

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ⁽¹⁾
(The figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
		RM'000	RM'000	RM'000	RM'000
Revenue	A7	14,759	14,454	32,741	32,113
Cost of Sales		(8,594)	(9,800)	(20,441)	(20,459)
Gross Profit		6,165	4,654	12,300	11,654
Other operating income		624	497	798	673
Administrative expenses		(8,416)	(4,393)	(13,963)	(9,924)
Loss on disposal of quoted investments		(2,889)	-	(2,889)	-
Impairment loss on financial instruments		-	(29)	-	(69)
(Loss)/Profit from operations		(4,516)	729	(3,754)	2,334
Finance costs		(122)	(55)	(218)	(164)
(Loss)/Profit before taxation	A7	(4,638)	674	(3,972)	2,170
Taxation	B5	(367)	(290)	(754)	(732)
(Loss)/Profit for the financial period		(5,005)	384	(4,726)	1,438
Other comprehensive income					
Revaluation surplus on properties		5,109	-	5,109	-
Total comprehensive income		104	384	383	1,438
(Loss)/Profit for the financial period attributable to:					
Owners of the Company		(5,332)	130	(5,296)	1,081
Non-controlling interests		327	254	570	357
		(5,005)	384	(4,726)	1,438
Total comprehensive (loss)/ income attributable to:					
Owners of the Company		(223)	130	(187)	1,081
Non-controlling interests		327	254	570	357
		104	384	383	1,438
Weighted average number of ordinary shares in issue ('000)	B10	625,881	421,250	564,797	421,250
(Loss)/Earnings per share attributable to owners of the Company (sen):					
-Basic ⁽²⁾ /Diluted ⁽³⁾	B10	(0.85)	0.03	(0.94)	0.26

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BCM ALLIANCE BERHAD

Registration No: 201501009903 (1135238-U)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Continued) ⁽¹⁾**

(The figures have not been audited)

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 31 December 2020 as well as the accompanying explanatory notes attached to this interim financial report.
- (2) Basic (loss)/earnings per share is calculated based on the weighted average number of ordinary shares in issue.
- (3) Diluted (loss)/earnings per share of the Group is equivalent to the basic (loss)/earnings per share as the Group does not have convertible securities as at the end of the reporting period.

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾
(The figures have not been audited)

	Note	(Unaudited) As at 30 June 2021 RM'000	(Audited) As at 31 December 2020 ⁽²⁾ RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		16,896	11,369
Right-of-use assets		2,558	2,614
Investment properties		5,642	601
Goodwill		1,331	-
Investment in quoted shares		12,288	-
		38,715	14,584
CURRENT ASSETS			
Inventories		18,383	14,356
Trade receivables		10,880	15,227
Other receivables, prepayments and deposits		6,616	2,109
Tax recoverable		1,206	894
Fixed deposits with licensed banks		29,905	1,815
Cash and bank balances		24,980	45,756
		91,970	80,157
TOTAL CURRENT ASSETS		91,970	80,157
TOTAL ASSETS		130,685	94,741
EQUITY AND LIABILITIES			
EQUITY			
Share capital		79,018	47,356
Merger reserves		(16,049)	(16,049)
Revaluation reserves		5,109	-
Retained earnings		31,772	37,068
Equity attributable to owners of the Company		99,850	68,375
Non-controlling interests		4,287	3,085
		104,137	71,460
TOTAL EQUITY		104,137	71,460
CURRENT LIABILITIES			
Contract liabilities		431	473
Trade payables		6,864	5,201
Other payables and accruals		5,610	8,879
Amount due to directors		521	-
Lease liabilities	B7	1,214	1,036
Bank borrowings	B7	2,971	3,346
Tax payable		159	35
		17,770	18,970
TOTAL CURRENT LIABILITIES		17,770	18,970

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Continued) ⁽¹⁾**

(The figures have not been audited)

	Note	(Unaudited) As at 30 June 2021 RM'000	(Audited) As at 31 December 2020 ⁽²⁾ RM'000
NON-CURRENT LIABILITIES			
Lease liabilities	B7	1,695	1,882
Bank borrowings	B7	6,967	2,324
Deferred tax liabilities		116	105
TOTAL NON-CURRENT LIABILITIES		8,778	4,311
TOTAL LIABILITIES		26,548	23,281
TOTAL EQUITY AND LIABILITIES		130,685	94,741
Net assets per share (RM) ⁽³⁾		0.16	0.14

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2020 as well as the accompanying explanatory notes attached to this interim financial report.
- (2) The summary of the statement of financial position prepared based on the audited financial statement of the Group as at 31 December 2020.
- (3) Net assets per share is calculated based on the number of ordinary shares in issue of 625,880,836 shares as at 30 June 2021 (2020: 481,447,200 shares).

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

(The figures have not been audited)

	Non-Distributable			Distributable	Total	Non-	Total
	Share	Merger	Revaluation	Retained	Shareholders'	Controlling	Equity
	Capital	Reserves	Reserves	Earnings	Equity	Interests	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Unaudited</u>							
Balance as at 1 January 2021	47,356	(16,049)	-	37,068	68,375	3,085	71,460
Issue of ordinary shares	31,662	-	-	-	31,662	-	31,662
Comprehensive (loss)/income							
-(Loss)/Profit for the financial period	-	-	-	(5,296)	(5,296)	570	(4,726)
Other comprehensive income							
-Revaluation surplus on properties	-	-	5,109	-	5,109	-	5,109
Total comprehensive income/(loss)	-	-	5,109	(5,296)	(187)	570	383
Acquisition of subsidiary company	-	-	-	-	-	632	632
Balance as at 30 June 2021	79,018	(16,049)	5,109	31,772	99,850	4,287	104,137
<u>Unaudited</u>							
Balance as at 1 January 2020	32,120	(16,049)	-	34,831	50,902	2,623	53,525
Profit for the period							
-Total comprehensive income for the period	-	-	-	1,081	1,081	357	1,438
Balance as at 30 June 2020	32,120	(16,049)	-	35,912	51,983	2,980	54,963

Notes:

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the BCM Group for the FYE 31 December 2020 as well as the accompanying explanatory notes attached to this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

(The figures have not been audited)

	(Unaudited) 6 months ended 30 June 2021 RM'000	(Unaudited) 6 months ended 30 June 2020 RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before taxation	(3,972)	2,170
Adjustments for:		
Depreciation of property, plant and equipment	536	488
Depreciation of right-of-use assets	792	796
Depreciation of investment properties:		
-Current	10	-
-Overstated in prior years	(77)	-
Fair value adjustment on investment property	(103)	-
Gain on disposal of property, plant and equipment	-	(7)
Gain on disposal of right-of-use asset	(3)	(103)
Impairment loss on property, plant and equipment	-	3
Interest expenses	218	164
Interest income	(261)	(164)
Loss on disposal of quoted investments	2,889	-
Net loss on impairment of financial instruments	-	69
Reversal of impairment loss on trade receivables	-	(22)
Property, plant and equipment written off	319	-
Unrealised loss on foreign exchange differences	58	59
Operating profit before working capital changes	406	3,453
Changes in working capital:		
Inventories	(3,614)	(4,997)
Trade receivables	4,942	1,300
Other receivables	(3,380)	460
Contract liabilities	(42)	22
Trade payables	225	(238)
Other payables	(4,148)	(5,257)
Amount due to directors	521	-
	(5,496)	(8,710)
Cash used in operations	(5,090)	(5,257)
Interest received	261	164
Interest paid	(218)	(164)
Tax paid	(797)	(1,004)
	(754)	(1,004)
Net cash used in operating activities	(5,844)	(6,261)

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued) ⁽¹⁾
(The figures have not been audited)

	(Unaudited) 6 months ended 30 June 2021 RM'000	(Unaudited) 6 months ended 30 June 2020 RM'000
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(720)	(729)
Purchase of right-of-use assets	(401)	(207)
Proceeds from disposal of property, plant and equipment	-	7
Proceeds from disposal of right-of-use asset	13	135
Proceeds from disposal of quoted investments	3,519	-
Purchase of investment in quoted shares	(18,696)	-
Acquisition of subsidiary companies, net of cash	(367)	-
Increase in fixed deposit pledged with licensed banks	(10)	(13)
Net cash used in investing activities	<u>(16,662)</u>	<u>(807)</u>
Cash Flows From Financing Activities		
Repayment of bank borrowings	(1,851)	(850)
Proceeds from bank borrowings	476	1,391
Proceeds from issue of ordinary shares	32,094	-
Share issuance expenses	(432)	-
Repayment of lease liabilities	(782)	(560)
Net cash generated from/(used in) financing activities	<u>29,505</u>	<u>(19)</u>
Net increase/(decrease) in cash and cash equivalents	6,999	(7,087)
Cash and cash equivalents at the beginning of the period	45,756	30,555
Cash and cash equivalents at the end of the period	<u>52,755</u>	<u>23,468</u>
Cash and cash equivalents at the end of the period comprises:		
- Fixed deposits with licensed banks	29,905	1,780
- Cash and bank balances	24,980	23,468
- Bank overdraft	(306)	-
	<u>54,579</u>	<u>25,248</u>
Less: Fixed deposits pledged with licensed banks	(1,824)	(1,780)
Net cash and cash equivalent at the end of the period	<u>52,755</u>	<u>23,468</u>

Note:

(1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2020 as well as the accompanying explanatory notes attached to this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") No. 134: Interim Financial Reporting and Rules 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirement").

The interim financial statements should be read in conjunction with the audited financial statements for the FYE 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the FYE 31 December 2020. The Group has adopted those standards, amendments and interpretations that have become effective and such adoptions do not have material impact on the financial position and performance of the Group.

Adoption of new and amended standard

During the financial period, the Group has adopted the following amendments for MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial period.

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform – Phase 2
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Amendments to MFRS 16	Covid-19 - Related Rent Concessions Beyond 30 June 2021
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Adoption of the above amendments to MFRSs did not have any significant impact on the financial statements of the Group.

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

A1. Basis of preparation (continued)

Standards issued but not yet effective

The Group has not applied the following standards, amendments and interpretations under MFRS framework that have been issued by the MASB as they have yet to be effective for the Group.

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective dates for financial period beginning on and after
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment-Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
Annual improvements to MFRS Standards 2018-2020:- -Amendments to MFRS 1 -Amendments to MFRS 9 -Amendments to MFRS 16 -Amendments to MFRS 141	1 January 2022
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101 Disclosure of Accounting Policies	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
Amendments to MFRS 10 and MFRS 128 Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

A2. Auditors' report of preceding annual audited financial statements

The audited financial statements of the Group for the FYE 31 December 2020 were not subject to any qualification.

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

A3. Seasonal or cyclical factors

The financial performance of the Group was not affected by seasonal or cyclical factors during the current financial quarter and financial period-to-date.

A4. Unusual items

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

A5. Material changes in estimates

There were no changes in the estimates of amounts reported in prior financial years that had a material effect on the current financial quarter and financial period-to-date.

A6. Debt and equity securities

There was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter and financial period-to-date.

A7. Segmental information

The Group's reportable segments comprise of commercial laundry equipment, medical devices, healthcare products, investment holding, laundry services, health food and beverage ("Health F&B") and other (represented an entity which yet to commence operation).

For each reportable segment, the Group's chief operating decision makers which is the Board of Directors of the Company, reviews internal management reports on quarterly basis.

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BCM ALLIANCE BERHAD
Registration No: 201501009903 (1135238-U)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

A7. Segmental information (continued)

Results for the current 3 months ended 30 June

In RM'000

Business Segments	Q2 2021 (Unaudited)								Q2 2020 (Unaudited)									
	Commercial Laundry Equipment	Medical Devices	Healthcare Products	Investment Holding	Laundry Services	Health F&B	Other	Adjustment & Elimination	Total Group	Commercial Laundry Equipment	Medical Devices	Healthcare Products	Investment Holding	Laundry Services	Health F&B	Other	Adjustment & Elimination	Total Group
Revenue (i) external customers	4,495	4,492	4,836	-	182	754	-	-	14,759	1,591	9,741	3,050	-	72	-	-	-	14,454
(ii) inter-segment	-	^	3	696	-	-	-	(699)	-	424	44	3	486	-	-	-	(957)	-
Total Revenue	4,495	4,492	4,839	696	182	754	-	(699)	14,759	2,015	9,785	3,053	486	72	-	-	(957)	14,454
Results-Segment results	344	233	(1,650)	(3,553)	(81)	7	(1)	12	(4,689)	(118)	532	660	(218)	(119)	-	-	(73)	664
Interest income	4	11	9	149	-	^	-	-	173	31	24	9	1	-	-	-	-	65
Finance costs	(20)	(28)	(20)	(12)	(1)	(41)	-	-	(122)	(10)	(35)	(5)	(2)	(3)	-	-	-	(55)
(Loss)/Profit before taxation	328	216	(1,661)	(3,416)	(82)	(34)	(1)	12	(4,638)	(97)	521	664	(219)	(122)	-	-	(73)	674
Taxation	(80)	(67)	(219)	-	(1)	-	-	-	(367)	31	(177)	(144)	-	-	-	-	-	(290)
(Loss)/Profit after taxation	248	149	(1,880)	(3,416)	(83)	(34)	(1)	12	(5,005)	(66)	344	520	(219)	(122)	-	-	(73)	384
Other non cash items:																		
-Depreciation of property, plant and equipment	(65)	(76)	(36)	(33)	(86)	(1)	-	12	(285)	(59)	(95)	(21)	(2)	(76)	-	-	(27)	(280)
-Depreciation of right-of-use assets	(87)	(116)	(46)	(78)	(61)	(2)	-	-	(390)	(118)	(138)	(44)	(33)	(62)	-	-	-	(395)
-Depreciation of investment properties:																		
-current	-	(2)	-	-	-	(6)	-	-	(8)	-	-	-	-	-	-	-	-	-
-overstated in prior years	-	-	-	-	-	77	-	-	77	-	-	-	-	-	-	-	-	-
-Fair value adjustment on investment property	-	103	-	-	-	-	-	-	103	-	-	-	-	-	-	-	-	-
-Gain on disposal of a right-use-of asset	-	-	-	-	-	-	-	-	-	103	-	-	-	-	-	-	-	103
-Loss on disposal of quoted investments	-	-	-	(2,889)	-	-	-	-	(2,889)	-	-	-	-	-	-	-	-	-
-Unrealised gain/(loss) on foreign exchange differences	44	59	(5)	-	-	-	-	-	98	150	39	(2)	-	-	-	-	-	187
-Impairment loss on financial instruments	-	-	-	-	-	-	-	-	-	(24)	(5)	-	-	-	-	-	-	(29)
-Property, plant and equipment written off	-	-	-	-	-	(319)	-	-	(319)	-	-	-	-	-	-	-	-	-

^ Represent less than RM1,000

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

A7. Segmental information (continued)

Results for the cumulative 6 months ended 30 June

In RM'000

Business Segments	Q2 2021 (Unaudited)									Q2 2020 (Unaudited)								
	Commercial Laundry Equipment	Medical Devices	Healthcare Products	Investment Holding	Laundry Services	Health F&B	Other	Adjustment & Elimination	Total Group	Commercial Laundry Equipment	Medical Devices	Healthcare Products	Investment Holding	Laundry Services	Health F&B	Other	Adjustment & Elimination	Total Group
Revenue (i) external customers	10,796	12,151	8,689	-	351	754	-	-	32,741	9,997	15,979	5,842	-	295	-	-	-	32,113
(ii) inter-segment	12	4	3	1,242	-	-	-	(1,261)	-	424	44	3	975	-	-	-	(1,446)	-
Total Revenue	10,808	12,155	8,692	1,242	351	754	-	(1,261)	32,741	10,421	16,023	5,845	975	295	-	-	(1,446)	32,113
Results-Segment results	661	677	(1,256)	(3,976)	(171)	7	(1)	44	(4,015)	750	948	960	(336)	(128)	-	(1)	(23)	2,170
Interest income	14	20	17	210	-	^	-	-	261	88	48	15	13	-	-	-	-	164
Finance costs	(41)	(85)	(25)	(23)	(3)	(41)	-	-	(218)	(42)	(93)	(16)	(4)	(9)	-	-	-	(164)
(Loss)/Profit before taxation	634	612	(1,264)	(3,789)	(174)	(34)	(1)	44	(3,972)	796	903	959	(327)	(137)	-	(1)	(23)	2,170
Taxation	(155)	(222)	(375)	-	(2)	-	-	-	(754)	(210)	(292)	(230)	-	-	-	-	-	(732)
(Loss)/Profit after taxation	479	390	(1,639)	(3,789)	(176)	(34)	(1)	44	(4,726)	586	611	729	(327)	(137)	-	(1)	(23)	1,438
Other non cash items:																		
-Depreciation of property, plant and equipment	(133)	(156)	(57)	(41)	(172)	(1)	-	24	(536)	(127)	(188)	(42)	(5)	(149)	-	-	23	(488)
-Depreciation of right-of-use assets	(182)	(230)	(93)	(161)	(124)	(2)	-	-	(792)	(271)	(260)	(88)	(58)	(119)	-	-	-	(796)
-Depreciation of investment properties:																		
-current	-	(4)	-	-	-	(6)	-	-	(10)	-	-	-	-	-	-	-	-	-
-overstated in prior years	-	-	-	-	-	77	-	-	77	-	-	-	-	-	-	-	-	-
-Fair value adjustment on investment property	-	103	-	-	-	-	-	-	103	-	-	-	-	-	-	-	-	-
-Gain on disposal of property, plant and equipment	-	-	-	-	-	-	-	-	-	7	-	-	-	-	-	-	-	7
-Gain on disposal of right-of-use asset	-	3	-	-	-	-	-	-	3	103	-	-	-	-	-	-	-	103
-Loss on disposal of quoted investments	-	-	-	(2,889)	-	-	-	-	(2,889)	-	-	-	-	-	-	-	-	-
-Unrealised gain/(loss) on foreign exchange differences	(38)	(12)	(8)	-	-	-	-	-	(58)	(8)	(45)	(6)	-	-	-	-	-	(59)
-Impairment loss on property, plant and equipment	-	-	-	-	-	-	-	-	-	-	(3)	-	-	-	-	-	-	(3)
-Impairment loss on financial instruments	-	-	-	-	-	-	-	-	-	(36)	(33)	-	-	-	-	-	-	(69)
-Property, plant and equipment written off	-	-	-	-	-	(319)	-	-	(319)	-	-	-	-	-	-	-	-	-
-Reversal of impairment loss on trade receivables	-	-	-	-	-	-	-	-	-	-	-	22	-	-	-	-	-	22
Segment assets	28,265	30,729	19,563	76,861	3,132	8,593	5	(36,463)	130,685	32,402	34,405	9,542	33,718	3,673	-	4	(32,872)	80,872
Segment liabilities	(5,971)	(10,526)	(14,881)	(999)	(3,701)	(7,047)	(10)	16,587	(26,548)	(13,199)	(18,643)	(3,457)	(496)	(3,986)	-	(2)	13,874	(25,909)

^ Represent less than RM1,000

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

A8. Dividends paid

No dividends were paid during the current quarter under review.

A9. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter, except for valuations conducted on 28 June 2021 by an independent professional valuer, on all its properties (excluding investment properties in the new acquired subsidiary companies). These valuations are carried out for accounting purpose in accordance with the requirement of the MFRS 13 and MFRS 140.

A10. Capital commitments

There were no capital commitments of the Group as at 30 June 2021.

A11. Changes in the composition of the Group

Save from disclosed below, there were no changes to the composition of the Group during the current financial quarter under review: -

Subscription of 600,000 new ordinary shares, representing 60% equity interest in Foodict Maker Sdn. Bhd.

On 18 March 2021, the Company had entered into a Subscription Agreement with Foodict Maker Sdn. Bhd. ("FMSB") for the proposed subscription of 600,000 new ordinary shares at an issue price of RM3.80 per ordinary share, representing 60% equity interest in the enlarge issued and paid up share capital of FMSB for a total cash consideration of RM2,280,000 from the Company's internal generated funds.

This Subscription will provide a good opportunity for the Company to strengthen its market presence in the health food and supplements, hair and body care products in Malaysia and region in the near future.

Following the completion of this Subscription on 28 April 2021, FMSB had become a 60% owned subsidiary of the Company.

A12. Contingent liabilities and contingent assets

Since the last annual balance sheet date, there were no contingent liabilities and contingent assets as at the date of this interim financial report that are expected to have an operational or financial impact on the current financial period-to-date.

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

A13. Material events subsequent to the end of the quarter

Save as disclosed below, there were no other material events subsequent to the end of the current quarter and financial period-to-date that have not been reflected in the interim financial report:

Incorporation of a wholly-owned subsidiary company, BCM Laundry Services Sdn. Bhd.

On 2 August 2021, the Company had incorporated a wholly-owned subsidiary company namely BCM Laundry Services Sdn. Bhd. ("BCM Laundry"). The issued share capital of BCM Laundry is RM100,000 comprising 100,000 ordinary shares. BCM Laundry has not commenced business since its incorporation.

The intended principal activity of BCM Laundry is to carry on the business of launderers, cleaners, dry cleaners and carpet beaters services.

The purpose of the incorporation of BCM Laundry is to expand the Group's business as in carrying laundry services business to generate more revenue.

A14. Related party transactions

The Group's significant related party transactions in the current period and financial period-to-date under review are as follows:

	(Unaudited) Current quarter ended 30 June 2021 RM'000	(Unaudited) Cumulative quarter ended 30 June 2021 RM'000
Transactions with a company in which certain directors of the Company have substantial financial interest: -		
Lease payment on premises.	50	99
	=====	=====

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of performance

	Individual Quarter (Unaudited) 30 June 2021 RM'000	(Unaudited) 30 June 2020 RM'000	Changes (RM'000 / %)	Cumulative Quarter (Unaudited) 30 June 2021 RM'000	(Unaudited) 30 June 2020 RM'000	Changes (RM'000 / %)
Revenue	14,759	14,454	305/ 2.11%	32,741	32,113	628/ 1.96%
Operating (loss)/profit	(2,251)	232	(2,483)/ (1,070.26%)	(1,663)	1,661	(3,324)/ (200.12%)
(Loss)/Profit before interest and tax	(4,516)	729	(5,245)/ (719.48%)	(3,754)	2,334	(6,088)/ (260.84%)
(Loss)/Profit before tax	(4,638)	674	(5,312)/ (788.13%)	(3,972)	2,170	(6,142)/ (283.04%)
(Loss)/Profit after tax	(5,005)	384	(5,389)/ (1,403.39%)	(4,726)	1,438	(6,164)/ (428.65%)
(Loss)/Profit attributable to owners of the Company	(5,332)	130	(5,462)/ (4,201.54%)	(5,296)	1,081	(6,377)/ (589.92%)

Current quarter (3 months)

For the current quarter ended 30 June 2021, the Group recorded revenue of RM14.76 million as compared to RM14.45 million in the corresponding quarter ended 30 June 2020, an increase of RM0.31 million or 2.11%. The higher revenue was mainly due to the increase in revenue contribution from commercial laundry equipment business segment, healthcare products business segment, laundry services business segment as well as the contribution from new subsidiary companies in health food and beverage business segment.

The revenue contribution from commercial laundry equipment business segment was increased by RM2.90 million or 182.53% from RM1.59 million in the corresponding quarter ended 30 June 2020 compared to RM4.50 million in current quarter ended 30 June 2021. The substantial increase was mainly due to shorter days of closure of business during Total Lockdown period from 1 June 2021 to 14 June 2021 in current quarter compared with Movement Control Order ("MCO") period (i.e. from 18 March 2020 until 3 May 2020) in corresponding quarter. The effectiveness of our promotion package: advertisement platform and webinar conducted have also boosted higher sales in the current quarter.

The revenue contribution from the healthcare products business segment rose by 58.56% or RM1.79 million, from RM3.05 million in the corresponding quarter ended 30 June 2020 compared to RM4.84 million in the current quarter ended 30 June 2021, mainly due to higher demand for its healthcare products as consumers became more health-conscious under the COVID-19 climate.

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B1. Review of performance (continued)

Current quarter (3 months) (continued)

The Group's new health food and beverage business segment also contributed RM0.75 million revenue in the current quarter ended 30 June 2021, indicates good demand from customers for consumption of our products.

The Group's laundry services business segment increased in revenue by RM0.11 million or 152.78%. It contributed RM0.18 million revenue in the current quarter ended 30 June 2021 compared to RM0.07 million in the corresponding quarter ended 30 June 2020. The increase was mainly due to shorter days of closure of business during Total Lockdown period from 1 June 2021 to 14 June 2021 in current quarter compared with Movement Control Order ("MCO") period (i.e. from 18 March 2020 until 3 May 2020) in corresponding quarter.

For the current quarter ended 30 June 2021, our medical devices business segment recorded a decrease in revenue by RM5.25 million or 53.89% to RM4.49 million as compared to RM9.74 million in the corresponding quarter ended 30 June 2020. The lower revenue was mainly attributable to lower billing to a number of its clients as some of the hospitals have either postponed or temporary put on hold their expansion plans during current economic challenging time.

The Group recorded loss before tax of RM4.64 million in current quarter ended 30 June 2021 as compared to profit before tax of RM0.67 million in the corresponding quarter ended 30 June 2020. The decrease in profit before tax of RM5.31 million or 788.13% in current quarter was mainly due to the realised loss on disposal of quoted investments as well as higher marketing expenses and professional fees incurred for Covid-19 test kit in healthcare products business segment.

Cumulative quarter (6 months)

For the cumulative six (6) months period ended 30 June 2021, the Group's revenue had increased by RM0.63 million or 1.96% to RM32.74 million as compared to RM32.11 million in the corresponding cumulated quarter ended 30 June 2020. As disclosed in Note A7, the higher revenue were mainly due to higher revenue contribution from healthcare products business segment, commercial laundry equipment business segment and laundry services business segment as well as the contribution from new subsidiary companies in health food and beverage business segment.

The healthcare products business segment recorded a sharp rise in revenue by RM2.85 million or 48.73% to RM8.69 million in the current cumulative quarter ended 30 June 2021, compared to RM5.84 million in the corresponding cumulative quarter ended 30 June 2020, mainly due to higher demand for its healthcare products as consumers became more health-conscious under the COVID-19 climate.

The commercial laundry equipment business segment recorded an increase in revenue by RM0.80 million or 7.99% to RM10.80 million as compared to RM10.00 million in the corresponding cumulative quarter ended 30 June 2020. The higher revenue was mainly due to more sales orders secured as a result of effectiveness of our promotion package; advertisement platform and webinar conducted.

The Group's new health food and beverage segment also contributed RM0.75 million revenue in the current cumulative quarter ended 30 June 2021, indicates good demand from customers for consumption of our products.

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B1. Review of performance (continued)

Cumulative quarter (6 months) (continued)

The Group's laundry services business segment contributed RM0.35 million revenue in the current cumulative quarter, an increase of 18.98% or RM0.06 million compared to RM0.30 million in the corresponding cumulative quarter ended 30 June 2020. The increase was mainly due to shorter days of closure of business during Total Lockdown period from 1 June 2021 to 14 June 2021 in current quarter compared with Movement Control Order ("MCO") period (i.e. from 18 March 2020 until 3 May 2020) in corresponding cumulative quarter.

The medical devices business segment registered a revenue of RM12.15 million in the current cumulative quarter ended 30 June 2021, a decrease of RM3.83 million or 23.96% compared to RM15.98 million in the corresponding cumulative quarter ended 30 June 2020. The lower revenue was primarily due to lower billing to a number of its clients as some of the hospitals have either postponed or temporary put on hold their expansion plan as a result of the COVID-19 impact.

For the cumulative quarter under review, the Group registered a loss before tax of RM3.97 million as compared to profit before tax of RM2.17 million in the correspondence cumulative quarter ended 30 June 2020. The decrease in profit before tax of RM6.14 million or 283.04% in current cumulative quarter was mainly due to the realised loss on disposal of quoted investments as well as higher marketing expenses and professional fees incurred for Covid-19 test kit in healthcare products business segment.

B2. Comparison with immediate preceding quarter's results

	<----- Quarter ended ----->			
	(Unaudited) 30 June 2021 RM'000	(Unaudited) 31 March 2021 RM'000	Changes RM'000	Changes %
Revenue	14,759	17,982	(3,223)	(17.92)
Operating (loss)/profit	(2,251)	588	(2,839)	(482.82)
(Loss)/Profit before interest and tax	(4,516)	762	(5,278)	(692.65)
(Loss)/Profit before tax	(4,638)	666	(5,304)	(796.40)
(Loss)/Profit after tax	(5,005)	279	(5,284)	(1,893.91)
(Loss)/Profit attributable to owners of the Company	(5,332)	36	(5,368)	(14,911.11)

For the current quarter ended 30 June 2021, the Group recorded a revenue of RM14.76 million and loss before tax of RM4.64 million as compared to a revenue of RM17.98 million and profit before tax of RM0.67 million in the immediate preceding quarter ended 31 March 2021.

The Group's healthcare products business segment registered a higher revenue by RM0.98 million or 25.51% to RM4.84 million in the current quarter as compared to RM3.85 million in the immediate preceding quarter, mainly due to higher demand for its healthcare products as consumers became more health-conscious under the COVID-19 climate.

The Group's new health food and beverage business segment also contributed RM0.75 million revenue in the current quarter, indicates good demand from customers for consumption of our products.

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B2. Comparison with immediate preceding quarter's results (continued)

The Group's laundry services business segment increased in revenue by RM0.01 million or 7.69%. It contributed RM0.18 million revenue in the current quarter compared to RM0.17 million in the immediate preceding quarter ended 31 March 2021.

For the current quarter ended 30 June 2021, our medical devices business segment recorded a decrease in revenue by RM3.17 million or 41.35% to RM4.49 million as compared to RM7.67 million in the immediate preceding quarter ended 31 March 2021. The lower revenue was mainly attributable to lower billing to a number of its clients as some of the hospitals have either postponed or temporary put on hold their expansion plans during current economic challenging time.

For the commercial laundry equipment business segment, its revenue decreased by RM1.81 million or 28.66% in the current quarter as compared to the immediate preceding quarter. The lower revenue was mainly due to conservative approach adopted by potential customers who withheld some of their investment plans amidst the COVID-19 pandemic.

The Group recorded loss before tax of RM4.64 million in current quarter ended 30 June 2021 as compared to profit before tax of RM0.67 million in the immediate preceding quarter ended 30 June 2020. The decrease in profit before tax of RM5.30 million or 796.40% in current quarter was mainly due to the realised loss on disposal of quoted investments as well as higher marketing expenses and professional fees incurred for Covid-19 test kit in healthcare products business segment.

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B3. Prospects

In tandem with the Group's focus to enhance its revenue growth, optimise margin, business and operation support functions as well as to increase shareholders' value, BCM intends to achieve its objectives through the following strategies:

(i) Continuous introduction of our new portfolio of products and services.

In 2021, BCM will continue to introduce few suitable new medical devices (including but not limited to the high-end and cost effective solutions medical devices) and healthcare products that have strong demand or traction in the market as well as intends to introduce advanced health station which can be placed in pharmacies, hospital and corporate places to attract end-users to experience our core healthcare brand's Bluetooth products before they buy a device and become our core healthcare brand's health style application members, to expand our portfolio of products and brands to enhance the Group's future performance.

The Group will keep increasingly focusing on consumable proprietary products as well as cash-in spare parts. Besides that, BCM has leverage on the enhancement business model by renting out Ripple Mattress that provides recurring income, and also intends to introduce stand-alone clinical application software and workstation to meet unique visualization needs in future.

(ii) Pursue active business expansion via organic and inorganic growth.

BCM aggressively expands its product and service offerings via organic and inorganic growth to create additional income streams in future.

In 2021, the Group had expanded its business in the following directions:

- (a) expanded in healthcare products line to include the marketing, trading and distribution of COVID-19 test kits via its new acquired wholly-owned subsidiary company namely BC Medicare Sdn. Bhd.;
- (b) penetrated into new health food and beverage business segment via subscription shares in a new 60% owned subsidiary company namely Foodict Maker Sdn. Bhd.; and
- (c) investing in the business of providing on-demand laundry services via its new incorporated wholly-owned subsidiary company namely BCM Laundry Services Sdn. Bhd.

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BCM ALLIANCE BERHAD

Registration No: 201501009903 (1135238-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND (2nd) QUARTER ENDED 30 JUNE 2021

B3. Prospects (continued)

(iii) Broaden our client base by attracting new customers and enhancing the relationship with our existing customers.

BCM is targeting to add more new prospective hospitals and medical centres into its portfolio of clients, especially through the supply of big-ticket medical equipment. This will support the Group's continuous effort to widen its product line and after-sales services.

The Group's healthcare products segment also targeting to attract more new customers under various categories such as chain pharmacy; chain independent pharmacy; independent pharmacy; hospital; clinic; medical dealers; corporate; online and etc., to boost up its performance in 2021.

Our management and marketing team are also working proactively to secure new customers to expand our current customer base via various promotion packages; up-to-date advertisement channels and data-driven digital marketing activities. We are keeping improvement to provide continuous sales support to our existing customer by rendering suggestion and recommendation on any suitable device/machine, suitable upgrade, replacement and service packages to our existing customer as an initiative to secure potential sales order in 2021.

(iv) Strengthening of self-service launderette and commercial laundry equipment business.

The Group's commercial laundry equipment business segment is targeting to add big hotel operator into its client portfolio through the supply of laundry equipment in future and also eyes to penetrate into two Southeast Asia countries in future, to benefit from another growth markets which could spell opportunities for BCM in future.

In 2021, besides to keep increasing to conduct laundry opportunity sharing webinar to enhance its revenue growth, the Group also plans to provide one stop solution program for customer to start up laundromat business by adopting mutual benefits concept.

Online platform to sell laundry equipment spare parts and providing maintenance services also another digital one-stop solution platform planned to be implemented by the Group in future to boost up its future revenue.

The Group currently operates 12 self-service laundrette outlets. In addition, the Group intends to set up another 4 new self-service laundrette outlets in future, to improve our capability to meet customers' demand and to enhance the Group's revenue.

The Group intends to further expand its business by venturing into the provision of on-demand laundry services via its new incorporated wholly-owned subsidiary company namely BCM Laundry Services Sdn. Bhd.. This is aimed at capitalising on the increase in demand for various online delivery services, including on-demand laundry services, following a behavioural shift in consumers opting for goods and services to be delivered to their doorstep to avoid going out in order to minimise exposure to COVID-19. Premised on the above, the Group is optimistic the outlook and prospects of its laundry services business segment in near future.

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B3. Prospects (continued)

(v) Penetrate into virus attenuation or reduction devices business

BC Medicare Sdn Bhd, a wholly-owned subsidiary company of BCM, had on 26 July 2021 entered into a Memorandum of Understanding ("MOU") with rLoop Limited ("rLoop"), a Hong Kong corporation have received a letter of offer from Euro-China Technology Achievement Transformation (Tianjin) Co Ltd. ("EC Tech"), a company incorporated in China to purchase 100,000 units of virus attenuation devices with a total sale of US\$200 million (RM845 million), to manufacture, test, configure, assemble, package and/or ship the virus attenuation devices using photon mediated electrons and emitters under rLoop's own brand name of "rGuard". A separate OEM manufacturing agreement between rLoop and BCM is underway. BCM will also be responsible for providing training to EC Tech on the functions and operations of the goods.

The products can disable the coronavirus in enclosed spaces with up to 99.9% efficacy, enabling users to get back to normal and serve the people in a safe environment.

The MOU enables the Company to penetrate into virus attenuation or reduction devices business that might yield attractive return to the Group. The prospects in respect of the proposed engagement shall deem to be strong and convincing with exponentially growth of the demand reckons amidst the expectation of herd immunity post inoculation program across the world.

(vi) Diversify into the health food and beverage business segment

In addition to strengthening the Group's core business, BCM had also diversified into the health food and beverage business segment via its new 60% owned subsidiary company namely, Foodict Maker Sdn. Bhd. ("FMSB").

FMSB is targeting to add more new customers; accelerate the mastery of online channels and looking for new products with higher profit margins, to enhance the Group's income stream in future.

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B3. Prospects (continued)

Effect of outbreak of coronavirus pandemic ("COVID-19")

The financial impact of the COVID-19 outbreak to the Group cannot be reasonably estimated due to the inherent unpredictable nature and rapid development relating to COVID-19, the extent of the impact depends on the ongoing precautionary measures introduced by each country to address this pandemic and the durations of the pandemic. However, the Directors of the Company have continuously monitoring the local and global development of the outbreak of COVID-19 and also work closely with the trade partners and suppliers to ensure minimal disruption during this period.

Looking ahead, we remain steadfast in our commitment to protect the health and safety of our teams around the world as we navigate these uncertain times. We are highly focused on the execution of our strategic initiatives and are taking decisive actions to mitigate the challenges created by the COVID-19 global pandemic on the Group's performance in 2021.

B4. Profit forecast or profit guarantee

The Group does not have any profit forecast or profit guarantee for the current quarter under review in any public documents.

B5. Taxation

	Individual Quarter Ended (Unaudited)		Cumulative Quarter Ended (Unaudited)	
	30 June 2021 RM'000	30 June 2020 RM'000	30 June 2021 RM'000	30 June 2020 RM'000
Income tax expense:				
-Current financial period	354	289	743	730
Deferred tax expense:				
-Current financial period	13	1	11	2
Total tax expense	<u>367</u>	<u>290</u>	<u>754</u>	<u>732</u>

The Group's effective tax rate for the current quarter and financial period-to-date is higher than the statutory tax rate mainly due to certain non-tax deductible expenses.

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B6. Status of corporate proposals

Status of corporate proposals announced but not completed

a) Proposed special issue of up to 60,197,000 new ordinary shares in the Company to bumiputera investors to be identified and/or approved by MITI (“Proposed Special Issue”)

On 19 June 2020, the Company proposed to undertake the Special Issue and it has been completed on 11 December 2020 following the listing of and quotation for 60,197,000 new ordinary shares at RM0.26 per share on the ACE Market of Bursa Malaysia Securities Berhad.

This Special Issue is undertaken to comply with the Bumiputera Equity Conditions (requirement by the Securities Commission Malaysia for the Company to meet a minimum 12.50% Bumiputera shareholdings).

The gross proceeds raised from the Special Issue Shares amounting to RM15.65 million was partially utilised in the following manner as at 16 August 2021: -

Utilisation of proceeds	Intended timeframe for utilisation from 11 December 2020	Actual proceeds raised (RM'000)	Actual utilisation up to 16/8/2021 (RM'000)	Balance available for utilisation (RM'000)
(i) Purchase of new devices and equipment	Within 24 months	9,750	(7,719)	2,031
(ii) Working capital	Within 6 months	5,439	(5,439)	-
(iii) Estimated expenses for the Special Issue	Within 1 month	462	(462)	-
Total		15,651	(13,620)	2,031

There was no deviation between the approved utilisation amount and actual utilised amount.

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BCM ALLIANCE BERHAD

Registration No: 201501009903 (1135238-U)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021****B6. Status of corporate proposals (continued)****b) Proposed private placement of up to 144,434,000 new ordinary shares in the Company, representing 30% of the existing total number of issued shares of the Company, to independent third-party investor(s). ("Proposed Private Placement")**

On 27 January 2021, the Company proposed to undertake a private placement of up to 144,434,000 new ordinary shares in the Company, representing 30% of the existing total number of issued Shares, to independent third-party investor(s) to be identified later and at an issue price to be determined later.

The rationale for this Proposal is enable the Group to raise fund to fund its business expansion into the trading of COVID-19 test kits. The Group intends to leverage on its existing relationships with hospitals and pharmacies as well as the ongoing COVID-19 pandemic to distribute test kits which are currently in high demand.

On 5 February 2021, Bursa Malaysia Securities Berhad ("Bursa Securities") had, vide its letter dated 5 February 2021, approved the listing and quotation of up to 144,434,000 Placement Shares to be issued pursuant to the Proposed Private Placement.

On 4 March 2021, the Proposed Private Placement has been approved by shareholders of the Company at an Extraordinary General Meeting.

On 12 March 2021 and 15 March 2021, 41,252,181 and 39,545,455 Placement Shares, being the first tranche of Placement Shares for the Private Placement have been listed on the ACE Market of Bursa Securities respectively at RM0.220 per share.

On 25 March 2021, 63,636,000 Placement Shares, being the second and final tranche of Placement Shares for the Private Placement has been listed on the ACE Market of Bursa Securities, at RM0.225 per share.

On 25 March 2021, the Company has decided not to place out the remaining 364 Placement Shares out of the 144,434,000 Placement Shares. As such, the Private Placement is deemed completed.

The gross proceeds raised from the Private Placement amounting to RM32.09 million have been partially utilised in the following manner as at 16 August 2021: -

Utilisation of proceeds	Intended timeframe for utilisation from 25 March 2021	Actual proceeds raised (RM'000)	Actual utilisation up to 16/8/2021 (RM'000)	Balance available for utilisation (RM'000)
(i) Business expansion into the trading of COVID-19 test kits	Within 24 months	31,689	(6,676)	25,013
(iii) Expenses for the Private Placement	Immediate	405	(405)	-
Total		32,094	(7,081)	25,013

There was no deviation between the approved utilisation amount and actual utilised amount.

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B6. Status of corporate proposals (continued)

c) Proposed Rights Issue with Warrants

On 5 May 2021, the Company proposed to undertake a renounceable rights issue of up to 1,220,467,629 new ordinary shares in the Company ("Rights Shares") together with up to 1,017,056,357 free detachable warrants in the Company ("Warrants ") on the basis of 6 Rights Shares together with 5 free Warrants for every 4 existing Shares held by the entitled shareholders of the Company on an entitlement date to be determined ("Entitled Shareholders") ("Proposed Rights Issue with Warrants").

The Proposed Rights Issue with Warrants will enable the Company to raise funds and channel them towards the expansion of business of providing on-demand laundry services.

The free Warrants which are attached to the Rights Shares are intended to provide an added incentive to the Entitled Shareholders to subscribe for the Rights Shares. In addition, the free Warrants will provide the Entitled Shareholders with an opportunity to increase their equity participation in the Company at a pre-determined exercise price during the tenure of the Warrants and will allow Entitled Shareholders to further participate in the future growth of the Company as and when the Warrants are exercised.

Bursa Securities had, vide its letter dated 24 May 2021, approved the listing and quotation of Rights Shares and Warrants to be issued pursuant to the Proposed Rights Issue with Warrants.

On 24 June 2021, the Proposed Rights Issue with Warrants has been approved by shareholders of the Company at an Extraordinary General Meeting.

On 8 July 2021, the Company has resolved to fix the issue price of the Rights Shares at RM0.08 per Rights Share and the exercise price of the Warrants at RM0.10 per Warrant.

Date for announcement of final subscription result and basis of allotment of excess Rights Shares is on 23 August 2021.

Expected listing date is on 30 August 2021.

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B7. Lease liabilities & bank borrowings

The Group's lease liabilities and bank borrowings were as follows: -

	As at 30 June 2021 (Unaudited)		
	Long term RM'000	Short term RM'000	Total RM'000
Secured			
(i) Bank borrowings			
- Banker acceptance	-	2,112	2,112
- Trust receipts	-	123	123
- Bank overdraft	-	306	306
- Term loans	6,967	430	7,397
Sub-total	6,967	2,971	9,938
(ii) Lease liabilities	1,695	1,214	2,909
Grand total	8,662	4,185	12,847

	As at 31 December 2020 (Audited)		
	Long term RM'000	Short term RM'000	Total RM'000
Secured			
(i) Bank borrowings			
- Banker acceptance	-	1,252	1,252
- Trust receipts	-	1,795	1,795
- Term loans	2,324	299	2,623
Sub-total	2,324	3,346	5,670
(ii) Lease liabilities	1,882	1,036	2,918
Grand total	4,206	4,382	8,588

Notes:

- (1) All bank borrowings are denominated in Ringgit Malaysia and there were no foreign currency denomination bank borrowings.
- (2) All bank borrowings are secured and the Group do not have any unsecured bank borrowings.
- (3) The average effective interest rates per annum are as follows:

	Rates (%)
Banker acceptance	4.53
Trust receipts	6.14-6.92
Term loans	3.25-4.77
Lease liabilities	2.24-9.90

- (4) There were no additional lease liabilities and bank borrowings during the current quarter ended 30 June 2021, except for lease liabilities and bank borrowings assumed from the new subsidiary company, Foodict Maker Sdn. Bhd. amounting to RM87,594 and RM5,856,598 respectively.

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B8. Changes in material litigation

As at 16 August 2021 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report), the BCM Group is not involved in any litigations or arbitrations, either as a defendant or plaintiff, which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

B9. Dividend Proposed/Declared

There was no dividend proposed/declared for the current financial period under review.

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B10. (Loss)/Earnings per share

The basic/diluted (loss)/earnings per share is calculated based on the Group's (loss)/profit attributable to owners of the Company divided by the weighted average number of ordinary shares as follows:

	Individual Quarter (Unaudited) 30 June 2021	(Unaudited) 30 June 2020	Cumulative Quarter (Unaudited) 30 June 2021	(Unaudited) 30 June 2020
(Loss)/Profit attributable to owners of the Company (RM'000)	(5,332)	130	(5,296)	1,081
Weighted average number of issuance shares ('000)	625,881	421,250	564,797	421,250
Basic ⁽¹⁾ /Diluted ⁽²⁾ (loss)/earnings per share (sen)	(0.85)	0.03	(0.94)	0.26

Notes:

- (1) Basic (loss)/earnings per share for the current quarter and cumulative quarter is calculated based on the net (loss)/profit attributable to owners of the Company divided by the weighted average number of ordinary shares for the current quarter and cumulative quarter respectively.
- (2) Diluted (loss)/earnings per share of the Company for the current quarter and cumulative quarter is equivalent to the basic (loss)/earnings per share as the Company does not have convertible options as at the end of the reporting period.

B11. Financial Instruments

(a) Derivatives

There were no outstanding derivatives as at 30 June 2021.

(b) Gain/(Loss) arising from fair value changes in financial liabilities

There were no gain/ (loss) arising from fair value changes in financial liabilities during the current quarter and cumulative quarter ended 30 June 2021.

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**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B12. Disclosure on selected expense/ (income) items as required by the Listing Requirements

	(Unaudited) Current quarter ended 30 June 2021 RM'000	(Unaudited) Cumulative quarter ended 30 June 2021 RM'000
(Loss)/Profit before taxation is arrived at after charging/ (crediting): -		
- Depreciation of property, plant and equipment	285	536
- Depreciation of right-of-use assets	390	792
- Depreciation of investment properties:		
-Current	8	10
-Overstated in prior years	(77)	(77)
- Fair value adjustment on investment property	(103)	(103)
- Gain on disposal of property, plant and equipment	-	-
- Gain on disposal of right-of-use asset	-	(3)
- (Gain)/Loss on derivatives	-	-
- Loss on disposal of quoted investments	2,889	2,889
- Impairment loss on property, plant and equipment	-	-
- Interest expenses	122	218
- Interest income	(173)	(261)
- Inventories written down	-	-
- Property, plant and equipment written off	319	319
- Other income including investment income	-	-
- Impairment loss on financial instruments:		
trade receivables	-	-
- Unrealised (gain)/loss on foreign exchange differences	(98)	58
- Realised loss on foreign exchange differences	158	122

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BCM ALLIANCE BERHAD**Registration No: 201501009903 (1135238-U)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE
SECOND (2nd) QUARTER ENDED 30 JUNE 2021**

B13. Approvals obtained for registration of medical devices from Medical Device Authority of Malaysia for registration

In relation to the requirements on registration of medical devices, Section 5 (1) of the Medical Devices Act, 2012 requires, amongst others, that all medical products classified as medical devices under the Medical Devices Act, 2012 and Medical Devices Regulation, 2012 shall be registered before they can be imported, exported or placed in the market. As at 16 August 2021, the Group has submitted a total of two hundred and sixty two (262) online applications to register medical devices that the Group are currently distributing and which are classified as medical devices pursuant to the Medical Devices Act, 2012 and Medical Devices Regulation, 2012 with the Medical Device Authority ("MDA").

As at 16 August 2021, out of the total applications submitted by the Group, there were: -

- (i) One hundred and sixty two (162) applications that have been successfully approved by MDA and was in use by the Group;
- (ii) Seven (7) applications are still under consideration by the MDA; and
- (iii) Ninety three (93) applications shall either be dropped by the Group due to discontinuance of distribution of certain types of medical devices, or cancellation by the MDA mainly due to misclassification of the particular of certain medical devices under the Medical Devices Act, 2012.

**BY ORDER OF THE BOARD
23 August 2021**