	1,032	-
Provision for penalty	(2,308)	-	(2,308)	-
Impairment loss on amount due from subsidiary	(66)	-	(66)	-
Impairment loss on deposit	(12)	-	(12)	-
Impairment loss on goodwill	(494)	-	(494)	-
Impairment loss on fixed assets	(2,596)	-	(2,596)	-
Impairment loss on trade and other receivables	(10,163)	(51)	(10,163)	(51)

B15. Audit Report of Preceding Annual Financial Statements

The audited financial statements of the Company and its subsidiaries for the FYE 31 December 2020 were not subject to any qualification.