

**IDIMENSION CONSOLIDATED BHD** (Company No. 925990-A)

**NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 2020**

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in the Malaysia Financial Reporting Standards ("MFRS") 134 - Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

The financial statements of the Group have been prepared under the historical cost convention except as otherwise stated in the interim financial statements.

The accounting policies and methods adopted by the Group in this interim financial report are consistent with the audited financial statements for the financial year ended 30 June 2020 except for the adoption of the following MFRSs :-

<b>Standards/IC Interpretation/Amendments</b>	<b>Effective date</b>
Amendments to MFRS 3 - Definition of Business	1 January 2020
Amendments to MFRS 101, MFRS 108, MFRS 110, MFRS 134 and MFRS 137 - Definition of Material	1 January 2020
Amendments to MFRS 16 - Covid-19 – Related Rent Concessions	1 June 2020
Amendments to MFRS 7, MFRS 9, MFRS 16 and MFRS 139 - Interest Rate Benchmark Reform, Phase 2	1 January 2021
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2022

The initial adoption of the new MFRSs, IC Interpretations and Amendments to MFRSs do not have any material effect on the financial statements.

## **PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)**

### **A2. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report for the audited financial statements of the Group for the financial year ended 30 June 2020 was not subject to any qualification.

### **A3. Seasonal or Cyclical Factors**

The business operations of the Group were not significantly affected by seasonal or cyclical factors.

### **A4. Unusual Items**

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

### **A5. Material Changes in Estimates**

There were no changes in the estimate of amounts reported in the prior interim periods of the current financial year, or in previous years, which have material effect on the current quarter under review.

### **A6. Changes in Debts and Equity Securities**

There were no issuance and repayment of debt or equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares during the financial year-to-date under review.

### **A7. Dividend Paid**

There were no dividends paid during the quarter under review.

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)****A8. Segmental Reporting**

The segmental revenue and results for the current period to date and the preceding year's corresponding current period to date under review are as follows:-

	<b>IT business RM'000</b>	<b>Investment holding RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b><u>30 September 2020</u></b>				
<b>Revenue</b>				
External revenue	1,754	-	-	1,754
Inter-segment revenue	1,186	492	(1,678)	-
Total segment revenue	2,940	492	(1,678)	1,754
<b>Results</b>				
Interest income	41	-	(40)	1
Dividend income	26	-	-	26
Finance costs	(40)	(40)	40	(40)
Depreciation and amortization	(44)	(74)	-	(118)
Loss allowance on trade receivables	(130)	-	-	(130)
Reversal of loss allowance on trade receivables	106	-	-	106
Segment profit/(loss) before tax	368	(493)	-	(125)
Tax expense	-	-	-	-
Segment profit/(loss)	368	(493)	-	(125)
	<b>IT business RM'000</b>	<b>Investment holding RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b><u>30 September 2019</u></b>				
<b>Revenue</b>				
External revenue	2,068	-	-	2,068
Inter-segment revenue	1,653	279	(1,932)	-
Total segment revenue	3,721	279	(1,932)	2,068
<b>Results</b>				
Interest income	72	2	(66)	8
Dividend income	20	14	-	34
Finance costs	(69)	(66)	66	(69)
Depreciation and amortization	(51)	(77)	-	(128)
Adjustment property, plant and equipment	-	(2)	-	(2)
Loss allowance on trade receivables	(39)	-	-	(39)
Reversal of loss allowance on trade receivables	738	-	-	738
Segment profit/(loss) before tax	998	(879)	-	119
Tax expense	(67)	-	-	(67)
Segment profit/(loss)	931	(879)	-	52

## **PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)**

### **A9. Changes in the Composition of the Group**

There is no other changes in the composition of the Group during the quarter.

### **A10. Subsequent Material Events**

There was no material events subsequent to the current quarter up to the date of the this interim financial report, save for the Company is awaiting the decisions from the relevant authorities in relation to the Proposed Regularisation Plan submitted on 12 June 2020.

## **PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

### **B1. Review of Performance**

The Group's revenue for the first quarter ended 30 September 2020 has declined by 15.50% to RM1.75 million from RM2.07 million a year ago. This was mainly attributable by the closure of international borders and work-from-home policies resulted significant delay in the existing projects implementation at customer site.

Although revenue has declined by 15.50%, the Group only recorded a marginal loss before taxation of RM0.13 million in the current quarter mainly due to the continue cost saving measures implemented since the start of Covid-19 pandemic. Whereas the profit before taxation of RM0.12 million in a year ago was mainly derived from the reversal of loss allowance on trade receivables.

#### **IT Business**

The revenue of IT business for the current quarter has declined by 15.50% to RM1.75 million from RM2.07 million in the corresponding quarter a year ago. This was mainly attributable by the closure of international borders and work-from-home policies resulted significant delay in the existing projects implementation at customer site.

Despite the decline of revenue in the current quarter, the IT business segment remained positive earnings, recorded a profit before taxation of RM0.37 million. This was mainly due to the continue cost saving measures implemented since the start of Covid-19 pandemic. However, the profit before taxation in the corresponding quarter a year ago of RM1.0 million was mainly derived from the reversal of loss allowance on trade receivables of RM0.74 million.

#### **Investment Holding**

The revenue of Investment Holding for the current quarter is RM0.49 million, increased by RM0.21 million as compared to RM0.28 million in the corresponding quarter a year ago. The increase was attributable to dividend income received from its subsidiary.

For current quarter under review, the Investment Holding segment recorded loss before taxation of RM0.49 million as compared to the corresponding quarter of a year ago of RM0.88 million. There was no legal fees in the current quarter as the litigation cases have settled in October 2019.

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D**

**B2. Material Change in the (Loss) / Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

	<b>Current Quarter 30 Sept 2020 RM'000</b>	<b>Preceding Quarter 30 June 2020 RM'000</b>
Revenue	1,754	2,568
Profit / (Loss) before taxation	(125)	(5,069)

For the current quarter under review, the Group's revenue recorded RM1.75 million compared to the preceding quarter of RM2.57 million, a decrease of revenue by RM0.82 million. This was mainly attributable by the closure of international borders and work-from-home policies resulted significant delay in the existing projects implementation at customer site.

The marginal loss before taxation in the current quarter of RM0.13 million was result of the continue cost saving measures implemented since the start of Covid-19 pandemic whereas the loss before taxation of RM5.07 million in the preceding quarter was derived from one-off impairment on property of RM3.84 million and higher professional fees incurred on regularization plan.

**B3. Future Prospects**

The overall business environment remain uncertain and challenging. The Group will continues to focus to explore opportunities to bring a sustainable income in the current IT business.

The Group also remained committed and focus in uplifting its GN3.

**B4. Profit Forecast and Profit Guarantee**

The Group has not issued or disclosed in any public documents any profit forecast or profit guarantee for the current quarter under review.

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D**

**B5. Taxation**

	<b>Current Quarter 31 Sep 2020 RM'000</b>	<b>3 months to date 30 Sep 2020 RM'000</b>
Current year taxation	-	-
Under/(Over) provision in prior year	-	-
Deferred taxation	-	-
	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>

The Company and some of its subsidiary are in the adjusted business loss position and there are unabsorbed business losses and unutilized capital allowances to offset against its future taxable income.

**B6. Status of Corporate Proposals**

There were no other corporate proposals announced as at the date of this report.

**B7. Group Borrowings and Debt Securities**

The Group's borrowings as at 30 Sep 2020 are as follows:

	<b>Short-term RM'000</b>	<b>Long-term RM'000</b>	<b>Total RM'000</b>
<u>Secured</u>			
Term loan	940	2,529	3,469
Hire purchase & Finance lease payable	51	243	294
	<u>991</u>	<u>2,772</u>	<u>3,763</u>

The Group does not have any unsecured borrowings and debt securities as at 30 Sep 2020.

All borrowings of the Group are denominated in Ringgit Malaysia.

**B8. Material Litigation**

There were no material litigations subsequent to the current quarter up to the date of this interim financial report.

**B9. Dividend**

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

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D**

**B10. Earnings Per Share**

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to the equity holders of the Company by the weighted average number of shares in issue for the financial period, computed as follows:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Quarter</b>	<b>Preceding Year Corresponding Quarter</b>	<b>3 mths to-date</b>	<b>Preceding 3 months Corresponding to date</b>
Profit/(Loss) attributable to the owners of the Company (RM'000)	(125)	52	(125)	52
Weighted average number of ordinary shares in issue ('000)	271,962	271,962	271,962	271,962
Basic earnings per share (sen)	(0.05)	0.02	(0.05)	0.02

(b) Diluted earnings per share

The diluted earnings per share of the Company are the same calculation as the basic earnings per share during the current quarter and financial period-to-date.

**B12. Profit for the Period**

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

	<b>Current Quarter 30 Sep 2020 RM'000</b>	<b>Year To Date 30 Sep 2020 RM'000</b>
Interest income	1	1
Dividend income	26	26
Other income	27	27
Interest expenses	(40)	(40)
Depreciation and amortization	(118)	(118)
Loss allowance on trade receivables	(130)	(130)
Reversal of loss allowance on trade receivables	106	106
Unrealised Foreign exchange gain/(loss)	(20)	(20)
Realised Foreign exchange gain/ (loss)	(5)	(5)

Other disclosure items required pursuant to Note 16 of Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.