

**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

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

	Note	Individual Quarter		Cumulative Quarter	
		(Unaudited) 31-Mar-22 RM'000	(Unaudited) 31-Mar-21 RM'000	(Unaudited) 31-Mar-22 RM'000	(Unaudited) 31-Mar-21 RM'000
Revenue	A7	22,595	17,982	22,595	17,982
Cost of Sales		(15,243)	(11,847)	(15,243)	(11,847)
Gross Profit		7,352	6,135	7,352	6,135
Other operating income		583	174	583	174
Administrative expenses		(23,882)	(5,547)	(23,882)	(5,547)
(Loss)/Profit from operations		(15,947)	762	(15,947)	762
Finance costs		(96)	(96)	(96)	(96)
(Loss)/Profit before taxation	A7	(16,043)	666	(16,043)	666
Taxation	B5	(537)	(387)	(537)	(387)
(Loss)/Profit for the financial period		(16,580)	279	(16,580)	279
Total comprehensive (loss)/income for the financial period		(16,580)	279	(16,580)	279
(Loss)/Profit for the financial period attributable to:					
Owners of the Company		(16,821)	36	(16,821)	36
Non-controlling interests		241	243	241	243
		(16,580)	279	(16,580)	279
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(16,821)	36	(16,821)	36
Non-controlling interests		241	243	241	243
		(16,580)	279	(16,580)	279
Weighted average number of ordinary shares in issue ('000)	B10	1,940,230	503,034	1,940,230	503,034
(Loss)/Earnings per share attributable to owners of the Company (sen):					
-Basic ⁽²⁾ /Diluted ⁽³⁾	B10	(0.87)	0.01	(0.87)	0.01

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

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

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 2021 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 effects on the assumed exercise of the share options under warrants is anti-dilutive.

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**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

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

	(Unaudited) As at 31 March 2022 RM'000	(Audited) As at 31 December 2021 ⁽²⁾ RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	17,687	17,944
Right-of-use assets	2,790	2,021
Investment properties	5,483	5,501
Intangible assets	19,024	19,024
Goodwill	1,332	1,332
Investment in quoted shares	750	26,336
	47,066	72,158
CURRENT ASSETS		
Inventories	21,346	25,968
Trade receivables	20,521	18,964
Other receivables, deposits and prepayments	65,367	39,413
Current tax assets	1,177	1,173
Fixed deposits with licensed banks	38,338	39,686
Cash and bank balances	22,666	25,932
TOTAL CURRENT ASSETS	169,415	151,136
TOTAL ASSETS	216,481	223,294
EQUITY AND LIABILITIES		
EQUITY		
Share capital	140,291	124,566
Other reserves	17,553	17,553
Retained earnings	19,071	35,892
Equity attributable to owners of the Company	176,915	178,011
Non-controlling interests	4,840	4,599
TOTAL EQUITY	181,755	182,610
CURRENT LIABILITIES		
Contract liabilities	341	358
Trade payables	8,324	17,469
Other payables and accruals	11,815	8,549
Lease liabilities	1,335	1,323
Bank borrowings	3,791	4,127
Current tax liabilities	27	140
TOTAL CURRENT LIABILITIES	25,633	31,966

**INTERIM FINANCIAL REPORT FOR THE
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Continued) ⁽¹⁾**

(The figures have not been audited)

		(Unaudited) As at 31 March 2022 RM'000	(Audited) As at 31 December 2021 ⁽²⁾ RM'000
	Note		
NON-CURRENT LIABILITIES			
Lease liabilities	B7	1,632	1,272
Bank borrowings	B7	6,719	6,751
Deferred tax liabilities		742	695
TOTAL NON-CURRENT LIABILITIES		9,093	8,718
TOTAL LIABILITIES		34,726	40,684
TOTAL EQUITY AND LIABILITIES		<u>216,481</u>	<u>223,294</u>
Net assets per share (RM) ⁽³⁾		<u>0.09</u>	<u>0.11</u>

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 2021 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 2021.
- (3) Net assets per share is calculated based on the number of ordinary shares in issue of 2,034,112,087 shares as at 31 March 2022 (2021: 1,564,702,087 shares).

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**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

(The figures have not been audited)

	Non-Distributable Share Capital RM'000	Other Reserves RM'000	Distributable Retained Earnings RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<u>Unaudited</u>						
Balance as at 1 January 2022	124,566	17,553	35,892	178,011	4,599	182,610
Issue of ordinary shares	15,725	-	-	15,725	-	15,725
(Loss)/ Profit for the period						
-Total comprehensive (loss)/income for the period	-	-	(16,821)	(16,821)	241	(16,580)
Balance as at 31 March 2022	<u>140,291</u>	<u>17,553</u>	<u>19,071</u>	<u>176,915</u>	<u>4,840</u>	<u>181,755</u>
<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
Profit for the period						
-Total comprehensive income for the period	-	-	36	36	243	279
Balance as at 31 March 2021	<u>79,018</u>	<u>(16,049)</u>	<u>37,104</u>	<u>100,073</u>	<u>3,328</u>	<u>103,401</u>

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 2021 as well as the accompanying explanatory notes attached to this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

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

	(Unaudited) 3 months ended 31 March 2022 RM'000	(Unaudited) 3 months ended 31 March 2021 RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before taxation	(16,043)	666
Adjustments for:		
Depreciation of property, plant and equipment	350	251
Depreciation of right-of-use assets	387	402
Depreciation of investment properties	18	2
Gain on disposal of right-of-use assets	(87)	(3)
Interest expenses	96	96
Interest income	(140)	(88)
Loss on disposal of quoted investments - realised	13,659	-
Loss on disposal of quoted investments - unrealised	1,331	-
Property, plant and equipment written off	9	-
Unrealised loss on foreign exchange differences	193	156
Operating (loss)/profit before working capital changes	(227)	1,482
Changes in working capital:		
Inventories	4,621	(2,120)
Trade receivables	(1,558)	(1,018)
Other receivables	(25,954)	(1,384)
Contract liabilities	(18)	(8)
Trade payables	(9,338)	3,396
Other payables	3,266	(3,752)
	(28,981)	(4,886)
Cash used in operations	(29,208)	(3,404)
Interest received	140	88
Interest paid	(96)	(96)
Tax paid	(607)	(370)
	(563)	(378)
Net cash used in operating activities	(29,771)	(3,782)

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**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

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

	(Unaudited) 3 months ended 31 March 2022 RM'000	(Unaudited) 3 months ended 31 March 2021 RM'000
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(423)	(149)
Purchase of right-of-use assets	(19)	(235)
Proceeds from disposal of right-of-use assets	170	14
Proceeds from disposal of quoted investments	10,596	-
Purchase of investment in quoted shares	-	(8,000)
Net cash generated from/(used in) investing activities	<u>10,324</u>	<u>(8,370)</u>
Cash Flows From Financing Activities		
Proceeds from bank borrowings	-	1,950
Proceeds from issue of ordinary shares	15,725	32,094
Share issuance expenses	-	(432)
Increase in fixed deposit pledged with licensed banks	(4)	(4)
Repayment of bank borrowings	(342)	(1,873)
Repayment of lease liabilities	(525)	(170)
Net cash generated from financing activities	<u>14,854</u>	<u>31,565</u>
Net (decrease)/increase in cash and cash equivalents	(4,593)	19,413
Cash and cash equivalents at the beginning of the period	<u>63,517</u>	<u>45,756</u>
Cash and cash equivalents at the end of the period	<u>58,924</u>	<u>65,169</u>
Cash and cash equivalents at the end of the period comprises:		
- Fixed deposits with licensed banks	38,338	13,819
- Cash and bank balances	22,666	53,169
- Bank overdraft	(230)	-
	<u>60,774</u>	<u>66,988</u>
Less: Fixed deposits pledged with licensed banks	(1,850)	(1,819)
Net cash and cash equivalent at the end of the period	<u>58,924</u>	<u>65,169</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 2021 as well as the accompanying explanatory notes attached to this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

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 2021 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 2021. 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 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment-Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts-Cost of Fulfilling a Contract
Annual improvements to MFRS Standards 2018-2020:-	
-Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
-Amendments to MFRS 9	Financial Instruments
-Amendments to MFRS 16	Illustrative Examples accompanying MFRS 16 Lease
-Amendments to MFRS 141	Agriculture

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
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

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
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 2021 were not subject to any qualification.

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.

**INTERIM FINANCIAL REPORT FOR THE
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A6. Debt and equity securities

Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter and financial period to-date.

Offer and grant of options under Employees' Share Option Scheme ("ESOS")

The following offer of options has been made on 12 January 2022 to eligible employees of the Company and its subsidiaries to subscribe for the new ordinary shares in the Company under ESOS.

The exercised options amounted to 469,410,000 shares has been listed on the ACE Market of Bursa Malaysia Securities Berhad on 19 January 2022.

The details on the number of ESOS options granted, exercised, forfeited and outstanding since its commencement up to 19 May 2022 are as follows:-

	Total	Executive Director/ Chief Executive	Senior Management	Other Employees
Number of options granted	469,410,000	-	-	469,410,000
Number of options exercised	469,410,000	-	-	469,410,000
Number of options forfeited	-	-	-	-
Number of options outstanding	-	-	-	-

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 FIRST (1st) QUARTER ENDED 31 MARCH 2022

A7. Segmental information (continued)

Results for the 3 months ended 31 March

In RM'000

Business Segments	Q1 2022 (Unaudited)									Q1 2021 (Unaudited)								
	Commercial Laundry Equipment	Medical Devices	Healthcare Products	Investment Holding	Laundry Services	Health F&B	Others	Adjustment & Elimination	Total Group	Commercial Laundry Equipment	Medical Devices	Healthcare Products	Investment Holding	Laundry Services	Health F&B	Others	Adjustment & Elimination	Total Group
Revenue (i) external customers	9,069	6,264	5,503	-	319	1,440	-	-	22,595	6,301	7,659	3,853	-	169	-	-	-	17,982
(ii) inter-segment	-	1,191	-	687	-	-	-	(1,878)	-	12	4	-	546	-	-	-	(562)	-
Total Revenue	9,069	7,455	5,503	687	319	1,440	-	(1,878)	22,595	6,313	7,663	3,853	546	169	-	-	(562)	17,982
Results-Segment results	786	304	539	(17,246)	(210)	(280)	(1)	21	(16,087)	317	444	648	(423)	(90)	-	(254)	32	674
Interest income	6	15	14	98	7	^	-	-	140	10	9	8	61	-	-	-	-	88
Finance costs	(11)	(32)	(26)	(9)	(6)	(12)	-	-	(96)	(21)	(57)	(5)	(11)	(2)	-	-	-	(96)
Profit/(Loss) before taxation	781	287	527	(17,157)	(209)	(292)	(1)	21	(16,043)	306	396	651	(373)	(92)	-	(254)	32	666
Taxation	(199)	(116)	(229)	-	-	7	-	-	(537)	(75)	(155)	(156)	-	(1)	-	-	-	(387)
Profit/(Loss) after taxation	582	171	298	(17,157)	(209)	(285)	(1)	21	(16,580)	231	241	495	(373)	(93)	-	(254)	32	279
Other non cash items:																		
-Depreciation of property, plant and equipment	(66)	(87)	(73)	(27)	(115)	(3)	-	21	(350)	(68)	(80)	(21)	(8)	(86)	-	-	12	(251)
-Depreciation of right-of-use assets	(62)	(108)	(46)	(80)	(84)	(7)	-	-	(387)	(95)	(114)	(47)	(83)	(63)	-	-	-	(402)
-Depreciation of investment properties	-	(1)	-	-	-	(17)	-	-	(18)	-	(2)	-	-	-	-	-	-	(2)
-Gain on disposal of right-of-use assets	-	87	-	-	-	-	-	-	87	-	3	-	-	-	-	-	-	3
-Property, plant and equipment written off	-	-	-	-	(9)	-	-	-	(9)	-	-	-	-	-	-	-	-	-
-Loss on disposal of quoted investments-realised	-	-	-	(13,659)	-	-	-	-	(13,659)	-	-	-	-	-	-	-	-	-
-Loss on disposal of quoted investments-unrealised	-	-	-	(1,331)	-	-	-	-	(1,331)	-	-	-	-	-	-	-	-	-
-Unrealised (loss)/gain on foreign exchange differences	(116)	(108)	31	-	-	-	-	-	(193)	(82)	(71)	(3)	-	-	-	-	-	(156)
Segment assets	35,640	35,154	35,005	154,020	73,914	8,621	1	(125,874)	216,481	27,822	28,822	11,227	80,214	3,330	-	2,325	(26,980)	126,760
Segment liabilities	(12,550)	(13,826)	(27,530)	(758)	(78,074)	(6,828)	(15)	104,855	(34,726)	(7,765)	(11,888)	(4,432)	(936)	(3,816)	-	(2,563)	8,041	(23,359)

^ Represent less than RM1,000

**INTERIM FINANCIAL REPORT FOR THE
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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.

A10. Capital commitments

There were no capital commitments of the Group as at 31 March 2022.

A11. Changes in the composition of the Group

There were no changes to the composition of the Group during the current financial quarter under review.

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.

A13. Material events subsequent to the end of the quarter

There were no 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.

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 31 March 2022 RM'000	(Unaudited) Cumulative quarter ended 31 March 2022 RM'000
Transactions with a company in which certain directors of the Company have substantial financial interest: -		
Lease payment on premises.	50	50
	=====	=====

**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of performance

	Individual Quarter/ Cumulative Quarter		Changes	
	(Unaudited) 31 March 2022 RM'000	(Unaudited) 31 March 2021 RM'000		
Revenue	22,595	17,982	4,613	25.65
Operating (loss)/profit	(16,530)	588	(17,118)	(2,911.22)
(Loss)/Profit before interest and tax	(15,947)	762	(16,709)	(2,192.78)
(Loss)/Profit before tax	(16,043)	666	(16,709)	(2,508.86)
(Loss)/Profit after tax	(16,580)	279	(16,859)	(6,042.65)
(Loss)/Profit attributable to owners of the Company	(16,821)	36	(16,857)	(46,825.00)

Current and cumulative quarter (3 months)

For the current quarter ended 31 March 2022, the Group recorded revenue of RM22.60 million as compared to RM17.98 million in the corresponding quarter ended 31 March 2021, an increase of RM4.61 million or 25.65%. The higher revenue was mainly due to the increase in revenue contribution from commercial laundry equipment business segment, healthcare products business segment, health food and beverage business segment and laundry services business segment.

The revenue contribution from commercial laundry equipment business segment was increased by RM2.77 million or 43.93% from RM6.30 million in the corresponding quarter ended 31 March 2021 compared to RM9.07 million in current quarter. The higher revenue was mainly due to increase in the setup of self-operated laundrettes by our customers across the country as a result of effectiveness of our promotion package, advertisement platform and webinar conducted in current quarter.

The revenue contribution from the healthcare products business segment rose by 42.82% or RM1.65 million, from RM3.85 million in the corresponding quarter ended 31 March 2021 compared to RM5.50 million in the current quarter ended 31 March 2022. The increase in revenue was mainly due to higher demand for healthcare products as the awareness of health and wellness as well as our quality products play an essential role in driving this positive trend.

The Group's new health food and beverage business segment also contributed RM1.44 million revenue in the current quarter, indicates good demand from customers for consumption of our products as well as the effectiveness of our marketing strategy.

The Group's laundry services business segment increased in revenue by RM0.15 million or 88.76%. It contributed RM0.32 million revenue in the current quarter compared to RM0.17 million in the corresponding quarter ended 31 March 2021. The improvement was mainly due to an increase in demand from customers for use of our quality and speedy laundry services.

For the current quarter, our medical devices business segment posted a decline in revenue by RM1.40 million or 18.21% to RM6.26 million as compared to RM7.66 million in the corresponding quarter ended 31 March 2021. 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 plans during current economic challenging time.

**INTERIM FINANCIAL REPORT FOR THE
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B1. Review of performance (continued)

Current and cumulative quarter (3 months) (continued)

The Group recorded loss before tax of RM16.04 million in current quarter as compared to profit before tax of RM0.67 million in the corresponding quarter ended 31 March 2021. The decrease in profit before tax of RM16.71 million or 2,508.86% in current quarter was mainly due to the loss on disposal of quoted investments amounting to RM14.99 million as well as Employees' Share Option Scheme-based payment expense of RM2.07 million.

B2. Comparison with immediate preceding quarter's results

	Individual Quarter/ (Unaudited) (Unaudited)		Changes	
	31 March 2022 RM'000	31 December 2021 RM'000	RM'000	%
Revenue	22,595	25,553	(2,958)	(11.58)
Operating (loss)/profit	(16,530)	130	(16,660)	(12,815.38)
(Loss)/Profit before interest and tax	(15,947)	3,322	(19,269)	(580.04)
(Loss)/Profit before tax	(16,043)	3,184	(19,227)	(603.86)
(Loss)/Profit after tax	(16,580)	2,482	(19,062)	(768.01)
(Loss)/Profit attributable to owners of the Company	(16,821)	2,611	(19,432)	(744.24)

For the current quarter ended 31 March 2021, the Group recorded a revenue of RM22.60 million and loss before tax of RM16.04 million as compared to a revenue of RM25.55 million and profit before tax of RM3.18 million in the immediate preceding quarter ended 31 December 2021.

For the commercial laundry equipment business segment, its revenue increased by RM4.38 million or 93.20% in the current quarter as compared to the immediate preceding quarter. 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 in current quarter.

The Group's laundry services business segment increased in revenue by RM0.06 million or 22.22%. It contributed RM0.32 million revenue in the current quarter compared to RM0.26 million in the immediate preceding quarter. The increase was mainly due to good demand from customers for use of our quality and speedy laundry services in view of the gradual reopening of the economy and higher vaccination rate achieved.

For the current quarter, our medical devices business segment recorded a decline in revenue by RM1.66 million or 20.97% to RM6.26 million as compared to RM7.93 million in the immediate preceding quarter ended 31 December 2021. 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 plans during current economic challenging time.

The Group's healthcare products business segment registered a lower revenue by RM5.64 million or 50.61% to RM5.50 million in the current quarter as compared to RM11.14 million in the immediate preceding quarter, mainly due to our healthcare products business segment had faced near-term headwinds from the global supply chain disruption due to the lockdown in Shanghai.

**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

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

The Group's health food and beverage business segment decreased marginally in revenue by RM0.09 million or 5.82%. It contributed RM1.44 million revenue in the current quarter compared to RM1.53 million in the immediate preceding quarter.

The Group recorded loss before tax of RM16.04 million in current quarter as compared to profit before tax of RM3.18 million in the immediate preceding quarter. The decrease in profit before tax of RM19.23 million or 603.86% in current quarter was mainly due to the lower revenue recorded and changes in loss on disposal of quoted investments amounting to RM17.41 million as well as Employees' Share Option Scheme-based payment expense of RM2.07 million.

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**INTERIM FINANCIAL REPORT FOR THE
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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 2022, 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.

This is in line with the Group's business direction and strategy which is continuously looking for opportunities to further expand its business to ultimately improve its financial performance and enhance shareholders' value.

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**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

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; non-medical retail shop; E-commerce company; online and etc., to boost up its performance in 2022.

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 value-added training as well as providing 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 2022.

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

The Group's commercial laundry equipment business segment is targeting to penetrate commercial coin laundry equipment market into a Southeast Asia country in future, to benefit from another growth market which could spell opportunities for BCM in future.

In 2022, 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. The Group also plans to resume business seminar in hotels to public at large to promote its business.

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 5 new self-service laundrette outlets in future, to improve our capability to meet customers' demand and to enhance the Group's revenue.

The Group has ventured into the provision of on-demand laundry services via its 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
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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 23 December 2021 entered into a Manufacturing Agreement ("the Agreement") 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-rLoop Virus Attenuation Device" ("Product"). A separate Original Equipment Manufacturer ("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 Products.

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

(vi) Strengthening of health food and beverage business segment

The Group is targeting to add more new customers; accelerate the mastery of online channels; listing products via various hypermarkets and distribution centres; conducting attractive marketing campaigns to promote products; enhance marketing strategy and looking for new products with higher profit margins in order to enhance the health food and beverage business segment's income stream in 2022.

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**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

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.

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 2022.

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)	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Income tax expense:				
-Current financial period	490	389	490	389
Deferred tax expense/(income):				
-Current financial period	47	(2)	47	(2)
Total tax expense	537	387	537	387

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
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B6. Status of corporate proposals

Status of utilisation of proceeds raised from corporate proposals

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 fully utilised in the following manner as at 19 May 2022: -

Utilisation of proceeds	Intended timeframe for utilisation from 11 December 2020	Actual proceeds raised (RM'000)	Actual utilisation up to 19/5/2022 (RM'000)	Balance available for utilisation (RM'000)
(i) Purchase of new devices and equipment	Within 24 months	9,750	(9,750)	-
(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	(15,651)	-

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

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**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

B6. Status of corporate proposals (continued)

Status of utilisation of proceeds raised from 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.

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 19 May 2022: -

Utilisation of proceeds	Intended timeframe for utilisation from 25 March 2021	Actual proceeds raised (RM'000)	Actual utilisation up to 19/5/2022 (RM'000)	Balance available for utilisation (RM'000)
(i) Business expansion into the trading of COVID-19 test kits	Within 24 months	31,689	(15,782)	15,907
(iii) Expenses for the Private Placement	Immediate	405	(405)	-
Total		32,094	(16,187)	15,907

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

**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

B6. Status of corporate proposals (continued)

Status of utilisation of proceeds raised from 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 ("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.

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

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.

On 30 August 2021, the Proposed Rights Issue with Warrants has been completed following the listing and quotation of 938,821,251 Rights Shares and 782,350,787 Warrants on the ACE Market of Bursa Securities.

The gross proceeds raised from the Rights Issue with Warrants amounting to RM75.11 million have been fully utilised in the following manner as at 19 May 2022: -

Utilisation of proceeds	Intended timeframe for utilisation from 30 August 2021	Actual proceeds raised (RM'000)	Actual utilisation up to 19/5/2022 (RM'000)	Balance available for utilisation (RM'000)
(i) Investment in the business of providing on-demand laundry services	Within 18 months	42,000	(42,000)	-
(ii) Working capital	Within 24 months	32,401	(32,401)	-
(iii) Estimated expenses for the Rights Issue with Warrants	Immediate	705	(705)	-
Total		75,106	(75,106)	-

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

**INTERIM FINANCIAL REPORT FOR THE
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B7. Lease liabilities & bank borrowings

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

	As at 31 March 2022 (Unaudited)		
	Long term RM'000	Short term RM'000	Total RM'000
Secured			
(i) Bank borrowings			
- Banker acceptance	-	2,495	2,495
- Trust receipts	-	741	741
- Bank overdraft	-	230	230
- Term loans	6,719	325	7,044
Sub-total	6,719	3,791	10,510
(ii) Lease liabilities	1,632	1,335	2,967
Grand total	8,351	5,126	13,477

	As at 31 December 2021 (Audited)		
	Long term RM'000	Short term RM'000	Total RM'000
Secured			
(i) Bank borrowings			
- Banker acceptance	-	3,459	3,459
- Bank overdraft	-	256	256
- Term loans	6,751	412	7,163
Sub-total	6,751	4,127	10,878
(ii) Lease liabilities	1,272	1,323	2,595
Grand total	8,023	5,450	13,473

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) There were additional RM0.34 million lease liability arising from hire purchase finance for a motor vehicle as well as RM0.56 million additional on lease rental of premises during the current quarter ended 31 March 2022.
- (4) The average effective interest rates per annum are as follows:

	Rates (%)
Banker acceptance	1.50-4.07
Bank overdraft	6.60
Trust receipts	6.14-6.92
Term loans	3.20-5.07
Lease liabilities	2.22-9.90

**INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 31 MARCH 2022**

B8. Changes in material litigation

As at 19 May 2022 (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
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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) 31 March 2022	(Unaudited) 31 March 2021	Cumulative Quarter (Unaudited) 31 March 2022	(Unaudited) 31 March 2021
(Loss)/Profit attributable to owners of the Company (RM'000)	(16,821)	36	(16,821)	36
Weighted average number of issuance shares ('000)	1,940,230	503,034	1,940,230	503,034
Basic ⁽¹⁾ /Diluted ⁽²⁾ (loss)/earnings per share (sen)	(0.87)	0.01	(0.87)	0.01

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 effects on the assumed exercise of the share options under warrants is anti-dilutive.

B11. Financial Instruments

(a) Derivatives

There were no outstanding derivatives as at 31 March 2022.

(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 year ended 31 March 2022.

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BCM ALLIANCE BERHAD

Registration No: 201501009903 (1135238-U)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE
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	(Unaudited) Current quarter ended 31 March 2022 RM'000	(Unaudited) Cumulative quarter ended 31 March 2022 RM'000
(Loss)/Profit before taxation is arrived after charging/(crediting):-		
- Depreciation of property, plant and equipment	350	350
- Depreciation of right-of-use assets	387	387
- Depreciation of investment properties	18	18
- Fair value adjustment on investment property	-	-
- Gain on disposal of property, plant and equipment	-	-
- Gain on disposal of right-of-use assets	(87)	(87)
- Gain/(Loss) on derivatives	-	-
- Income from rent concession	-	-
- Inventory written down	-	-
- Interest expenses	96	96
- Interest income	(140)	(140)
- Loss on disposal of quoted investments - realised	13,659	13,659
- Loss on disposal of quoted investments - unrealised	1,331	1,331
- Impairment loss on financial instruments	-	-
- Property, plant and equipment written off	9	9
- Reversal of impairment loss on financial instruments	-	-
- Unrealised loss on foreign exchange differences	193	193
- Realised loss on foreign exchange differences	29	29

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

(Incorporated in Malaysia)

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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 19 May 2022, the Group has submitted a total of two hundred and sixty six (266) 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 19 May 2022, out of the total applications submitted by the Group, there were: -

- (i) One hundred and seventy two (172) applications that have been successfully approved by MDA and was in use by the Group;
- (ii) One (1) application is 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
26 May 2022**