



AIMFLEX BERHAD (201801011135 / 1273151-K)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE
2022⁽¹⁾**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year-To- Date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 RM'000
Revenue	A9	23,247	10,591	47,203	33,810
Cost of sales		(15,713)	(7,976)	(31,531)	(28,081)
Gross profit ("GP")		7,534	2,615	15,672	5,729
Other income		587	165	723	481
Selling and distribution expenses		(667)	(117)	(1,345)	(209)
Administrative expenses		(3,507)	(3,082)	(6,374)	(6,235)
Other expenses		(21)	(86)	(25)	(95)
Profit/(Loss) from Operations		3,926	(505)	8,651	(329)
Finance costs		(2)	5	(4)	4
Profit/(Loss) before tax	B12	3,924	(500)	8,647	(325)
Taxation	B6	(487)	73	(2,267)	(84)
Profit/(Loss) after tax		3,437	(427)	6,380	(409)
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations		110	4	138	68
Total comprehensive (loss)/income for the financial period		3,547	(423)	6,518	(341)
Profit/(Loss) for the financial period attributable to:					
• Owners of the Company		3,437	(427)	6,380	(409)
• Non-controlling interests		-	-	-	-
		3,437	(427)	6,380	(409)
Total comprehensive income/(loss) for the financial period attributable to:					
• Owners of the Company		3,547	(423)	6,518	(341)
• Non-controlling interests		-	-	-	-
		3,547	(423)	6,518	(341)
Earnings/(Loss) per share attributable to owners of the Company					
• Basic (sen)	B11	0.26	(0.03)	0.50	(0.03)
• Diluted (sen)	B11	0.26	(0.03)	0.50	(0.03)



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE
2022⁽¹⁾ (CONT'D)**

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

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AIMFLEX BERHAD (201801011135 / 1273151-K)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS
AT 30 JUNE 2022⁽¹⁾

	UNAUDITED	AUDITED
	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	23,186	23,923
Investment properties	268	271
Goodwill	856	856
Deferred tax assets	837	1,974
Total non-current assets	25,147	27,024
Current Assets		
Inventories	13,285	12,923
Trade receivables	25,775	35,851
Other receivables	1,080	1,494
Cash and cash equivalents	69,488	22,394
Total current assets	109,628	72,662
TOTAL ASSETS	134,775	99,686
EQUITY AND LIABILITIES		
Equity		
Share capital	86,365	55,346
Retained earnings	42,775	36,248
Reserves	(13,300)	(13,944)
Total Equity	115,840	77,650
Liabilities		
Non-current liabilities		
Lease liabilities	67	113
Deferred tax liabilities	936	928
Total non-current liabilities	1,003	1,041
Current liabilities		
Trade payables	7,583	5,386
Other payables	8,754	14,587
Current tax liabilities	1,508	911
Lease liabilities	87	111
Total current liabilities	17,932	20,995
TOTAL LIABILITIES	18,935	22,036
TOTAL EQUITY AND LIABILITIES	134,775	99,686
NET ASSETS PER SHARE (RM) ⁽²⁾	0.08	0.06



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2022⁽¹⁾ (CONT'D)**

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.
- (2) Based on share capital of 1,224,121,200 shares and 1,448,945,200 shares in issuance as at 31 December 2021 and 30 June 2022 respectively.

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AIMFLEX BERHAD (201801011135 / 1273151-K)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2022⁽¹⁾

	Non-distributable				Distributable	
	Share Capital RM'000	Translation Reserve RM'000	Merger Reserve RM'000	Share Options Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
As at 1 January 2021	54,516	632	(16,628)	1,442	31,324	71,286
Total comprehensive income:						
- Profit for the year	-	-	-	-	4,729	4,729
- Foreign currency translation differences for foreign operations	-	69	-	-	-	69
	-	69	-	-	4,729	4,798
Transactions with owners:						
- Share options forfeited	-	-	-	(195)	195	-
- Exercise of ESOS	830	-	-	(264)	-	566
- Share options granted under ESOS	-	-	-	1,000	-	1,000
	830	-	-	541	195	1,566
As at 31 December 2021	55,346	701	(16,628)	1,983	36,248	77,650



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2022⁽¹⁾ (CONT'D)

	Non-distributable				Distributable	
	Share Capital RM'000	Translation Reserve RM'000	Merger Reserve RM'000	Share Options Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
As at 1 January 2022	55,346	701	(16,628)	1,983	36,248	77,650
Total comprehensive income:						
- Profit for the year	-	-	-	-	6,380	6,380
- Foreign currency translation differences for foreign operations	-	138	-	-	-	138
	-	138	-	-	6,380	6,518
Transactions with owners:						
- Issue of ordinary shares	31,019	-	-	-	-	31,019
- Share options forfeited	-	-	-	(147)	147	-
- Exercise of ESOS	-	-	-	-	-	-
- Share options granted under ESOS	-	-	-	653	-	653
	31,019	-	-	506	147	31,672
As at 30 June 2022	86,365	839	(16,628)	2,489	42,775	115,840



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2022⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.



AIMFLEX BERHAD (201801011135 / 1273151-K)
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UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2022⁽¹⁾

	CUMULATIVE QUARTER	
	Current Year- To-Date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 RM'000
Cash Flows From Operating Activities		
Profit/(Loss) before tax	8,647	(325)
Adjustments for:		
Depreciation of property, plant and equipment	843	794
Depreciation of right-of-use asset	116	54
Depreciation of investment properties	3	4
Impairment losses on receivables	(345)	4
Interest expense	4	(3)
Property, plant and equipment written off	26	12
Provision for warranty	21	(1)
Dividend income	(67)	(172)
Interest income	(29)	(5)
Rental income	(14)	(13)
Gain on disposal of property, plant and equipment	-	(32)
Share-based payments for ESOS	653	447
Unrealised gain on foreign exchange	(43)	(78)
Operating profit before working capital changes	<u>9,815</u>	<u>686</u>
Change in working capital		
Inventories	(362)	(3,255)
Trade and other receivables	10,882	2,958
Trade and other payables	(3,660)	(122)
	<u>6,860</u>	<u>(419)</u>
Cash from operations	16,675	267
Interest paid	(4)	3
Interest received	29	5
Tax paid	(529)	(362)
Net cash from/(used in) operating activities	<u>16,171</u>	<u>(87)</u>
Cash Flows From Investing Activities		
Increase in fixed deposits pledged with licensed banks	(120)	-
Purchase of property, plant and equipment	(260)	(1,270)
Proceeds from disposal of property, plant and equipment	-	43
Dividend received	67	172
Rental received	14	13
Net cash used in investing activities	<u>(299)</u>	<u>(1,042)</u>



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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2022⁽¹⁾ (CONT'D)

	CUMULATIVE QUARTER	
	Current Year- To-Date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 RM'000
Cash Flows From Financing Activities		
Proceeds from issuance of ordinary shares	31,019	566
Repayment of lease liabilities	(57)	(57)
Net cash from financing activities	30,962	509
Net increase/(decrease) in cash and cash equivalents	46,834	(620)
Cash and cash equivalents at the beginning of the financial period	21,311	26,064
Effect of exchange translation differences on cash and cash equivalents	140	68
Cash and cash equivalents at the end of the financial period	68,285	25,512
Cash and cash equivalents at the end of the financial period comprises:		
Cash and bank balances	68,285	25,512
Fixed deposits with licensed banks	1,203	1,064
	69,488	26,576
Less: Fixed deposits pledged with licensed banks	(1,203)	(1,064)
	68,285	25,512

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

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**AIMFLEX BERHAD (201801011135 / 1273151-K)
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A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report of AIMFLEX BERHAD (Formerly known as I-STONE GROUP BERHAD) (“AIMFLEX” or “the Company”) and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting and Rule 9.22 of Listing Requirements of Bursa Securities.

This interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2021 and the accompanying notes attached to this interim financial report.

A2. Summary of Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2021 except for the adoption of the following new and amended MFRSs with effect from 1 January 2022:

- Amendments to MFRS 3 Business Combinations: Reference to the Conceptual Framework
- Amendments to MFRS 16 Leases: Covid-19 - Related Rent Concessions beyond 30 June 2021
- Amendments to MFRS 116 Property, Plant and Equipment: Proceeds before Intended Use
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract

The adoptions of the above standards, amendments and interpretations do not have any material impact to the financial position and performance of the Group.

A3. Auditors’ report on preceding annual financial statements

The audited financial statements of the Company for the financial year ended 31 December 2021 was not subject to any qualification.

A4. Seasonal or cyclical factors

The business operations of the Group were not materially affected by seasonal and cyclical effects.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

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.

A6. Material changes in estimates

There were no material changes in the estimates that have a material effect to the Group in the current financial quarter under review.



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A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A7. Debt and equity securities

Save as disclosed below, there was no issuance or repayment of debts and equity securities, share buy-backs and share cancellations during the current financial quarter under review:-

New Issue of Securities Pursuant To The Subscription

During the current financial quarter under review, 244,824,000 new ordinary shares were issued pursuant to the Subscription at the Subscription Price of RM0.1267 per Subscription share.

A8. Dividends paid

There was no dividend paid during the current financial quarter under review.

A9. Segmental information

The Group's segmental information for the current financial period ended 30 June 2022 is as follows:

(a) Analysis of revenue by business segments

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year-To-Date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 dRM'000
Manufacturing	21,253	9,076	43,370	28,897
Distribution	1,994	1,515	3,833	4,913
Total	23,247	10,591	47,203	33,810

(b) Analysis of revenue by geographical location

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000
Manufacturing				
Malaysia	11,998	6,095	19,566	23,897
Philippines	3,023	782	4,891	1,771
Singapore	5,664	2,189	17,683	3,172
Others	568	10	1,230	57
Sub-total	21,253	9,076	43,370	28,897



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A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental information (Cont'd)

(b) Analysis of revenue by geographical location (Cont'd)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000
Distribution				
Malaysia	1,149	856	2,119	1,888
Singapore	595	508	1,291	2,273
India	148	-	289	465
Hong Kong	-	103	-	230
Indonesia	21	48	21	57
Others	81	-	113	-
Sub-total	1,994	1,515	3,833	4,913
Total	23,247	10,591	47,203	33,810

A10. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current financial quarter under review.

A11. Material events subsequent to the end of the current financial quarter

There were no other material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

A12. Changes in the composition of the Group

There were no material changes in the composition of the Group for the current financial quarter under review.

A13. Contingent assets and contingent liabilities

There were no contingent assets and contingent liabilities as at the date of this interim report.



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A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A14. Capital commitments

	UNAUDITED
	As at
	30.06.2022
	RM'000
Property, plant and equipment	
Contracted but not provided for	7
Approved but not contracted for	7,400
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	7,407
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A15. Related party transactions

There were no material related party transactions during the current financial quarter under review.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

(a) Results for current quarter

	INDIVIDUAL QUARTER		VARIANCE	
	3 months ended 30.06.2022 RM'000	3 months ended 30.06.2021 RM'000	RM'000	%
Revenue	23,247	10,591	12,656	119.5%
Profit/(Loss) Before Tax	3,924	(500)	4,424	884.8%

The Group recorded revenue of RM23.25 million for the current financial quarter ended 30 June 2022 (“Q2 2022”), an increase of 119.5% as compared to the same quarter ended 30 June 2021 (“Q2 2021”). The increase was mainly attributable to the higher revenue recorded from the manufacturing segment by 134.2%.

In Q2 2022, the Group’s revenue was principally derived from the manufacturing segment, contributing approximately 91.4% of the Group’s total revenue (Q2 2021: 85.7%). On the geographical standpoint, the Malaysian market remains the largest contributor to the Group’s revenue of 56.6% in Q2 2022 (Q2 2021: 65.6%).

The Group registered a Profit Before Tax of RM3.92 million in Q2 2022 as compared to Loss Before Tax of RM0.50 million in Q2 2021, which represents an increase of RM4.42 million. Higher PBT recorded in Q2 2022 was mainly attributable to higher revenue which improved the gross profit by RM4.92 million offset by higher export and travelling expenses by RM0.52 million.



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. Review of Performance (Cont'd)

(b) Results for financial year-to-date

	CUMULATIVE QUARTER		VARIANCE	
	6 months ended 30.06.2022	6 months ended 30.06.2021		
	RM'000	RM'000	RM'000	%
Revenue	47,203	33,810	13,393	39.6%
Profit/(Loss) Before Tax	8,647	(325)	8,972	2,760.6%

The Group recorded revenue of RM47.20 million for the six months ended 30.06.2022 (“6M 2022”), an increase of RM13.39 million from RM33.81 million for the six months ended 30.06.2021 (“6M 2021”). The increase was mainly attributable to the higher revenue recorded from the manufacturing segment by 50.1%.

The Group registered a Profit Before Tax of RM8.65 million for 6M 2022 as compared to Loss Before Tax of RM0.33 million for 6M 2021, which represents an increase of 2,760.6%. Higher PBT recorded for 6M 2022 was mainly attributable to higher revenue which improved the gross profit by RM9.94 million offset by higher export and travelling expenses by RM1.06 million.

B2. Comparison with immediate preceding quarter's results

	INDIVIDUAL QUARTER		VARIANCE	
	3 months ended 30.06.2022	3 months ended 31.03.2022		
	RM'000	RM'000	RM'000	%
Revenue	23,247	23,956	(709)	(3.0%)
Profit Before Tax	3,924	4,723	(799)	(16.9%)



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

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

The Group recorded a revenue of RM23.25 million in Q2 2022 as compared to RM23.96 million in the preceding financial quarter ended 31 March 2022 ("Q1 2022"), a decrease of RM0.71 million during the current financial quarter. The decrease was mainly attributable to the lower revenue recorded from the manufacturing segment by 3.9% offset by higher revenue recorded from the distribution segment by 8.3%.

The Group registered a lower Profit Before Tax by RM0.80 million in Q2 2022 as compared Q1 2022, mainly due to lower revenue generated in Q2 2022.

B3. Prospects and outlook

During the financial quarter under review, Malaysia transitioned into the endemic phase on 1 April 2022, a move most welcomed by the businesses and general public. With effect from 1 May 2022, the minimum wage was increased to RM1,500 per month. On 11 May 2022, following the footsteps of the United States of America, Bank Negara Malaysia raised the Overnight Policy Rate by 0.25% to 2.00% (A further raise by 0.25% to 2.25% was announced on 6 July 2022).

Underlying inflation, as measured by core inflation, is expected to average between 2.0% - 3.0% in 2022 as demand continues to improve amid the high-cost environment. Nevertheless, the extent of upward pressures on inflation will remain partly contained by existing price controls, fuel subsidies and the continued spare capacity in the economy. The inflation outlook continues to be subject to global commodity price developments, arising mainly from the ongoing military conflict in Ukraine and prolonged supply-related disruptions, as well as domestic policy measures (*Source: Bank Negara Malaysia Monetary Policy Statement 6 July 2022*).

On a separate note, the outbreak of COVID-19 is an event of force majeure that is beyond the control of our Group. There is no assurance that the continuation of the COVID-19 outbreak will not continue to have an adverse impact on the market conditions and/or industry of our Group as well as the progress of our projects and business operations.

Barring any unforeseen circumstances and premised on the above, our Board is optimistic of our Group's prospects. Our Group is focused on expanding the existing business segments by building solutions for the electrical & electronic manufacturing process automation, Industry Revolution 4.0 introduction with data and artificial intelligence driven manufacturing, assembly process automation and digitalization of business.



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

B5. Status of corporate proposals

Save as disclosed below, there were no other corporate proposals announced but not completed as at the date of this interim report.

On 11 January 2022, the Company announced that it will undertake a proposed subscription exercise of up to 244,824,000 Subscription Shares at the subscription price of RM0.1267 per Subscription Share, representing up to 20% of the enlarged number of issued and paid up shares of the Company. On 15 February 2022, the Company announced that the application pursuant to the Proposed Subscription has been submitted to Bursa Malaysia Securities Berhad. On 28 March 2022, the Company announced that the application pursuant to the Proposed Subscription has been approved by Bursa Malaysia Securities Berhad and the Proposed Subscription is required to be approved by the shareholders in general meeting. On 20 May 2022, the Company announced that it has received shareholders' approval in the Extraordinary General Meeting. On 3 June 2022, the Company announced that 244,824,000 new Aimflex Shares issued pursuant to the Subscription were listed and quoted on the ACE Market of Bursa Securities, which marked the completion of the Subscription.

B6. Income tax expenses

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year-To- Date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 RM'000
Income tax expense:				
- Current year	212	(74)	1,067	82
Foreign withholding tax	43	1	55	2
	255	(73)	1,122	84
Deferred tax expense	232	-	1,145	-
Total tax expense	487	(73)	2,267	84

Notes:

- (1) The Group's effective tax rate was higher than the statutory income tax mainly due to certain subsidiaries which have generated higher chargeable profit during the financial period offset by certain subsidiaries having business loss.
- (2) Income tax expense is recognised based on management's estimate.



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of proceeds from the IPO and the Subscription

(a) Based on the IPO Price, the gross proceeds arising from the Public issue amounting to RM39.09 million is intended to be utilised in the following manner:-

<u>Details of utilisation</u>	<u>Proposed Utilisation</u> RM'000	<u>Actual Utilisation</u> RM'000	<u>Unutilised Amount</u> RM'000	<u>Estimated timeframe for utilisation upon listing</u>
Process and product development	4,200	4,200	-	Within 48 months ⁽¹⁾
Repayment of borrowings	13,482	13,482	-	Within 12 months
Construction of new D&D centre	6,800	-	6,800	Within 48 months
Capital expenditures	5,200	2,368	2,832	Within 48 months ⁽¹⁾
Working capital requirements	5,905	5,905	-	Within 36 months
Listing expenses	3,500	3,500	-	Within 1 months
	<u>39,087</u>	<u>29,455</u>	<u>9,632</u>	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 21 June 2019.

⁽¹⁾ The Board of Directors has approved the extension of timeframe for the utilisation of the remaining unutilised IPO Proceeds earmarked for “Process and product development” and “Capital expenditures” for an additional 24 months of up to 48 months from the date of listing.



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C. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of proceeds from the IPO and the Subscription (Cont'd)

(b) Based on the Subscription Price, the gross proceeds arising from the Subscription issue amounting to RM31.02 million is intended to be utilised in the following manner:-

<u>Details of utilisation</u>	<u>Proposed Utilisation</u> RM'000	<u>Actual Utilisation</u> RM'000	<u>Unutilised Amount</u> RM'000	<u>Estimated timeframe for utilisation upon listing</u>
Business / Investment opportunities	6,000	-	6,000	Within 24 months
Working capital requirements	24,924	1,766	23,158	Within 24 months
Listing expenses	95	95	-	Upon completion
	<u>31,019</u>	<u>1,861</u>	<u>29,158</u>	

The utilisation of proceeds as disclosed above should be read in conjunction with the Circular of the Company dated 14 April 2022.

B8. Group borrowings and debt securities

The Group has no borrowings and debts securities as at the end of the reporting period.

B9. Material litigation

There were no material litigation involving the Group as at the end of the reporting period.

B10. Dividend proposed

No dividend has been proposed for the current financial quarter under review.



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11. Earnings/(Loss) per share

The basic and diluted earnings/(loss) per share (“EPS”) are calculated by dividing the profit/(loss) for the period attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial period as follows:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Current Year Quarter</u> <u>30.06.2022</u>	<u>Preceding Year Corresponding Quarter</u> <u>30.06.2021</u>	<u>Current Year-To-Date</u> <u>30.06.2022</u>	<u>Preceding Year Corresponding Period</u> <u>30.06.2021</u>
Profit/(Loss) attributable to ordinary owners of the Company (RM'000)	3,437	(427)	6,380	(409)
Weighted average number of ordinary shares ('000)	1,299,452	1,224,081	1,261,995	1,223,161
Basic EPS (sen)	0.26	(0.03)	0.50	(0.03)
Diluted EPS (sen) ⁽¹⁾	0.26	(0.03)	0.50	(0.03)

Notes:

- (1) The basic and diluted EPS are the same as the exercise of the Group's exercisable ESOS will not have material impact to the diluted EPS for the reporting period.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

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

Profit before tax is arrived after charging/(crediting):

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year-To-Date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 RM'000
Depreciation of property, plant and equipment	422	412	843	794
Depreciation of right-of-use asset	58	31	116	54
Depreciation of investment properties	2	2	3	4
Interest expense	2	(4)	4	(3)
Property, plant and equipment written off	26	6	26	12
Rental expense	1	2	2	5
Share-based payment	318	211	653	447
Subsidies received	(3)	(19)	(7)	(89)
Dividend income	(21)	(85)	(67)	(172)
Gain on foreign exchange				
- Realised	(451)	(15)	(484)	(39)
- Unrealised	(17)	46	(43)	(78)
Interest income	(25)	(2)	(29)	(5)
Rental income	(7)	(6)	(14)	(13)
Impairment losses on receivables	(65)	(2)	(345)	4
Gain on disposal of property, plant and equipment	-	(32)	-	(32)

Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements of Bursa Securities are not applicable.