

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 SEPT 2022**

	As at 30.09.2022 RM'000	As at 31.12.2021 RM'000
<b>Assets:</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,086	1,139
Right-of-use assets	2,425	2,283
Intangible assets	4,501	4,436
Investment in an associate	518	705
Deferred tax assets	681	698
	<b>9,211</b>	<b>9,261</b>
<b>Current assets</b>		
Inventories	51	78
Trade receivables	28,759	37,432
Other receivables, deposits, contract assets and prepayments	8,476	6,442
Tax recoverable	671	-
Fixed deposits with licensed banks	5,927	2,780
Cash and bank balances	29,515	27,248
	<b>73,399</b>	<b>73,980</b>
<b>Total Assets</b>	<b>82,610</b>	<b>83,241</b>
<b>Equity:</b>		
Share capital	19,477	19,477
Reserves	19,805	19,062
Equity attributable to Owners of the Company	39,282	38,539
Non-controlling interests	1,429	1,700
<b>Total Equity</b>	<b>40,711</b>	<b>40,239</b>
<b>Liabilities:</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,075	531
Lease liabilities	702	584
Retirement benefit obligations	524	503
Borrowings	285	309
	<b>2,586</b>	<b>1,927</b>

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 SEPT 2022 (CONT'D)**

	<b>As at 30.09.2022 RM'000</b>	As at 31.12.2021 RM'000
<b>Current liabilities</b>		
Trade payables	27,321	26,272
Other payables, contract liabilities and accruals	10,846	13,295
Lease liabilities	771	742
Borrowings	32	31
Tax payable	343	735
	<hr/> <b>39,313</b> <hr/>	41,075
<b>Total Liabilities</b>	<hr/> <b>41,899</b> <hr/>	43,002
<b>Total Equity and Liabilities</b>	<hr/> <b>82,610</b> <hr/>	83,241
<b>Net Assets per share attributable to Owners of the Company (sen)</b>	<hr/> <b>28.18</b> <hr/>	27.65

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2021)

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
FOR THE PERIOD ENDED 30 SEPT 2022**

		<b>Current quarter ended</b>	Comparative quarter ended	<b>Current year-to-date ended</b>	Preceding year-to-date ended
	<b>Note</b>	<b>30.09.2022</b>	30.09.2021	<b>30.09.2022</b>	30.09.2021
		<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Revenue</b>		<b>26,513</b>	32,101	<b>91,964</b>	85,291
Direct costs		<b>(16,095)</b>	(20,066)	<b>(56,864)</b>	(52,735)
Gross profit		<b>10,418</b>	12,035	<b>35,100</b>	32,556
Other operating income		<b>940</b>	606	<b>2,347</b>	1,916
Other operating expenses		<b>(11,807)</b>	(10,614)	<b>(37,177)</b>	(32,323)
(Loss)/Profit from operations		<b>(449)</b>	2,027	<b>270</b>	2,149
Finance costs		<b>(31)</b>	(34)	<b>(107)</b>	(119)
Share of (loss)/profit in equity-accounted associates, net of tax		<b>(135)</b>	109	<b>(174)</b>	179
<b>(Loss)/Profit before tax</b>	B6	<b>(615)</b>	2,102	<b>(11)</b>	2,209
Taxation	B7	<b>(404)</b>	(649)	<b>(1,036)</b>	(1,192)
<b>(Loss)/Profit after tax</b>		<b>(1,019)</b>	1,453	<b>(1,047)</b>	1,017

**Other Comprehensive Income/(loss) for the period, net of tax**

*Item that may be reclassified subsequently  
to profit or loss:*

Foreign currency translation

<b>799</b>	(194)	<b>1,518</b>	(31)
------------	-------	--------------	------

**Total Other Comprehensive Income/(loss)**

**for the period, net of tax**

**Total Comprehensive (loss)/income**

<b>799</b>	(194)	<b>1,518</b>	(31)
<b>(220)</b>	1,259	<b>471</b>	986

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
FOR THE PERIOD ENDED 30 SEPT 2022 (CONT'D)**

	<b>Current quarter ended</b>	Comparative quarter ended	<b>Current year-to-date ended</b>	Preceding year-to-date ended
Note	<b>30.09.2022</b>	30.09.2021	<b>30.09.2022</b>	30.09.2021
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>(Loss)/Profit attributable to:</b>				
Owners of the Company	<b>(793)</b>	1,474	<b>(486)</b>	1,294
Non-controlling interests	<b>(226)</b>	(21)	<b>(561)</b>	(277)
	<b>(1,019)</b>	1,453	<b>(1,047)</b>	1,017
<b>Total Comprehensive (loss)/profit attributable to:</b>				
Owners of the Company	<b>(149)</b>	1,274	<b>742</b>	1,244
Non-controlling interests	<b>(71)</b>	(15)	<b>(271)</b>	(258)
	<b>(220)</b>	1,259	<b>471</b>	986
<b>(Loss)/Earning per share attributable to Owners of the Company (sen)</b>				
Basic	<b>(0.57)</b>	1.06	<b>(0.35)</b>	0.93

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2021)

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE PERIOD ENDED 30 SEPT 2022**

	Note	Current year-to-date ended 30.09.2022 RM'000	Preceding year-to-date ended 30.09.2021 RM'000
<b>Cash Flows From Operating Activities</b>			
(Loss)/Profit before tax		(11)	2,209
Adjustments for:			
Non-cash and non-operating items	B6(i)	1,990	1,885
Loss/(gain) on lease modification		47	(18)
Share of (loss)/profit in equity-accounted associates, net of tax		174	(179)
Operating profit before working capital changes		<u>2,200</u>	3,897
Decrease/(Increase) in inventories		25	(53)
Decrease in trade and other receivables, deposits and prepayments		8,297	3,993
Decrease/(Increase) in trade and other payables, contract liabilities and accruals		<u>(3,401)</u>	2,017
Cash generated from operations		<u>7,121</u>	9,854
Income tax paid		(1,544)	(979)
Income tax refunded		-	420
Net cash inflow from operating activities		<u>5,577</u>	9,295
<b>Cash Flows From Investing Activities</b>			
Expenditure incurred on development expenditure		(1,254)	(1,119)
(Placements)/Withdrawals of fixed deposits pledged to licensed banks		(43)	48
Interest received		89	84
Proceeds from disposals of plant and equipment		2	2
Purchase of plant and equipment		(354)	(200)
Repayment from/(advance to) associates		181	(53)
Net cash used in investing activities		<u>(1,379)</u>	(1,238)
<b>Cash Flows From Financing Activities</b>			
Interest paid		(43)	(37)
Repayment of lease liabilities		(800)	(1,119)
Repayments of term loans		(23)	(9)
Net cash used in financing activities		<u>(866)</u>	(1,165)
<b>Net increase in Cash and Cash Equivalents</b>		<b>3,332</b>	<b>6,892</b>
Effects of exchange rate changes		2,039	51
<b>Cash and Cash Equivalents at beginning of period</b>		<b>28,050</b>	<b>18,041</b>
<b>Cash and Cash Equivalents at end of period</b>		<b>33,421</b>	<b>24,984</b>

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE PERIOD ENDED 30 SEPT 2022 (CONT'D)**

	<b>Note</b>	<b>Current year-to-date ended 30.09.2022 RM'000</b>	<b>Preceding year-to-date ended 30.09.2021 RM'000</b>
<b>Cash and Cash Equivalents comprised:</b>			
Bank overdrafts		-	(462)
Cash and bank balances		<b>29,515</b>	24,639
Fixed deposits with licensed banks		<b>5,927</b>	2,752
		<b>35,442</b>	26,929
Less: fixed deposits pledged		<b>(2,021)</b>	(1,945)
		<b>33,421</b>	24,984

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2021)

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPT 2022**

	Attributable to Owners of the Company				Total	Non-controlling interests	Total equity
	Share capital	Reverse acquisition reserve	Foreign exchange reserve	Retained profits			
	RM'000	RM'000	RM'000	RM'000			
<b>Balance as at 1.1.2022</b>	<b>19,477</b>	<b>(2,512)</b>	<b>(223)</b>	<b>21,798</b>	<b>38,540</b>	<b>1,700</b>	<b>40,240</b>
Loss for the period	-	-	-	(486)	(486)	(561)	(1,047)
Other comprehensive income	-	-	1,228	-	1,228	290	1,518
<b>Total Comprehensive Income/(Loss)</b>	<b>-</b>	<b>-</b>	<b>1,228</b>	<b>(486)</b>	<b>742</b>	<b>(271)</b>	<b>471</b>
<b>Balance as at 30.09.2022</b>	<b>19,477</b>	<b>(2,512)</b>	<b>1,005</b>	<b>21,312</b>	<b>39,282</b>	<b>1,429</b>	<b>40,711</b>
<b>Balance as at 1.1.2021</b>	19,342	(2,512)	(156)	18,571	35,245	1,730	36,975
Profit/(Loss) for the period	-	-	-	1,294	1,294	(277)	1,017
Other comprehensive (loss)/income	-	-	(50)	-	(50)	19	(31)
<b>Total Comprehensive (loss)/income</b>	<b>-</b>	<b>-</b>	<b>(50)</b>	<b>1,294</b>	<b>1,244</b>	<b>(258)</b>	<b>986</b>
Dividends paid	-	-	-	-	-	(10)	(10)
Issuance of ordinary shares pursuant to ESS	135	-	-	-	135	-	135
Total transaction with Owners and changes in ownership interests	135	-	-	-	135	(10)	125
<b>Balance as at 30.09.2021</b>	<b>19,477</b>	<b>(2,512)</b>	<b>(206)</b>	<b>19,865</b>	<b>36,624</b>	<b>1,462</b>	<b>38,086</b>

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2021)

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

The unaudited interim financial report (“the quarterly report”) have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Chapter 9, Part K - Periodic Disclosures of the Listing Requirements of Bursa Malaysia Securities Berhad

**PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134: Interim Financial Reporting (“MFRS 134”) issued by the MASB**

**A1. Basis of preparation**

This quarterly report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2021 and the accompanying explanatory notes, which 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 year ended 31 December 2021.

**A2. Significant accounting policies**

The significant accounting policies and methods of computation applied in preparing the unaudited interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2021 except for the newly-issued MFRSs, interpretations and amendments to standards to be applied for the financial periods beginning on or after 1 January 2022:

**a) New MFRSs effective for annual period beginning on or after 1 January 2022**

The Group adopted the following Amendments to the Standards effective from the current quarter 2022, that are mandatory for annual periods beginning on or after 1 January 2022.

<u>Title</u>	<u>Effective date</u>
Annual Improvements to MFRS Standards 2018 -2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022

The adoption of the above Standards did not have any material effect on the financial performance or position of the Group and the Company.

**b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2023**

The following are the Standards of the MFRSs Framework that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been early adopted by the Group and the Company.

<u>Title</u>	<u>Effective date</u>
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
<i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i> (Amendments to MFRS 17 <i>Insurance Contracts</i> )	1 January 2023
<i>Disclosure of Accounting Policies</i> (Amendments to MFRS 101 <i>Presentation of Financial Statements</i> )	1 January 2023
<i>Definition of Accounting Estimates</i> (Amendments to MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> )	1 January 2023
Amendments to MFRS 112 <i>Deferred tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024

The Group and the Company are still in the process of assessing the impact of the above standard and amendments since the effects would be observable in the future financial years.



**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**A3. Seasonality or cyclicity of interim operations**

In general, online advertising activities would pick up during the second half of the calendar year especially towards year end.

**A4. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group because of their nature, size or incidence.

**A5. Changes in estimates of amounts reported previously**

There were no changes in estimates of amounts reported in prior interim periods or prior financial years that have a material effect in the current financial period.

**A6. Issues, repurchases and repayments of debts and equity securities**

There were no issuance, cancellations, repurchases, resales and repayments of debt and equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter and current year-to-date ended 30 Sept 2022.

**A7. Dividends paid**

There were no dividend paid by the Company during the current quarter and current year-to-date ended 30 Sept 2022.

**A8. Segmental information**

The Group's core activities are principally for the provision of technology-based online advertising solutions and other internet related services. The segment information is presented in respect of the Group's geographical areas which are based on the Group's management and internal reporting structure.

The Group operates mainly in ten geographical areas as follows:-

- i) Malaysia;
- ii) Singapore;
- iii) Vietnam;
- iv) Indonesia;
- v) Hong Kong and China;
- vi) Philippines;
- vii) Taiwan;
- viii) South Korea;
- ix) Cambodia; and
- x) Myanmar.

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**A8. Segmental information (Cont'd)**

The segment's financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

The assets and liabilities of foreign operations are translated into Ringgit Malaysia at the rates of exchange ruling at the reporting date and income and expenses are translated at the dates of transactions. The exchange differences arising from the translation are taken directly to other comprehensive income. However, if the operation is a non wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interest.

The principal exchange rates for every unit of foreign currency used are as follows:

	30 Sept 2022		30 Sept 2021	
	Closing rate	Average rate	Closing rate	Average rate
	RM	RM	RM	RM
1 Singapore Dollar	3.233	3.145	3.079	3.084
1 Hong Kong Dollar	0.591	0.552	0.538	0.532
1 Chinese Renminbi	0.652	0.658	0.648	0.638
1 US Dollar	4.637	4.342	4.187	4.130
100 Indonesian Rupiah	0.030	0.030	0.029	0.029
100 Thai Baht	-	12.550	-	13.110
100 Philippines Peso	7.897	8.111	8.207	8.450
100 Vietnamese Dong	0.019	0.019	0.018	0.018
100 New Taiwan Dollar	14.588	14.832	15.043	14.769
100 South Korean Won	0.323	0.343	0.353	0.365

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**A8. Segmental information (Cont'd)**

Current year-to-date ended 30 Sept 2022

Operating Segments

	Malaysia RM'000	Singapore RM'000	Vietnam RM'000	Indonesia RM'000	Hong Kong and China RM'000	Philippines RM'000	Taiwan RM'000	South Korea RM'000	Cambodia RM'000	Myanmar RM'000	Inter- segment eliminations RM'000	Group RM'000
<b>Revenue</b>												
Revenue from external customers	39,290	7,544	14,856	2,935	12,775	9,600	3,761	83	1,143	4	-	91,991
Inter-segment revenue	4,057	274	55	204	39	14	29	-	9	-	(4,681)	-
Total revenue	43,347	7,818	14,911	3,139	12,814	9,614	3,790	83	1,152	4	(4,681)	91,991
<b>Segment Results</b>												
Results from operating activities	1,711	(113)	356	(999)	419	422	(1,158)	38	(165)	(76)	(165)	270
Finance costs	(70)	(23)	(61)	(5)	-	(9)	(78)	(8)	(8)	(10)	165	(107)
Share of loss in equity- accounted associates, net of tax	(174)	-	-	-	-	-	-	-	-	-	-	(174)
Profit/(Loss) before tax	1,467	(136)	295	(1,004)	419	413	(1,236)	30	(173)	(86)	-	(11)
Taxation	(941)	3	-	-	(18)	(80)	-	-	-	-	-	(1,036)
(Loss)/Profit after tax	526	(133)	295	(1,004)	401	333	(1,236)	30	(173)	(86)	-	(1,047)
Non-controlling interests	81	-	(57)	515	(84)	(17)	267	(174)	-	30	-	561
(Loss)/Profit attributable to Owners of the Company	607	(133)	238	(489)	317	316	(969)	(144)	(173)	(56)	-	(486)
<b>Assets</b>												
Segment assets	47,637	8,938	12,117	4,358	20,774	12,261	1,961	3	402	113	(25,954)	82,610
<b>Liabilities</b>												
Segment liabilities	20,853	4,159	12,724	4,265	5,203	6,701	8,920	2	637	905	(22,470)	41,899

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**A8. Segmental information (Cont'd)**

Current year-to-date ended 30 Sept 2022 (cont'd)

Operating Segments (cont'd)

	Singapore SGD'000	Vietnam VND'Mil	Indonesia IDR'Mil	Hong Kong HKD'000	China CNY'000	Philippines PHP'000	Taiwan TWD'000	South Korea KRW'000	Cambodia USD'000	Myanmar USD'000
<b><u>Revenue</u></b>										
Revenue from external customers	2,399	78,192	9,782	23,082	-	118,357	25,357	23,967	263	1
Inter-segment revenue	87	287	681	70	-	174	197	-	2	-
Total revenue	2,486	78,479	10,463	23,152	-	118,531	25,554	23,967	265	1
<b><u>Segment Results</u></b>										
Results from operating activities	(36)	1,872	(3,332)	795	(30)	5,207	(7,807)	11,154	(38)	(18)
Finance costs	(7)	(324)	(20)	-	-	(112)	(523)	(2,004)	(2)	(2)
(Loss)/Profit before tax	(43)	1,548	(3,352)	795	(30)	5,095	(8,330)	9,150	(40)	(20)
Taxation	1	-	-	(33)	-	(985)	-	-	-	-
(Loss)/Profit after tax	(42)	1,548	(3,352)	762	(30)	4,110	(8,330)	9,150	(40)	(20)
Non-controlling interests	-	(300)	1,718	(152)	-	(206)	1,798	(50,753)	-	7
(Loss)/Profit attributable to Owners of the Company	(42)	1,248	(1,634)	610	(30)	3,904	(6,532)	(41,603)	(40)	(13)
<b><u>Assets</u></b>										
Segment assets	2,765	63,771	14,525	34,554	540	155,264	13,442	822	87	24
<b><u>Liabilities</u></b>										
Segment liabilities	1,286	66,970	14,217	7,820	892	84,850	61,144	630	137	195

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**A8. Segmental information (Cont'd)**

Preceding year-to-date ended 30 Sept 2021

Operating Segments (cont'd)

	Malaysia RM'000	Singapore RM'000	Vietnam RM'000	Indonesia RM'000	Hong Kong and China RM'000	Philippines RM'000	Taiwan RM'000	South Korea RM'000	Cambodia RM'000	Myanmar RM'000	Inter- segment eliminations RM'000	Group RM'000
<b>Revenue</b>												
Revenue from external customers	33,989	10,317	10,476	3,419	12,382	8,795	3,870	342	1,670	31	-	85,291
Inter-segment revenue	3,722	15	157	124	153	47	93	-	10	-	(4,321)	-
Total revenue	37,711	10,332	10,633	3,543	12,535	8,842	3,963	342	1,680	31	(4,321)	85,291
<b>Segment Results</b>												
Results from operating activities	1,424	739	(11)	(356)	277	895	(349)	(86)	(116)	(101)	(167)	2,149
Finance costs	(58)	(22)	(94)	(2)	-	(26)	(53)	(6)	(18)	(7)	167	(119)
Share of profit in equity- accounted associates, net of tax	179	-	-	-	-	-	-	-	-	-	-	179
Profit/(Loss) before tax	1,545	717	(105)	(358)	277	869	(402)	(92)	(134)	(108)	-	2,209
Taxation	(879)	(69)	-	4	(20)	(212)	-	-	(16)	-	-	(1,192)
Profit/(Loss) after tax	666	648	(105)	(354)	257	657	(402)	(92)	(150)	(108)	-	1,017
Non-controlling interests	33	-	22	173	(55)	(33)	80	19	-	38	-	277
Profit/(Loss) attributable to Owners of the Company	699	648	(83)	(181)	202	624	(322)	(73)	(150)	(70)	-	1,294
<b>Assets</b>												
Segment assets	50,852	9,451	8,981	5,465	18,910	13,069	2,383	123	1,011	112	(30,477)	79,880
<b>Liabilities</b>												
Segment liabilities	22,433	4,570	10,103	4,618	5,868	7,794	8,075	994	1,224	707	(24,592)	41,794

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**A8. Segmental information (Cont'd)**

Preceding year-to-date ended 30 Sept 2021 (cont'd)

Operating Segments (cont'd)

	Singapore SGD'000	Vietnam VND'Mil	Indonesia IDR'Mil	Hong Kong HKD'000	China CNY'000	Philippines PHP'000	Taiwan TWD'000	South Korea KRW'000	Cambodia USD'000	Myanmar USD'000
<b><u>Revenue</u></b>										
Revenue from external customers	3,345	58,202	11,791	23,274	-	104,088	26,202	93,659	404	8
Inter-segment revenue	6	870	427	288	-	551	629	-	2	-
Total revenue	3,351	59,072	12,218	23,562	-	104,639	26,831	93,659	406	8
<b><u>Segment Results</u></b>										
Results from operating activities	238	(60)	(1,227)	554	(27)	10,596	(2,362)	(23,538)	(28)	(24)
Finance costs	(7)	(522)	(6)	-	-	(312)	(358)	(1,723)	(4)	(2)
Profit/(Loss) before tax	231	(582)	(1,233)	554	(27)	10,284	(2,720)	(25,261)	(32)	(26)
Taxation	(22)	-	13	(37)	-	(2,506)	-	-	(4)	-
Profit/(Loss) after tax	209	(582)	(1,220)	517	(27)	7,778	(2,720)	(25,261)	(36)	(26)
Non-controlling interests	-	121	598	(104)	(1)	(389)	544	5,084	-	9
Profit/(Loss) attributable to Owners of the Company	209	(461)	(622)	413	(28)	7,389	(2,176)	(20,177)	(36)	(17)
<b><u>Assets</u></b>										
Segment assets	3,070	49,897	18,845	34,529	514	159,239	15,839	34,904	241	27
<b><u>Liabilities</u></b>										
Segment liabilities	1,484	56,125	15,925	9,830	895	94,964	53,681	281,728	292	169

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**A9. Valuation of property, plant and equipment**

There were no valuation of property, plant and equipment in the current quarter and current year-to-date ended 30 Sept 2022.

**A10. Material events subsequent to the end of the current quarter that have not been reflected in this quarterly report**

There were no material events subsequent to the end of the current quarter.

**A11. Effects of changes in the composition of the Group for the current year-to-date**

There were no changes in the composition of the Group in the current quarter and current year-to-date ended 30 Sept 2022.

**A12. Changes in contingent liabilities or contingent assets**

The Directors are of the opinion that the Group has no contingent liabilities or contingent assets which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

**A13. Significant unrecognised contractual commitments**

The Group has no material contractual capital commitments in respect of property, plant and equipment.

**A14. Significant related party transactions**

The following were the significant related party transactions:-

	<b>Current year-to-date ended 30.09.2022 RM</b>	Preceding year-to-date ended 30.09.2021 RM
Sales of advertisement space	462,140	632,234
Purchase of advertisement space and others	161,002	225,913
Purchase of online recruitment services	1,102	2,012
Bookkeeping fees	-	17,200
Royalty fees	95,361	142,980
Management fees	194,363	179,897

The above transactions had been entered into the ordinary course of business on normal commercial terms and not materially different from those obtainable in transactions with unrelated parties.

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

AS AT 30 SEPT Explanatory Notes Pursuant to Chapter 9, Part K - Periodic Disclosures, Appendix 9B, of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”)

**B1. Performance analysis of the Group for the current quarter and year-to-date**

The Group’s review of financial performance are analysed as follows:

	<b>Current quarter ended 30.09.2022 RM'000</b>	<b>Comparative quarter ended 30.09.2021 RM'000</b>	<b>% change</b>	<b>Current year-to-date ended 30.09.2022 RM'000</b>	<b>Preceding year-to-date ended 30.09.2021 RM'000</b>	<b>% change</b>
<b>Overall performance analysis</b>						
Revenue	<b>26,513</b>	32,101	(17%)	<b>91,964</b>	85,291	8%
(Loss)/Profit from operations	<b>(449)</b>	2,027	>(100%)	<b>270</b>	2,149	>(100%)
Finance costs	<b>(31)</b>	(34)	9%	<b>(107)</b>	(119)	10%
Share of (loss)/profit of equity-accounted associates, net of tax	<b>(135)</b>	109	>(100%)	<b>(174)</b>	179	>(100%)
(Loss)/Profit before tax	<b>(615)</b>	2,102	>(100%)	<b>(11)</b>	2,209	>(100%)
(Loss)/Profit after tax	<b>(1,019)</b>	1,453	>(100%)	<b>(1,047)</b>	1,017	>(100%)
(Loss)/Profit attributable to Owners of the Company	<b>(793)</b>	1,474	>(100%)	<b>(486)</b>	1,294	>(100%)

**Current Year-To-Date (“9M22”) compared with Preceding Year-To-Date (“9M21”)****(i) Group’s overview of Revenue, Gross Profit and Profit/(Loss) Before Tax**

In 9M22, digital advertising adoption growth is normalising after years of accelerating, the group’s revenue grew by 8% to RM91.96 million compared to RM85.29 million in 9M21. Malaysia, Vietnam, Hong Kong and Philippines business units contributed positively to the growth in revenue for the period under review. Loss before tax (“LBT”) of RM11,000 was incurred in 9M22 as compared to Profit before tax (“PBT”) of RM2.21 million in 9M21. Despite achieving a higher revenue, LBT was recorded mainly due to surge in operating costs.

**(ii) Group’s overview of Other Income and Other Operating Expenses****Other income**

Other income has increased by RM0.43 million or 22.5% to RM2.35 million in 9M22 compared to RM1.92 million in 9M21. The increase in other income was mainly due to a higher gain on foreign exchange after offsetting a lower doubtful debts recovery amount.



**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**B1. Performance analysis of the Group for the current quarter and year-to-date (Cont'd)**

*Current Year-To-Date ("9M22") compared with Preceding Year-To-Date ("9M21") (Cont'd)*

**(ii) Group's overview of Other Income and Other Operating Expenses (cont'd)**

**Other operating expenses**

The Group's other operating expenses consist of staff costs, amortisation and depreciation costs, selling and distribution costs and administration expenses.

Other operating expenses increased by approximately 15% or RM4.85 million to RM37.18 million in 9M22 from RM32.32 in 9M21.

**Group's overview of Liquidity and Financial Ratio**

The Group's principal sources of liquidity are cash from operations and overdrafts.

The following summarises the various sources of cash flows as at 30 Sept 2022 against 30 Sept 2021:

	<b>Current year- to-date ended 30.09.2022 <u>RM'000</u></b>	<b>Preceding year- to-date ended 30.09.2021 <u>RM'000</u></b>
Net cash generated from/(used in)		
- Operating activities	5,577	9,295
- Investing activities	(1,379)	(1,238)
- Financing activities	(866)	(1,165)
- Exchange difference	2,039	51
Net increase in cash and cash equivalents	<u>5,371</u>	<u>6,943</u>

The Group has cash and cash equivalents amounting to RM33.42 million as at 30 September 2022 as compared to RM24.98 million as at 30 September 2021. The debts to equity ratio as at 30 September 2022 has increased to 0.05 (9M21: 0.04).

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022****B1. Performance analysis of the Group for the current quarter and year-to-date (Cont'd)***Current Quarter ("3Q22") compared with Comparative Quarter of Preceding Year ("3Q21")***(i) Group's overview of Operating Segments**

	Revenue from external customers			Profit/(Loss) before tax		
	Current quarter ended 30.09.2022 RM'000	Comparative quarter ended 30.09.2021 RM'000	% change	Current quarter ended 30.09.2022 RM'000	Comparative quarter ended 30.09.2021 RM'000	% change
<b>Operating segments</b>						
- Malaysia	11,865	13,442	(12%)	480	1,645	71%
- Singapore	1,480	4,047	(63%)	(278)	467	>(100%)
- Vietnam	3,889	3,281	19%	(42)	(83)	49%
- Indonesia	650	1,435	(55%)	(459)	(80)	>(100%)
- Hong Kong and China	4,511	4,985	(10%)	61	373	(84%)
- Philippines	2,664	3,302	(19%)	195	187	4%
- Taiwan	1,020	1,127	(9%)	(599)	(181)	>(100%)
- South Korea	-	110	(100%)	84	(56)	>100%
- Cambodia	460	372	24%	(28)	(130)	78%
- Myanmar	1	-	-	(29)	(40)	28%
						-
	<b>26,540</b>	<b>32,101</b>	<b>(17%)</b>	<b>(615)</b>	<b>2,102</b>	<b>&gt;(100%)</b>

The Group revenue for the quarter under review dropped 17% to RM26.51 million from RM32.10 million in 3Q21. Majority of the business units are having negative growth except Vietnam and Cambodia business units as consumers are adopting a more cautious spending behaviour amid accelerating inflation rate and interest rate hike. The decrease in revenue and higher operating costs incurred in 3Q22 has resulted in a LBT.

Malaysia business unit's revenue fell by 12% or RM1.57 million to RM11.87 million in 3Q22 from RM13.44 million in 3Q21. The drop in revenue was mainly due to the reduced advertising spending from customers following the return to normalcy, where advertisers resumed their spending offline. PBT of RM0.48 million was incurred in the period under review as compared to PBT of RM1.65 million in the corresponding period of the preceding year mainly due to decline in revenue.

Singapore business unit recorded a lower revenue of RM1.48 million as compared to RM4.05 million revenue in the preceding year's corresponding quarter, representing a 63% drop in revenue. The business unit remains challenging in the quarter as it is in the midst of re-aligning the internal team which is expected to regain positive momentum in the long term. In 3Q22, LBT of RM0.28 million was incurred in 3Q22 as compared to PBT of RM0.47 million in 3Q21, which was consistent with the lower revenue achieved.

For 3Q22, Vietnam business unit's revenue gained 19% to RM3.89 million from RM3.28 million in the same quarter last year. The increase in revenue was mainly due to the additional revenue stream awarded from the new customers after persistent following up efforts. LBT was improved by 49% to RM0.04 million from RM0.08 million. The improvement was in tandem with the increase in revenue.

For the quarter under review, Indonesia business unit's revenue decreased by 55% and LBT recorded further losses of more than fivefold compared to the same quarter of last year. The lower revenue and LBT was attributed to lesser repeating orders from high-spending customers in 3Q21. Additionally, the business unit is in the midst of realigning the sales operations and this has consequently led to a higher LBT.

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022****B1. Performance analysis of the Group for the current quarter and year-to-date (Cont'd)**

*Current Quarter ("3Q22") compared with Comparative Quarter of Preceding Year ("3Q21") (Cont'd)*

**(i) Group's overview of Operating Segments (cont'd)**

Hong Kong business unit is gradually recovering from the fifth wave of covid-19 that hit on beginning of the year. Nonetheless, it is surrounded by a worsening external environment which has suppressed revenue growth. The business unit's revenue decreased by 10% compared to the same quarter last year. Hong Kong business unit's PBT reduced to RM0.06 million from RM0.37 million, representing a 84% drop in PBT. The decrease in PBT was mainly due to the lower revenue and higher operating costs posted in 3Q22. China's zero-covid strategy, renewed Covid-19 outbreaks as well as the further escalation of the property sector crisis might further suppress China's growth, as such the business unit remains challenging and the China business has been put on pause.

For the 3Q22, The Philippines business unit's registered a revenue of RM2.66 million and PBT of RM0.20 million compared with RM3.30 million revenue and PBT of RM0.19 million in 3Q21. The 19% or RM0.64 million decline in revenue was mainly due to the reduced digital advertising spending from the existing customers amid the worsening macroeconomic headwinds. Higher PBT achieved in the current quarter was contributed from higher product margins earned from direct local brands.

Revenue of Taiwan business unit has decreased by RM0.11 million or 9% at RM1.02 million in 3Q22 as compared to RM1.13 million in 3Q21. Overall market has been slowing down, consumers is curbing spending in view of the accelerating inflation and high interest rate. LBT surged to RM0.60 million in 3Q22 as compared to LBT of RM0.18 million in the preceding year's corresponding quarter. Higher LBT registered in the current quarter was mainly due to the decrease in revenue and higher operating costs incurred in losses on foreign exchange compared to the same quarter last year.

In 3Q22, no revenue was posted in South Korea business unit as compared to RM0.11 million in 3Q21 as the business unit has ceased trading in the current quarter. PBT of RM84,000 was registered in the quarter as compared to LBT of RM56,000 in the prior year corresponding quarter. The positive turnaround performance was mainly due to the waiver of debts recorded from Thailand associate company.

In the quarter under review, Cambodia business unit's revenue was 24% higher at RM0.46 million in 3Q22 as compared to RM0.37 million in 3Q21. The business unit managed to regain repeated digital advertising spending from new customers that started spending in the immediate preceding quarters. The improved LBT by 78% or RM0.10 million was mainly due to the increase in revenue with better product margin.

Myanmar business unit continues to face challenges on weak economy activities that arose from a confluence of events, including internal disruption on ongoing political instability, external disruption on rising inflation rate and interest rate, as well as the war in Ukraine. Despite the business unit resuming business trading at early of the year, revenue was recorded at minimal in the current quarter. Lower LBT was registered at RM29,000 compared to RM40,000 in preceding year same quarter. This was primarily due to the strengthening in the functional currency against others foreign currencies and therefore a higher gain on foreign exchange was recorded.

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**
**B2. Commentary on current quarter compared with immediate preceding quarter**

The Group's review of financial performance are analysed as follows:

	<b>Current quarter ended 30.09.2022 RM'000</b>	Immediate preceding quarter ended 30.6.2022 RM'000	% change
<b>Overall performance analysis</b>			
Revenue	<b>26,513</b>	32,739	(19%)
(Loss)/Profit from operations	<b>(449)</b>	267	>(100%)
Finance costs	<b>(31)</b>	(40)	23%
Share of loss in equity-accounted associates, net of tax	<b>(135)</b>	(52)	>(100%)
(Loss)/Profit before tax	<b>(615)</b>	175	>(100%)
(Loss)/Profit after tax	<b>(1,019)</b>	7	>(100%)
(Loss)/Profit attributable to Owners of the Company	<b>(793)</b>	65	>(100%)

In 3Q22, the group's digital advertising revenue dipped by 19% compared to the immediate preceding quarter as advertisers are spending less. This is due to the fact consumers are cautiously spending less due to higher cost of living coupled with shifting of consumers' shopping behavior to offline following the reopening of borders after prolonged lockdowns. The reported LBT was in tandem with the decrease in revenue.

**B3. Commentary on current year prospects and progress on previously announced revenue or profit forecast**
**(a) Prospects for the financial year ending 31 December 2023**

The global economy continues to face steep challenges, shaped by the Russian invasion of Ukraine, cost of living crisis caused by persistent and broadening inflation pressures and the lingering covid-19 pandemic all weighed heavily on the economic outlook. The directors are of the opinion that the Group's prospects for the financial year ending 31 December 2023 would be challenging as advertisers would remain cautious in light of economic uncertainty. Nevertheless, the management continues to maintain sustainable business by delivering effective data-driven online advertising solutions. The solutions will mainly focus on Shoppable Media which will be an innovative combination of ads with digital commerce, social commerce, as well as influencer marketing to help advertisers, including SMEs better engage with their audience and drive better returns.

**(b) Progress and steps to achieve revenue or profit estimate, forecast, projection or internal targets previously announced**

There was no revenue or profit forecast previously announced by the Company.

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022****B4. Statement of the Board of Directors' opinion on achievability of revenue or profit estimate, forecast, projection and internal targets previously announced**

There was no revenue or profit forecast previously announced by the Company.

**B5. Profit forecast/profit guarantee previously announced**

There was no profit forecast or profit guarantee previously announced by the Company.

**B6. (Loss)/Profit before tax**

<b>(Loss)/Profit before tax is arrived at after charging:</b>	<b>Note</b>	<b>Current quarter ended 30.09.2022 RM'000</b>	<b>Comparative quarter ended 30.09.2021 RM'000</b>	<b>Current year-to-date ended 30.09.2022 RM'000</b>	<b>Preceding year-to-date ended 30.09.2021 RM'000</b>
Amortisation of development expenditure	(i)	<b>396</b>	451	<b>1,188</b>	1,343
Allowance for doubtful debts	(i)	<b>78</b>	-	<b>78</b>	-
Bad debt written off	(i)	<b>1</b>	73	<b>73</b>	73
Depreciation	(i)	<b>333</b>	473	<b>1,175</b>	1,477
Impairment loss on financial assets					
- trade receivable	(i)	<b>(325)</b>	12	<b>122</b>	33
Interest expense					
- bank overdraft	(i)	<b>9</b>	4	<b>34</b>	28
- lease rental interest	(i)	<b>19</b>	26	<b>64</b>	82
- Term loan interest	(i)	<b>3</b>	4	<b>9</b>	9
Inventory written off	(i)	<b>2</b>	-	<b>2</b>	-
Loss on foreign exchange					
- realised		<b>125</b>	12	<b>174</b>	108
- unrealised	(i)	<b>394</b>	35	<b>900</b>	70
Loss on lease modification	(i)	<b>47</b>	-	<b>47</b>	-
Property, plant and equipment written off	(i)	<b>2</b>	-	<b>2</b>	9
Retirement benefits	(i)	<b>6</b>	10	<b>16</b>	30
Shares granted under ESS	(i)	<b>-</b>	-	<b>-</b>	135
<b>And (crediting):</b>					
Allowance for doubtful debts no longer required	(i)	<b>44</b>	(219)	<b>(10)</b>	(644)
Gain on lease modification	(i)	<b>-</b>	(18)	<b>-</b>	(18)
Gain on disposal of plant and equipment, net	(i)	<b>(1)</b>	-	<b>(1)</b>	-
Gain on foreign exchange					
- realised		<b>(58)</b>	(27)	<b>(95)</b>	(30)
- unrealised	(i)	<b>(657)</b>	(178)	<b>(1,535)</b>	(676)
Interest income	(i)	<b>(28)</b>	(27)	<b>(89)</b>	(84)
Other income					
Reversal of impairment losses on financial assets					
- trade receivable	(i)	<b>(38)</b>	-	<b>(38)</b>	-
- miscellaneous		<b>(202)</b>	(136)	<b>(579)</b>	(464)

(i) represents non-cash and operating items for Statements of Cash Flows.

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022****B7. Taxation**

	<b>Current quarter ended 30.09.2022 RM'000</b>	Comparative quarter ended 30.09.2021 RM'000	<b>Current year-to- date ended 30.09.2022 RM'000</b>	Preceding year-to- date ended 30.09.2021 RM'000
In respect of the current year				
Malaysian income tax	<b>185</b>	449	<b>379</b>	835
Outside Malaysia	<b>(18)</b>	117	<b>95</b>	242
Under/(over)provision in respect of prior years				
Malaysian income tax	<b>4</b>	-	<b>4</b>	-
Outside Malaysia	-	(34)	-	74
Deferred taxation	<b>233</b>	117	<b>558</b>	41
	<b>404</b>	649	<b>1,036</b>	1,192

Group effective tax rate in 9M22 and 3Q22 were higher than the statutory tax rate was mainly due to the following:

- i) Malaysia business unit's effective tax rate in 9M22 and 3Q22 are higher than the statutory tax rate for the profitable subsidiaries which charged with deferred tax liability for an income tax payable in future period in respect of taxable temporary differences;
- ii) Hong Kong and Philippines business units' effective tax rate were lower than the statutory tax rate in 9M22 and 3Q22.

**B8. Borrowings**

The details of the Group's borrowings are as follows:-

	<b>Non-current RM'000</b>	<b>Current RM'000</b>	<b>Total RM'000</b>
Secured:-			
As at 30.09.2022			
Bank overdraft	-	-	-
Term loan	285	32	317
	<b>285</b>	<b>32</b>	<b>317</b>
As at 30.09.2021			
Bank overdraft	-	462	462
Term loan	317	31	348
	<b>317</b>	<b>493</b>	<b>810</b>

The Group does not have any foreign currency borrowings as of 30 Sept 2022.

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**B9. Changes in material litigation**

As at 16 August 2022 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report), saved as disclosed below, the Group was not engaged in any material litigation, claims nor arbitration either as plaintiff or defendant and the Directors are not aware of any proceeding pending or threatened against the Group or of any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group.

**(a) Claims made by Innity China Co., Limited (“ICCL”) (the “Plaintiff”) against LETV Sports Culture Develop (HK) Company Limited (“LeSports HK”) (the “Defendant”)**

The Company had on 11 May 2017 announced that ICCL, a subsidiary of the Company, had on 4 May 2017, via its solicitors, Messrs. Chau & Associates, filed a Writ of Summons and Statement of Claim and Mediation Certificate in the High Court of the Hong Kong Special Administrative Region at Hong Kong against LeSports HK (“the Defendants”) for the claim sum of HK\$3,849,755.55 in respect of outstanding advertising fees for services provided by ICCL. ICCL is also claiming interest on overdue advertising fees and costs of the litigation action against the Defendants. A sum of HK\$3,849,755.55 doubtful debts was provided in the 1st quarter of year 2017.

ICCL had on 16 June 2017 received an offer letter together with HKD515,000 settlement amount from LeSports HK, inclusive of HKD15,000 legal cost. The amount of HKD500,000 write back of trade receivable was effected in the quarter.

Subsequently, ICCL entered into a settlement agreement with LeSports HK which recorded the full and final settlement of ICCL claim on 19 June 2017. The said settlement is to be made over 3 instalments: -

- (i) a sum of HKD515,000, inclusive of HKD15,000 legal costs, which was paid by LeSports HK by way of a cheque dated 15 June 2017 (received on 16 June 2017);
- (ii) a sum of HKD1,674,877.78 of the outstanding sum to be paid by LeSports HK on or before 31 August 2017; and
- (iii) the balance of the outstanding sum in the sum of HKD1,674,877.78 to be paid by LeSports HK on or before 30 September 2017.

Within 3 working days from receiving payment under (iii) above, ICCL shall cause its solicitors to take all necessary steps to discontinue this litigation action, which includes the service of notice of discontinuance on LeSports HK.

Subject to and conditional upon the fulfilment of payment obligations under item (ii) and (iii) above by LeSports HK, ICCL undertakes to withhold further proceedings, and withhold from giving further instructions to its solicitors to proceed with this litigation action.

On 5 September 2017, LeSports HK had failed to perform their payment obligations in accordance with Clause 1(b) of the settlement agreement which stipulates that a sum of HKD1,674,877.78 of the Outstanding Sum to be paid by LeSports HK on or before 31 August 2017.

LeSports HK had subsequently requested and ICCL had consented to give an extension of time until 30 September 2017 to fully settle the balance of the Outstanding Sum amounting to HKD3,349,755.55.

However, on 2 October 2017, LeSports HK had also failed to perform their payment obligations in accordance with Clause 1(a) and (b) of the settlement agreement which stipulate that the balance of the Outstanding Sum amounting to HKD3,349,755.55 is supposed to be fully settled on or before 30 September 2017.

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**B9. Changes in material litigation (Cont'd)**

**(a) Claims made by Innity China Co., Limited (“ICCL”) (the “Plaintiff”) against LETV Sports Culture Develop (HK) Company Limited (“LeSports HK”) (the “Defendant”) (cont’d)**

Accordingly, the Company had on 17 October 2017 further announced that ICCL, had on 16 October 2017, via its solicitors, Messrs. Chau & Associates, re-filed a Writ of Summons and Amended Statements of Claim in the High Court of the Hong Kong Special Administrative Region at Hong Kong against LeSports HK.

The particulars of the Amended Statement of Claim under the Writ of Summons (“the Writ”) are as follows:

- (i) Repayment of the debt sum HK\$3,349,755.55 (after taking into account the partial settlement of HK\$500,000 by LeSports HK on the 15 June 2017);
- (ii) Interest pursuant to Section 48 and 49 of the High Court Ordinance of the Hong Kong Special Administrative Region, Cap.4 on any and all sums found to be due to it at such rate and for such periods as the Court deems fit and proper (the amount claimed is not stated in the Writ);
- (iii) Costs of this litigation action; and
- (iv) Further and other relief as the Court deems fit.

On 28 October 2017, LeSports HK after having acknowledged the service of ICCL’s Writ of Summons, had on 29 November 2017, via its solicitors, Messrs. K&L Gates, filed an application for an Order in the High Court of the Hong Kong Special Administrative Region that the Defendant’s obligation to file and serve its Defence to Counterclaim (if any) be extended for 28 days from the date of the order to be made.

Subsequently, on 2 January 2018, LeSports HK filed another application for an Order in the High Court of the Hong Kong Special Administrative Region via its solicitors, Messrs. K&L Gates that: -

- (i) The time for the Defendant to file and serve its Defence and Counterclaim (if any) pursuant to the Order of Master S.Lo dated 5 December 2017 be extended for 28 days from the date of the order to be made therein; and
- (ii) Costs of the application be charged to the Plaintiff.

The hearing of the above application on the part of the Defendant had been fixed on 8 January 2018.

ICCL and LeSports HK had on 5 January 2018, via their respective solicitors, Messrs. Chau & Associates and Messrs. K&L Gates, jointly filed an application for an Order (Consent Summons) in the High Court of the Hong Kong Special Administrative Region (“the Court”) that: -

- (i) Unless by 4.00 p.m. on 5 February 2018 the Defendant do file and serve its Defence and Counterclaims (if any), the Defendant be debarred from doing the same and the Plaintiff be at liberty to apply for judgment to be entered against the Defendant with costs;
- (ii) The hearing of the Defendant’s summons (the “Defendant’s Summons”) dated 2 January 2018 scheduled before Master Gary C C Lam on 8 January 2018 at 2.30 p.m. be vacated; and
- (iii) Costs of the Defendant’s Summons and its application agreed at HK\$1,040 be paid by the Defendant to the Plaintiff.

The above Order was consented by the Court on the 8 January 2018.



**QUARTERLY REPORT FOR THE THIRD QUARTER 2022**

**B9. Changes in material litigation (Cont'd)**

**(a) Claims made by Innity China Co., Limited (“ICCL”) (the “Plaintiff”) against LETV Sports Culture Develop (HK) Company Limited (“LeSports HK”) (the “Defendant”) (cont’d)**

On 5 February 2018, LeSports HK via its solicitors, Messrs. K&L Gates, filed and served its Defence in the High Court of the Hong Kong Special Administrative Region against ICCL’s Amended Statement of Claim dated on 16 October 2017.

Accordingly, ICCL had caused its solicitors to take all necessary steps to continue this litigation action including the application for summary judgement, and any further material development of the matter will be announced in due course.

Subsequently, on 6 February 2018, ICCL and LeSports HK, via their respective solicitors, Messrs. Chau & Associates and Messrs. K&L Gates, jointly filed an application for an Order (Consent Order) in the High Court of the Hong Kong Special Administrative Region that all proceedings be stayed except for the purpose of carrying out the Consent Order and the agreed terms set forth thereto:

- (i) That the Defendant do pay the Plaintiff the sum of HK\$3,349,755.55 [the “Settlement Sum”] (inclusive of interest) in full and final settlement of the Plaintiff’s claim in the following manner:
  - (a) HK\$500,000.00 on 5 February 2018 (received on 5 February 2018);
  - (b) HK\$1,424,878.00 on 15 March 2018; and
  - (c) HK\$1,424,877.55 on 15 April 2018.
- (ii) That Defendant do pay the Plaintiff’s costs of this action from 16 June 2017 up to the date hereof on a party-and-party basis to be taxed, if not agreed; and
- (iii) That upon payment of the Settlement Sum including the payment of costs as aforesaid, the Plaintiff shall apply for leave to withdraw this action with no order as to costs and the Defendant shall give its respective consent to such application.

On 12 March 2018, LeSports HK had been issued with a winding-up petition by two listed applicants, namely MP & Silva Pte and Media Partners & Silva. Their first hearing for the present winding-up action has been scheduled on 16 May 2018.

Due to this petition, LeSports HK would not perform its payment obligations in accordance with Schedule 1(b) and (b) of the Consent Order dated 6 February 2018 until the petition is withdrawn.

Accordingly, ICCL had caused its solicitors to take all necessary steps to deal with this litigation.

On 4 June 2018, LeSports HK had been issued with a winding-up order by The High Court of the Hong Kong Special Administrative Region (“the Court”). The Court has made a normal winding-up order of which the costs of the supporting contributory are paid out of the assets of LeSports HK.

ICCL had accordingly filed a Proof of Debt to the Court in the prescribed form on 15 June 2018.

On 9 June 2020, ICCL received a Notice of Adjudication of Proof of Debt dated 3 June 2020 from the Joint and Several Liquidator of the Defendant, KPMG Advisory (Hong Kong) Limited (“the Liquidator”). In the Notice of Adjudication of Proof of Debt, the Liquidator had admitted ICCL’s claim in the sum of HK\$2,849,755.55 in full as unsecured claim against the Defendant.

On 27 May 2022, ICCL received a notice of dividend from the Joint and Several Liquidator of the Defendant, KPMG Advisory (Hong Kong) Limited (“the Liquidator”) of LeSports HK in accordance to Section 264 of the Companies (Winding up) Rules. ICCL was given the option on the mode of collection for this First Interim Ordinary Dividend of HK\$34,197.07.

**B10. Dividends**

There is no dividend declared and paid for the current quarter or the current year-to-date ended 30 September 2022.

**QUARTERLY REPORT FOR THE THIRD QUARTER 2022****B11. (Loss) Per Share (“LPS”)/Earnings Per Share (“EPS”) attributable to Owners of the Company**

	<b>Current quarter ended 30.09.2022</b>	Comparative quarter ended 30.09.2021	<b>Current year-to-date ended 30.09.2022</b>	Preceding year-to-date ended 30.09.2021
<b>Basic (LPS)/EPS</b>				
(Loss)/Profit attributable to Owners of the Company (RM'000)	<b>(793)</b>	1,474	<b>(486)</b>	1,294
Weighted average number of ordinary shares in issue ('000)	<b>139,403</b>	139,272	<b>139,403</b>	139,272
<b>Basic (LPS)/EPS (sen)</b>	<b>(0.57)</b>	<b>1.06</b>	<b>(0.35)</b>	<b>0.93</b>

Diluted earnings/(loss) per share is not computed as the Company does not have any convertible financial instruments as at 30 Sept 2022.

**B12. Audit report of preceding annual financial statements**

The audit report of the Group’s annual financial statements for the preceding year were not subject to any qualification.

**B13. Status of corporate proposals**

There were no corporate proposals announced but not yet completed as at 17 Nov 2022 (being the date not earlier than 7 days before the date of this announcement).

**B14. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with the Board of Directors’ meeting held on 24 Nov 2022.

**By Order of the Board**

**Phang Chee Leong**  
Executive Chairman

24 Nov 2022