



The Board of Directors of KIM HIN JOO (MALAYSIA) BERHAD is pleased to announce the following unaudited consolidated results for the first quarter and financial period ended (“FPE”) 31 March 2021.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND FPE  
31 MARCH 2021**

	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.3.2021</b>	<b>31.3.2020</b>	<b>31.3.2021</b>	<b>31.3.2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	21,063	19,620	21,063	19,620
Cost of sales	<u>(10,648)</u>	<u>(9,894)</u>	<u>(10,648)</u>	<u>(9,894)</u>
Gross profit	10,415	9,726	10,415	9,726
Other operating income	1,053	729	1,053	729
Selling and marketing costs	(353)	(424)	(353)	(424)
Administration and other operating expenses	(8,563)	(7,851)	(8,563)	(7,851)
Finance cost	<u>(275)</u>	<u>(311)</u>	<u>(275)</u>	<u>(311)</u>
<b>Profit before tax</b>	2,277	1,869	2,277	1,869
Tax expense	<u>(522)</u>	<u>(587)</u>	<u>(522)</u>	<u>(587)</u>
<b>Profit and total comprehensive income for the period</b>	<u><u>1,755</u></u>	<u><u>1,282</u></u>	<u><u>1,755</u></u>	<u><u>1,282</u></u>
<b>Basic earnings/(loss) per ordinary share (sen)</b>	0.46	0.34	0.46	0.34

The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

	<b>As at 31.03.2021 RM'000</b>	<b>As at 31.12.2020 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Plant and equipment	5,891	6,369
Right-of-use assets	21,386	23,242
Deferred tax assets	691	679
Refundable deposits	2,811	2,767
	<b>30,779</b>	<b>33,057</b>
<b>Current Assets</b>		
Inventories	42,429	39,091
Trade receivables	1,253	999
Other receivables, deposits and prepaid expenses	3,545	3,132
Tax recoverable	42	132
Short-term investments	1,894	1,894
Fixed deposits with licensed banks	17,407	17,335
Cash and bank balances	13,739	14,461
	<b>80,309</b>	<b>77,044</b>
<b>TOTAL ASSETS</b>	<b>111,088</b>	<b>110,101</b>



# Kim Hin Joo (Malaysia) Berhad 197801000642 (37655-U)

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	<b>As at 31.03.2021 RM'000</b>	<b>As at 31.12.2020 RM'000 (Audited)</b>
<b>Equity attributable to owners of the parent</b>		
Share capital	31,128	31,128
Retained earnings	48,136	46,381
<b>TOTAL EQUITY</b>	<b>79,264</b>	<b>77,509</b>
<b>Non-Current Liabilities</b>		
Lease liabilities	15,192	16,695
	15,192	16,695
<b>Current Liabilities</b>		
Trade payables	4,116	3,055
Other payables, accrued expenses and provision	5,068	5,173
Amount due to holding company	-	16
Lease liabilities	7,191	7,437
Tax liabilities	257	216
	16,632	15,897
<b>TOTAL LIABILITIES</b>	<b>31,824</b>	<b>32,592</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>111,088</b>	<b>110,101</b>
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)	20.86	20.40

<sup>^</sup> *Negligible*

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FPE 31 MARCH 2021**

-----Attributable to owners of the Company-----

-----Distributable Reserve-----

	<b>Share Capital RM'000</b>	<b>Retained Earnings RM'000</b>	<b>Total RM'000</b>
<b>Balance as at 1 January 2020</b>	31,128	44,834	<b>75,962</b>
Total comprehensive for the period	-	1,282	<b>5,347</b>
<b>Balance as at 31 March 2020</b>	<b>31,128</b>	<b>46,116</b>	<b>77,509</b>
<b>Balance as at 1 January 2021</b>	31,128	46,381	<b>77,509</b>
Total comprehensive income for the period	-	1,755	<b>1,755</b>
<b>Balance as at 31 March 2021</b>	<b>31,128</b>	<b>48,136</b>	<b>79,264</b>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FPE 31 MARCH 2021**

	<b>3 months ended 31.03.2021 RM'000</b>	<b>3 months ended 31.03.2020 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,277	1,869
Adjustments:		
Amortisation of right-of-use asset	2,035	1,979
Depreciation for plant and equipment	779	680
Finance costs on unwinding of interest expense of provision for restoration cost	3	3
Gain on modification / termination of MFRS 16	-	(84)
Interest income	(119)	(231)
Inventories		
- Provision / (Reversal) for slow moving	^	-
- Written off	17	(5)
Lease interest expense	272	308
Unwinding of interest income – refundable deposit	(48)	(35)
Unrealised loss on foreign exchange	(120)	(31)
Operating profit before changes in working capital	<b>5,096</b>	<b>4,453</b>
Changes in working capital:		
(Increase) / Decrease in		
Inventories	(3,355)	(4,921)
Trade receivables	(254)	78
Other receivables, deposits and prepaid expenses	(408)	(1,930)
Increase / (Decrease) in		
Trade payables	1,183	691
Other payables, accrued expenses and provision	(107)	(47)
Cash generated from operations	2,155	(1,676)
Income tax paid	(404)	(573)
Net cash generated from / (used in) operating activities	<b>1,751</b>	<b>(2,249)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of plant and equipment	(302)	(435)
Interest received	119	231
Increase in short-term investments	-	(4,500)
Net cash used in investing activities	<b>(183)</b>	<b>(4,704)</b>



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FPE 31 MARCH 2021**

	<b>3 months ended 31.03.2021 RM'000</b>	<b>3 months ended 31.03.2020 RM'000 (Audited)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(1,923)	(1,800)
Interest Paid	(272)	(308)
(Decrease) / Increase in amount due to holding companies	(16)	49
Increase in amount due to other related companies	-	215
Net cash used in financing activities	<b>(2,211)</b>	<b>(1,844)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(643)	(8,797)
Effect of exchange rate differences on the balance of cash held in foreign currencies	(7)	(4)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	31,057	39,496
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>30,407</b>	<b>30,695</b>
<b>Cash and cash equivalents comprise:</b>		
Short-term investment		
Fixed deposits	17,407	16,984
Cash and bank balances	13,739	14,450
	31,146	31,434
Less: Fixed deposits pledged with licensed banks	(739)	(739)
	<b>30,407</b>	<b>30,695</b>

<sup>^</sup> *Negligible*

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2021**

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**A COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) (“LISTING REQUIREMENTS”)**

**A1 Basis of preparation**

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with all the new Malaysian Financial Reporting Standards (“**MFRS**”) and Amendments to MFRSs issued by the Malaysian Accounting Standards Board (“**MASB**”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

The unaudited condensed consolidated interim financial statements should be read in conjunction with audited financial statements for the financial year ended (“**FYE**”) 31 December 2020 and the accompanying explanatory notes therein. The explanatory notes attached to these unaudited condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Kim Hin Joo (Malaysia) Berhad and its subsidiaries (“**Group**”) since FYE 31 December 2020.

**A2 Significant Accounting Policies**

The accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements for the FYE 31 December 2020, save for the adoption of the following amendments to MFRS, which became effective and relevant to the Group for financial period beginning 1 January 2021:

**Amendments/Improvements to MFRS**

Amendments to MFRS 9, *Interest Rate Benchmark Reform-Phase 2*  
MFRS 139, MFRS 7,  
MFRS 4 and MFRS 16

The adoption of the above amendments to MFRSs did not have any material impact on the amounts reported in the financial statements of the Group and of the Company upon its initial application.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2021**

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**New Standards and amendments to MFRSs in issue but not yet effective**

At the date of authorisation for issue of these financial statements, the new and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and by the Company are as listed below:

MFRS 17	<i>Insurance Contracts<sup>3</sup></i>
Amendments to MFRS 3	<i>Reference to the Conceptual Framework<sup>2</sup></i>
Amendments to MFRS 4	<i>Extension of the Temporary Exemption from Applying MFRS 9<sup>3</sup></i>
Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>4</sup></i>
Amendments to MFRS 101	<i>Classification of Liabilities as Current or Non-Current<sup>3</sup></i>
Amendments to MFRS 116	<i>Property, Plant and Equipment - Proceeds before Intended Use<sup>2</sup></i>
Amendments to MFRS 137	<i>Onerous Contracts - Cost of Fulfilling a Contract<sup>2</sup></i>
Amendments to MFRS 16	<i>COVID-19-Related Rent Concessions beyond 30 June 2021<sup>1</sup></i>
Amendments to MFRS 108	<i>Definition of Accounting Estimates<sup>3</sup></i>
Amendments to MFRS 101 and MFRS Practice Statement 2	<i>Disclosure of Accounting Policies<sup>3</sup></i>
Annual Improvements to MFRS 2018 - 2020 Cycle <sup>2</sup>	

<sup>1</sup> Effective for annual periods beginning on or after 1 April 2021 with earlier application permitted.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2022 with earlier application permitted.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2023 with earlier application permitted.

<sup>4</sup> Effective date deferred to a date to be determined and announced by MASB.

The adoption of these amendments to MFRSs are not expected to have any material financial impact on the financial statements of the Group in the period of initial application.

**A3 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the preceding audited financial statements of the Group for the FYE 31 December 2020 was not subject to any qualification.

**A4 Seasonality**

The Group's business operations are generally dependent on the Malaysia's economy, consumer confidence and Government restrictions and policies on retail operations, as well as major festive seasons sales such as Chinese New Year, Hari Raya and Christmas celebrations.





**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2021**

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**A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2021, except for the Novel Coronavirus 2019 (“COVID-19”) pandemic and the implementation of the Movement Control Order 2.0 (“MCO”) between 13 January 2021 and 4 March 2021. Despite all retail outlets being fully operational during the MCO 2.0 period, the revenue of the Group was affected by the movement restriction implemented by the government.

**A6 Changes in Estimates**

There were no changes in estimates that have had a material effect on the current quarter results.

**A7 Changes in Debt and Equity Securities**

There was no issuance, cancellations, repurchases, resale or repayments of debt and equity securities during the current financial quarter.

**A8 Dividends Paid**

The Board of Directors of the Company (“Board”) had previously on 26 February 2021 declared a first interim single tier tax-exempt dividend in respect of the financial year ended 31 December 2020 of 1.0 sen per ordinary share amounting to RM3,800,000 which was paid on 12 April 2021.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2021**

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**A9 Operating segments**

The business segment of the Group comprises Retail and Distribution.

The segmental analysis of the Group's revenue by business segments are set out as follows:

	3 months ended		3 months ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Retail	17,676	16,350	17,676	16,350
Distribution	3,387	3,270	3,387	3,270
<b>Total</b>	<b>21,063</b>	<b>19,620</b>	<b>21,063</b>	<b>19,620</b>

In terms of revenue contribution by business segment, Retail constituted 83.92% of the Group's revenue for FPE 31 March 2021, recording sales totalling RM17.68 million. This represents an increase of approximately 8.11% compared to RM16.35 million recorded in the previous FPE 31 March 2020. The increase was mainly due to the addition of two Mothercare Outlets and two The Entertainer outlets in FPE 31 March 2021 as compared to FPE 31 March 2020.

Meanwhile, the Distribution segment revenue recorded a 3.67% increase in revenue from RM3.27 million in the FPE 31 March 2020 to RM3.39 million in the FPE 31 March 2021.

**A10 Valuation of Property, Plant and Equipment**

There were no valuations of property, plant and equipment during the current quarter under review.

**A11 Material Subsequent Event**

There are no material events subsequent to the end of the current financial quarter under review except for the MCO 3.0 implemented by the government from 12 May 2021 to 7 June 2021 nationwide.

**A12 Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter.

**A13 Contingent liabilities or contingent assets**

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



**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FIRST QUARTER ENDED 31 MARCH 2021**

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**A14 Recurrent Related Party Transactions (“RRPT”)**

Save as disclosed below, there was no other RRPT for the FPE 31 March 2021:

	<b>3 months ended</b> <b>31.03.2021</b> <b>RM’000</b>	<b>3 months ended</b> <b>31.03.2020</b> <b>RM’000</b>
Purchases	676	535
Sales	-	178
Rental payable*#	300	255
E-Commerce management fees payable	63	62
Corporate management fees payable	49	49

*# The Group had received a rent rebate from Cheng Yean for the period from 18 March 2020 to 30 April 2020*

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2021****B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS****B1 Review of Performance**

	Individual Period (1 <sup>st</sup> Quarter)				Cumulative Period (3 Months)			
	Current Year Quarter 31 March 2021	Preceding Year Corresponding Quarter 31 March 2020	Variance	%	Current Year-to-date 31 March 2021	Preceding Year Corresponding Period 31 March 2020	Variance	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	21,063	19,620	1,443	7.35	21,063	19,620	1,443	7.35
Gross Profit	10,415	9,726	689	7.08	10,415	9,726	689	7.08
Profit Before Tax	2,277	1,869	408	21.83	2,277	1,869	408	21.83

During the current quarter ended 31 March 2021, the Group recorded a total revenue of RM21.06 million, representing an increase of 7.35% or RM1.443 million compared to the revenue recorded in the preceding year corresponding quarter. This is mainly attributed to the addition of Mothercare and The Entertainer outlets in Sunway Pyramid and East Coast Mall, which opened on 19 June 2020 and 23 October 2020 respectively. The growth in revenue was in spite of the closure of the Subang Parade outlet in October 2020. As a result, the increase of revenue in the current year quarter ended 31 March 2021 mainly due to total of 22 outlets operating compared to 19 outlets operating in the preceding year corresponding quarter.

In addition, the increase in revenue was also contributed by the e-Commerce business in the current quarter ended 31 March 2021.

This has resulted in a profit before tax of RM2.28 million for the current financial quarter ended 31 March 2021, which represents an increase of 21.83% compared to the RM1.87 million in preceding year corresponding quarter.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2021**

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**B2 Comment on material change in profit before taxation for current quarter compared with the immediate preceding quarter**

	Current Quarter 31 March 2021	Immediate Preceding Quarter 31 December 2020	Variance	
	RM'000	RM'000	RM'000	%
Revenue	21,063	19,642	1,421	72.34
Gross Profit	10,415	9,615	800	8.32
Gross Profit Margin	49.45%	48.95%		
Profit Before Tax	2,277	1,392	885	63.58

For the current quarter under review, the Group registered revenue of RM21.06 million and PBT of RM2.28 million as compared to the revenue of RM19.64 million and PBT of RM1.39 million reported in the immediate preceding quarter. The increase in revenue and PBT was mainly due to seasonal sales such as New Year and Chinese New Year in 2021. However, the decrease in revenue for the immediate preceding quarter was mainly due to the reintroduction of Conditional Movement Control Order “CMCO” by the government which took place during the festive seasons.

**B3 Prospects**

Businesses have generally been impacted by the resurgence of Covid-19 cases. After months of movement control orders, the Group’s sales and profitability will remain challenging for the rest of the year.

Management will continue to focus on building up the Group’s e-Commerce presence and on improving our digital capabilities while adopting a balanced and disciplined approach to cost control, optimizing working capital, preserving cash and streamlining its operations to buffer against the long-term uncertainty.

We are confident that business will recover when the Covid-19 situation is brought under control.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2021**

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**B4 Variance between Actual Profit and Forecast Profit**

The Group has not provided any revenue or profit forecast in any public documents and announcements.

**B5 Taxation**

	3 months ended		3 months ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Current tax	534	453	534	453
Deferred tax	(12)	134	(12)	134
Total	<b>522</b>	<b>587</b>	<b>522</b>	<b>587</b>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit before tax for the current quarter and current financial period.

The effective tax rates of the Group for the current quarter and current financial period-to-date were higher than the Malaysia statutory tax rate mainly due to certain non-deductible expenses such as depreciation by the Group.

**B6 Unquoted investments and properties**

There were no purchases or sales of unquoted investment or properties for the current quarter.

**B7 Quoted securities**

There were no acquisitions or disposals of quoted securities for the current quarter and the financial period to date.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2021****B8 Status of Corporate Proposals**

Save as disclosed below, there is no other corporate proposal announced but pending completion as at the date of this report:

- (a) On 15 June 2020, KHJ announced the proposed establishment of an Employee's Share Option Scheme ("ESOS") of up to 15% of the total number of issued ordinary shares in KHJ (excluding treasury shares, if any), at any point in time throughout the duration of the ESOS to eligible Director(s) and employees of KHJ and its subsidiaries ("Proposed ESOS"). The Proposed ESOS was approved by our shareholders at our Annual General Meeting on 29 July 2020, and is pending implementation as at this juncture. KHJ has obtained approval from Bursa Malaysia Securities Berhad ("Bursa Securities") for an extension of time of 6 months, from 26 December 2020 to 25 June 2021, for the implementation of the ESOS.

**B9 Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at the end of current quarter to the date of the interim financial report.

**B10 Material Litigation**

As at the date of this report, there is no litigation against the Group which has a material effect on the financial position of the Group and the Board is not aware of any material litigation or any proceedings pending or threatened or of any fact likely to give rise to any proceedings.

**B11 Earnings Per Share ("EPS")**

	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
<b>BASIC EPS</b>				
Profit attributable to owners of the Company (RM'000)	1,755	1,282	1,755	1,282
Weighted average number of ordinary shares in issue ('000)	380,000	380,000	380,000	380,000
Basic EPS (sen)	0.46	0.34	0.46	0.34

**Notes:**

The basic earnings per share is computed based on profit after tax attributable to the owners of the Company and divided by the weighted average number of shares in issue as at 31 March 2021.

There was no dilution in the earning per share as there was no potential diluted ordinary share outstanding as at the end of the current period under review.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FIRST QUARTER ENDED 31 MARCH 2021**

**B12 Notes to the Statement of Comprehensive Income**

	3 months ended		3 months ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
The following items have been charged / (credited) in arriving profit from operations:				
Auditors' remuneration	52	48	52	48
Amortization of right-of-use assets	2,035	1,979	2,035	1,979
Depreciation for plant and equipment	779	680	779	680
Finance costs:				
Unwinding of interest expense of provision for restoration cost	3	3	3	3
Lease interest expense	272	308	272	308
(Gain) / Loss on foreign exchange:				
- Realised	(2)	(16)	(2)	(16)
- Unrealised	(120)	(31)	(120)	(31)
Gain on modification / termination of MFRS 16	-	(84)	-	(84)
Interest income	(119)	(231)	(119)	(231)
Inventories written-off	17	-	17	-
Unwinding of interest income – refundable deposit	(48)	(35)	(48)	(35)
Write-down of inventories	^	5	^	5

^ Negligible



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2021****B13 Utilisation of Proceeds Raised from Public Issue**

The gross proceeds arising from the Public Issue amounting to RM32.68 million is intended to be utilised in the following manner:

Details of use of proceeds	Proposed Utilisation	Actual Utilisation	Deviation	Estimated Timeframe for Utilisation
	RM'000	RM'000	RM'000	
1. Business expansion and capital expenditure				
a. Expansion of the Group's retail network	10,000	3,779	-	Within 36 months
b. Expansion of the Group's toys range by opening and operating The Entertainer toy outlets	5,000	2,852	-	Within 36 months
c. Revamp and upgrade our back-end IT infrastructure system and e-commerce platform	3,000	20	-	Within 36 months
d. Expansion or relocation of our existing outlets	2,000	675	-	Within 36 months
2. Working capital				
a. To support the day-to-day operation cost, including inventory and operational overheads, maintenance and upkeep, expansion of workforce and advertisement and promotional activities	4,880	4,880	-	Within 24 months
b. Expansion of product range offered under distribution segment	4,000	4,000	-	Within 24 months
3. Estimated listing expenses	3,800	3,800	-	Within 3 months
	32,680	20,006	-	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 19 June 2019.

**B14 Authorisation for issue**

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Board dated 28 May 2021.