

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

**NOTES TO THE QUARTERLY REPORT – 31 DECEMBER 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 were not subject to any qualification.

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

The business operations of the Group 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>31 December 2020</u></b>				
<b>Revenue</b>				
External revenue	4,879	-	-	4,879
Inter-segment revenue	3,505	771	(4,276)	-
Total segment revenue	8,384	771	(4,276)	4,879
<b>Results</b>				
Interest income	76	1	(74)	3
Dividend income	52	-	-	52
Finance costs	(78)	(74)	74	(78)
Depreciation and amortization	(89)	(148)	-	(237)
Loss allowance on trade receivables	(157)	-	-	(157)
Reversal of loss allowance on trade receivables	106	-	-	106
Segment profit/(loss) before tax	1,087	(925)	-	162
Tax expense	(115)	-	-	(115)
Segment profit/(loss)	972	(925)	-	47
	<b>IT business RM'000</b>	<b>Investment holding RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b><u>31 December 2019</u></b>				
<b>Revenue</b>				
External revenue	5,647	-	-	5,647
Inter-segment revenue	3,922	558	(4,480)	-
Total segment revenue	9,569	558	(4,480)	5,647
<b>Results</b>				
Interest income	167	7	(152)	22
Dividend income	54	26	-	80
Finance costs	(133)	(152)	152	(133)
Depreciation and amortization	(100)	(152)	-	(252)
Adjustment property, plant and equipment	-	(2)	-	(2)
Loss allowance on trade receivables	(90)	-	-	(90)
Reversal of loss allowance on trade receivables	738	-	-	738
Reversal of loss allowance on amount due from IDB Interactive Sdn. Bhd. (online games business segment)		3,000	-	3,000
Segment profit/(loss) before tax	1,985	1,175	-	3,160
Tax expense	(385)	-	-	(385)
Segment profit/(loss)	1,600	1,175	-	2,775

## **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 recorded a total revenue of RM3.13 million for the current quarter compared to RM3.58 million in the corresponding quarter of preceding year, a decreased of RM0.45 million (12.6%) mainly attributable to business slowdown due to current ongoing Covid-19 pandemic.

The Group recorded a minimum profit before taxation of RM0.29 million for the current quarter compared to RM3.04 million in the corresponding quarter of preceding year, a decreased of RM2.75 million (90.5%). The decreased mainly due to one-off non-operating income recorded in the corresponding quarter of preceding year i.e. reversal of loss allowance on amount due from IDB Interactive Sdn. Bhd. (online games business segment), which derived from settlement sum of RM 3.0 million from legal suits.

#### **IT Business**

The IT business has recorded a lower revenue of RM3.13 million and profit before taxation of RM 0.72 million for the current quarter compared to revenue of RM3.58 million and profit before taxation of RM 0.99 million in the corresponding quarter of preceding year. This mainly attributable to business slowdown due to current ongoing Covid-19 pandemic.

The IT business segment reported a profit before taxation of RM1.09 million for the current period to date compared to profit before taxation of RM1.99 million in the preceding year's period to date, a decreased of RM0.90 million (45.2%). This was mainly due to a reversal of loss allowance on trade receivable of RM0.74 million in the preceding year's period to date.

#### **Investment Holding**

The revenue of the investment holding segment for the current quarter of RM0.28 million comprise of management fees received or receivable from its subsidiaries.

The investment holding segment has recorded a loss before taxation of RM0.93 million for the current period to date. Whereas in the preceding year's period to date, the profit before taxation was RM1.18 million mainly due to one-off non-operating income i.e. reversal of loss allowance on amount due from IDB Interactive Sdn. Bhd. (online games business segment), which derived from settlement sum of RM 3.0 million from legal suits.

**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 31 Dec 2020 RM'000</b>	<b>Preceding Quarter 30 Sept 2020 RM'000</b>
Revenue	3,125	1,754
Profit / (Loss) before taxation	287	(125)

The Group recorded a revenue of RM3.13 million and profit before taxation of RM0.29 million in the current quarter compared to revenue of RM1.75 million and loss before taxation of RM0.13 million in the preceding quarter.

In the current quarter, the revenue jump by RM1.38 million to RM3.13 million mainly due to adoption of virtual implementation on the existing projects and increase demand of maintenance and support services. With the increase of revenue, the profit before taxation improved and recorded at RM0.29 million for the current quarter.

**B3. Future Prospects**

The Group continues to explore new opportunities to improve the current IT business for the remaining quarters.

**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 Dec 2020 RM'000</b>	<b>6 months to date 31 Dec 2020 RM'000</b>
Current year taxation	115	115
Under/(Over) provision in prior year	-	-
Deferred taxation	-	-
	115	115

The effective tax rate for the financial period ended 31 December 2020 was lower than the statutory tax rate mainly due to some of the subsidiaries are in the adjusted business loss position and there were unabsorbed capital allowances and unutilized business losses to set-off against 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 31 Dec 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	650	2,529	3,179
Hire purchase & Finance lease payable	34	243	277
	684	2,772	3,456

The Group does not have any unsecured borrowings and debt securities as at 31 Dec 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>6 mths to-date</b>	<b>Preceding 6 months Corresponding to date</b>
Profit/(Loss) attributable to the owners of the Company (RM'000)	172	2,723	47	2,775
Weighted average number of ordinary shares in issue ('000)	271,962	271,962	271,962	271,962
Basic earnings per share (sen)	0.06	1.00	0.02	1.02

(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 31 Dec 2020 RM'000</b>	<b>Year To Date 31 Dec 2020 RM'000</b>
Interest income	2	3
Dividend income	26	52
Other income	24	51
Interest expenses	(38)	(78)
Depreciation and amortization	(119)	(237)
Loss allowance on trade receivables	(27)	(157)
Reversal of loss allowance on trade receivables	-	106
Unrealised Foreign exchange gain/(loss)	(23)	(43)
Realised Foreign exchange gain/ (loss)	(22)	(27)

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.