

IDIMENSION CONSOLIDATED BHD (Company No. 925990-A)

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 2021

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 2021 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 2021 except for the adoption of the following MFRSs :-

| Amendments to Standards | Effective date |
|--|-----------------------|
| Amendments to MFRS 7, MFRS 9, MFRS 16 and MFRS 139 - Interest Rate Benchmark Reform, Phase 2 | 1 January 2021 |
| Amendments to MFRS 116 – Proceeds Before Intended Use | 1 January 2022 |
| Annual Improvements to MFRS Standard 2018-2020 Cycle: <ul style="list-style-type: none">• Amendments to MFRS 9 Financial Instruments | 1 January 2022 |
| Amendments to MFRS 137 – Onerous Contracts Cost of Fulfilling a Contract | 1 January 2022 |
| Amendments to MFRS 3 - References to Conceptual Framework | 1 January 2022 |
| Amendments to MFRS 101 – Classification of Liabilities as Current and Non-Current | 1 January 2023 |
| Amendments to MFRS 101 – Disclosure of Accounting Policy | 1 January 2023 |
| Amendments to MFRS 108 – Definition of Accounting Estimates | 1 January 2023 |
| Amendments to MFRS 112 – Deferred Tax Related to Assets and Liabilities arising from a Single Transaction | 1 January 2023 |

The initial adoption of the new Amendments to MFRSs would 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 year ended 30 June 2021 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:-

| | IT business RM'000 | Investment holding RM'000 | Elimination RM'000 | Group RM'000 |
|---|-----------------------------------|--|-------------------------------|-------------------------|
| <u>30 September 2021</u> | | | | |
| Revenue | | | | |
| External revenue | 2,994 | - | - | 2,994 |
| Inter-segment revenue | 2,203 | 280 | (2,483) | - |
| Total segment revenue | 5,197 | 280 | (2,483) | 2,994 |
| Results | | | | |
| Depreciation and amortization | (46) | (50) | - | (96) |
| Dividend income | 21 | - | - | 21 |
| Finance costs | (30) | (27) | 27 | (30) |
| Interest income | 27 | - | (27) | - |
| Loss allowance on trade receivables | (5) | - | - | (5) |
| Reversal of loss allowance on trade receivables | 24 | - | - | 24 |
| Segment profit/(loss) before tax | 284 | (418) | (1) | (135) |
| Tax expense | (59) | - | - | (59) |
| Segment profit/(loss) | 225 | (418) | (1) | (194) |
| | | | | |
| | IT business RM'000 | Investment holding RM'000 | Elimination RM'000 | Group RM'000 |
| <u>30 September 2020</u> | | | | |
| Revenue | | | | |
| External revenue | 1,754 | - | - | 1,754 |
| Inter-segment revenue | 1,186 | 492 | (1,678) | - |
| Total segment revenue | 2,940 | 492 | (1,678) | 1,754 |
| Results | | | | |
| Depreciation and amortization | (44) | (74) | - | (118) |
| Dividend income | 26 | - | - | 26 |
| Finance costs | (40) | (40) | 40 | (40) |
| Interest income | 41 | - | (40) | 1 |
| Loss allowance on trade receivables | (130) | - | - | (130) |
| Reversal of loss allowance on trade receivables | 106 | - | - | 106 |
| Segment profit/(loss) before tax | 66 | 16 | (207) | (125) |
| Tax expense | - | - | - | - |
| Segment profit/(loss) | 66 | 16 | (207) | (125) |

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

A9. Changes in the Composition of the Group

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

A10. Subsequent Material Events

On 10 September 2021, the Company announced that Bursa Malaysia Securities Berhad, had vide its letter on the same date resolved to approve the Proposed Regularisation Plan and the Company currently is awaiting the decision from the Equity Compliance Unit of the Securities Commission Malaysia.

Other than the above, there were no material events subsequent to the current quarter up to the date of the Interim Financial Report.

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 RM2.99 million for the current quarter under review as compared to RM1.75 million in the preceding year corresponding quarter, an increase of RM1.24 million. The increase was mainly attributable to the sales of new software and billings of the existing projects.

Despite the increase in revenue, the Group recorded a loss before taxation of RM0.14 million for the current quarter under review as compared to loss before taxation of RM0.13 million in the preceding year corresponding quarter. This was mainly attributable to higher cost of sales and professional fees incurred on the ongoing Proposed Regularisation Plan.

IT Business

The revenue of the IT business for the current quarter under review has increased by RM1.24 million to RM2.99 million from RM1.75 million in the preceding year corresponding quarter. This was mainly attributable to the sales of new software and billings of the existing projects.

The IT business segment recorded a profit before taxation of RM0.28 million for the current quarter under review as compared to RM0.07 million in the preceding year corresponding quarter, an increase of RM0.21 million. This was mainly due higher sales revenue for the current quarter under review.

Investment Holding

The revenue of the Investment Holding segment for the current quarter under review was RM0.28 million which comprised management fees from its subsidiaries.

The Investment Holding segment recorded a loss before taxation of RM0.42 million for the current quarter under review as compared to profit before taxation of RM0.02 million in the preceding year corresponding quarter, a decrease of RM0.44 million. This was mainly due to professional fees incurred on the ongoing Proposed Regularisation Plan for the current quarter under review.

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

| | Current Quarter 30 Sep 2021 RM'000 | Preceding Quarter 30 Jun 2021 RM'000 |
|---------------------------------|---|---|
| Revenue | 2,994 | 3,465 |
| Profit / (Loss) before taxation | (135) | 29 |

The Group recorded a revenue of RM2.99 million for the current quarter under review as compared to RM3.47 million in the immediately preceding quarter, a decrease of RM0.48 million (13.8%).

The Group recorded a loss before taxation of RM0.14 million for the current quarter under review as compared to profit before taxation of RM0.03 million in the preceding quarter. This was mainly due to lower sales revenue and professional fees incurred on the ongoing Proposed Regularisation Plan for the current quarter under review.

B3. Future Prospects

With the new technologies in managing the businesses, the Group is constantly looking into new IT business opportunities and has identified to focus in bringing new applications for Medical Devices industry, which is currently blooming in Malaysia.

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.

B5. Taxation

| | Current Quarter 30 Sep 2021 RM'000 | 3 months to date 30 Sep 2021 RM'000 |
|--------------------------------------|---|--|
| Current year taxation | 59 | 59 |
| Under/(Over) provision in prior year | - | - |
| Deferred taxation | - | - |
| | <u>59</u> | <u>59</u> |

The overall effective tax rate for the financial period ended 30 Sep 2021 was lower than the statutory tax rate mainly due to some of the companies are in the adjusted business loss position and there were 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.

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

B7. Group Borrowings and Debt Securities

The Group's borrowings as of 30 Sep 2021 are as follows:

| | Short-term RM'000 | Long-term RM'000 | Total RM'000 |
|---------------------------------------|------------------------------|-----------------------------|-------------------------|
| <u>Secured</u> | | | |
| Term loan | 882 | 1,454 | 2,336 |
| Hire purchase & Finance lease payable | 54 | 172 | 226 |
| | <u>936</u> | <u>1,626</u> | <u>2,562</u> |

The Group does not have any unsecured borrowings and debt securities as of 30 September 2021.

All borrowings of the Group are denominated in Ringgit Malaysia.

B8. Material Litigation

There was no material litigation 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 year, computed as follows:

| | Individual Quarter | | Cumulative Quarter | |
|--|---------------------------|---|---------------------------|---|
| | Current Quarter | Preceding Period Corresponding Quarter | 3 months to-date | Preceding 3 months Corresponding to date |
| Profit/(Loss) attributable to the owners of the Company (RM'000) | (194) | (125) | (194) | (125) |
| Weighted average number of ordinary shares in issue ('000) | 271,962 | 271,962 | 271,962 | 271,962 |
| Basic earnings per share (sen) | (0.07) | (0.05) | (0.07) | (0.05) |

(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:

| | Current Quarter 30 Sep 2021 RM'000 | Period To Date 30 Sep 2021 RM'000 |
|---|---|--|
| Interest income | - | - |
| Dividend income | 21 | 21 |
| Other income | 14 | 14 |
| Interest expenses | (30) | (30) |
| Depreciation and amortization | (96) | (96) |
| Loss allowance on trade receivables | (5) | (5) |
| Reversal of loss allowance on trade receivables | 24 | 24 |
| Unrealised Foreign exchange gain/(loss) | 4 | 4 |
| Realised Foreign exchange gain/ (loss) | (2) | (2) |

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.