



**CORAZA INTEGRATED TECHNOLOGY BERHAD**

Registration No.: 202001039065 (1395386-M)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

# CORAZA INTEGRATED TECHNOLOGY BERHAD

Registration No.: 202001039065 (1395386-M)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME <sup>(1)(2)</sup>

FOR THE PERIOD ENDED 31 MARCH 2022

		Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31.03.2022 RM'000	Preceding Year Corresponding Quarter 31.03.2021 RM'000	Current Year-To- Date 31.03.2022 RM'000	Preceding Year Corresponding Year-To-Date 31.03.2021 RM'000
Revenue		34,323	N/A	34,323	N/A
Cost of sales		(25,182)	N/A	(25,182)	N/A
<b>Gross profit</b>		<b>9,141</b>	<b>N/A</b>	<b>9,141</b>	<b>N/A</b>
Other income		267	N/A	267	N/A
Administrative expenses <sup>(3)</sup>		(4,698)	N/A	(4,698)	N/A
Selling and distribution expenses		(1,029)	N/A	(1,029)	N/A
<b>Operating Profit</b>		<b>3,681</b>	<b>N/A</b>	<b>3,681</b>	<b>N/A</b>
Finance costs		(175)	N/A	(175)	N/A
<b>Profit before taxation</b>		<b>3,506</b>	<b>N/A</b>	<b>3,506</b>	<b>N/A</b>
Taxation	B5	(1,306)	N/A	(1,306)	N/A
<b>Net profit/ Total comprehensive income for the period</b>		<b>2,200</b>	<b>-</b>	<b>2,200</b>	<b>-</b>
<b>Net profit/ Total comprehensive income for the period attributable to:</b>					
Owners of the Company		2,200	-	2,200	-
Basic earnings per share ("EPS") (sen) <sup>(4)</sup>	B11	0.51	N/A	0.51	N/A

### Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.
- (2) The interim financial report announced in compliance with the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). There are no comparative figures for the preceding corresponding quarter and year-to-date as the Company was listed on the ACE Market of Bursa Securities on 20 January 2022 and as such no interim financial report was prepared for the comparative financial period concerned.
- (3) Administrative expenses included non-recurring listing expenses of RM1.7 million. For illustration purposes only, the Group's normalised financial performance after adjusting for the non-recurring listing expenses is as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2022 RM'000	Preceding Year Corresponding Quarter 31.03.2021 RM'000	Current Year-To- Date 31.03.2022 RM'000	Preceding Year Corresponding Year-To-Date 31.03.2021 RM'000
Profit before tax	3,506	N/A	3,506	N/A
Add : Listing expenses	1,745	N/A	1,745	N/A
Adjusted profit before tax	<b>5,251</b>	<b>N/A</b>	<b>5,251</b>	<b>N/A</b>

- (4) Basic EPS is calculated based on the Company's share capital of 428,331,001 ordinary shares after the Company was listed on the ACE market of Bursa Securities on 20 January 2022.

N/A Not applicable.

# CORAZA INTEGRATED TECHNOLOGY BERHAD

Registration No.: 202001039065 (1395386-M)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION <sup>(1)</sup> AS AT 31 MARCH 2022

	(Unaudited) As at 31.03.2022 RM'000	(Audited) As at 31.12.2021 RM'000
<b>ASSETS</b>		
<b>Non-current asset</b>		
Property, plant and equipment	30,516	28,953
<b>Total non-current asset</b>	<b>30,516</b>	<b>28,953</b>
<b>Current assets</b>		
Inventories	26,519	24,970
Trade receivables	38,206	34,957
Other receivables, deposits and prepayments	991	3,236
Current tax receivable	366	965
Cash and cash equivalents	27,545	4,534
<b>Total current assets</b>	<b>93,627</b>	<b>68,662</b>
<b>TOTAL ASSETS</b>	<b>124,143</b>	<b>97,615</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	60,793	29,253
Merge reserve	(26,753)	(26,753)
Retained profits	41,802	39,602
<b>TOTAL EQUITY</b>	<b>75,842</b>	<b>42,102</b>
<b>Non-current liabilities</b>		
Deferred income	1,374	1,458
Deferred tax liabilities	2,022	2,022
Borrowings	9,653	9,157
<b>Total non-current liabilities</b>	<b>13,049</b>	<b>12,637</b>
<b>Current liabilities</b>		
Trade payables	21,496	19,686
Other payables and accruals	4,203	8,370
Refund liabilities	340	303
Borrowings	9,213	14,517
<b>Total current liabilities</b>	<b>35,252</b>	<b>42,876</b>
<b>TOTAL LIABILITIES</b>	<b>48,301</b>	<b>55,513</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>124,143</b>	<b>97,615</b>
Net assets per ordinary share attributable to owners of the Company (RM) <sup>(2)</sup>	<b>0.18</b>	<b>0.10</b>

### Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Financial Position are detailed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the Company's share capital of 428,331,001 ordinary shares after the Company was listed on the ACE market of Bursa Securities on 20 January 2022. The number of ordinary shares used in calculating the net assets as at 31 December 2021 has been restated to reflect the enlarged number of shares after the Company was listed on 20 January 2022 (31 December 2021: 310,540,001 shares; 31 March 2022: 428,331,001 shares).

# CORAZA INTEGRATED TECHNOLOGY BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY <sup>(1)(2)</sup> FOR THE PERIOD ENDED 31 MARCH 2022

	-----Attributable to Owners of the Company-----			Total Equity RM'000
	Share Capital RM'000	Merger Reserves RM'000	Distributable Retained Profits RM'000	
<b>3 months ended 31 March 2022</b>				
At 1 January 2022 (Audited)	29,253	(26,753)	39,602	42,102
Issuance of shares	32,982	-	-	32,982
Share issuance expenses	(1,442)	-	-	(1,442)
Total Comprehensive Income	-	-	2,200	2,200
At 31 March 2022 (Unaudited)	<b>60,793</b>	<b>(26,753)</b>	<b>41,802</b>	<b>75,842</b>

### Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.
- (2) No comparative figures for the preceding quarter are available as this is the Company's third interim financial report on its consolidated results for the first quarter ended 31 March 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

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# CORAZA INTEGRATED TECHNOLOGY BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS<sup>(1)(2)</sup> FOR THE PERIOD ENDED 31 MARCH 2022

	Current Year-To-Date 31.03.2022 RM'000	Preceding Year Corresponding Year-To-Date 31.03.2021 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>3,506</b>	N/A
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	980	N/A
Deferred income released	(84)	N/A
Listing expenses	1,745	N/A
Interest expense	175	N/A
Interest income	(64)	N/A
Unrealised loss on foreign exchange	178	N/A
<b>Operating profit before working capital changes</b>	<b>6,436</b>	N/A
<b>Changes in working capital:</b>		
Increase in inventories	(1,549)	N/A
Increase in receivables	(2,433)	N/A
Decrease in payables	(2,372)	N/A
Increase in contract liabilities	37	N/A
<b>Cash generated from operations</b>	<b>119</b>	N/A
Income tax paid	(707)	N/A
Interest paid	(175)	N/A
<b>Net cash used in operating activities</b>	<b>(763)</b>	N/A
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	64	N/A
Purchase of property, plant and equipment	(2,543)	N/A
<b>Net cash used in investing activities</b>	<b>(2,479)</b>	N/A
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	32,982	N/A
Payment of listing expenses	(3,187)	N/A
Decrease in prepayment of listing expenses	1,266	N/A
Net repayment of bankers' acceptance	(7,455)	N/A
Net drawdown of hire purchase	2,320	N/A
Net repayment of term loans	(222)	N/A
Changes in fixed deposits pledged to a licensed bank	(361)	N/A
<b>Net cash from financing activities</b>	<b>25,343</b>	N/A
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>22,101</b>	N/A
<b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>	<b>(932)</b>	N/A
<b>CASH AND CASH EQUIVALENTS AT END</b>	<b>21,169</b>	N/A
<b>Represented by:</b>		
Cash and cash equivalents	27,545	N/A
Bank overdraft	(2,824)	N/A
	24,721	N/A
Less: Fixed deposits pledged to a licensed bank	(3,552)	N/A
	<b>21,169</b>	N/A

Notes:

- (1) The above Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.
- (2) No comparative figures for the preceding quarter are available as this is the Company's third interim financial report on its consolidated results for the first quarter ended 31 March 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

N/A Not applicable

# CORAZA INTEGRATED TECHNOLOGY BERHAD

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## A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING

### A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of Listing Requirements of Bursa Securities.

This is the Company’s third interim financial report on the unaudited condensed consolidated financial results for the first quarter ended 31 March 2022 announced by the Company in compliance with the Listing Requirements of Bursa Securities and as such, there are no comparative figures for the preceding year’s corresponding period.

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2021 as disclosed in the Annual Report. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

### A2. 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 preparation of the Group’s audited financial statements for the financial year ended 31 December 2021 as disclosed in the Annual Report except for the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group.

	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts	1-Jan-2023
Amendments to MFRS 4 Insurance Contracts – Extension of the Temporary Exemption from Applying MFRS 9	1-Jan-2023
Amendments to MFRS 17 Insurance Contracts	1-Jan-2023
Amendments to MFRS 17 Insurance Contracts: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1-Jan-2023
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current	1-Jan-2023
Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies	1-Jan-2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	1-Jan-2023
Amendments to MFRS 112 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1-Jan-2023
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture	Effective date yet to be confirmed

The initial application of the above standards is not expected to have any material impact to the financial statements of the Group upon adoption.

### A3. Auditors’ report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2021.

## **CORAZA INTEGRATED TECHNOLOGY BERHAD**

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### **A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONT'D)**

#### **A4. Seasonal or cyclical factors**

The Group's operation was not significantly affected by any unusual seasonal or cyclical factors.

#### **A5. Unusual items due to their nature, size or incidence**

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the interim financial period ended 31 March 2022.

#### **A6. Material changes in estimates**

There were no material changes in estimates of amounts reported in prior interim periods or prior financial year that have a material effect in the current financial year to date.

#### **A7. Debt and equity securities**

In conjunction with the Company's listing on the ACE Market of Bursa Securities which was held on 20 January 2022, the Company issued 117,791,000 new shares ("**Issue Shares**") at an issue price of RM0.28 per share via a public issue that were allocated in the following manner:

- 21,416,550 Issue Shares available for application by the Malaysian Public;
- 21,416,550 Issue Shares available for application by our eligible Directors, employees and persons who contributed to the success of the Company; and
- 74,957,900 Issue Shares by way of private placement to selected investors.

On 20 January 2022, the Company was admitted to the Official List of Bursa Securities and the Company's entire enlarged issue share capital of 428,331,001 shares was listed and quoted on the ACE Market of Bursa Securities.

#### **A8. Dividend paid**

The Company did not pay any dividend in the financial period ended 31 March 2022.

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# CORAZA INTEGRATED TECHNOLOGY BERHAD

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## A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONT'D)

### A9. Segmental Information

The Group's contribution by business units based on their nature of businesses and services as well as by geographical factors is as follows:

(a) Contribution by business units

	Current Year Quarter 31.03.2022 RM'000	Preceding Year Corresponding Quarter 31.03.2021 <sup>(1)</sup> RM'000	Current Year-To-Date 31.03.2022 RM'000	Preceding Year Corresponding Year-To-Date 31.03.2021 <sup>(1)</sup> RM'000
<b>Revenue:-</b>				
Fabrication of sheet metal	28,361	N/A	28,361	N/A
Precision Machining	5,962	N/A	5,962	N/A
	<b>34,323</b>	<b>N/A</b>	<b>34,323</b>	<b>N/A</b>

(b) Contribution by geographical factors

	Current Year Quarter 31.03.2022 RM'000	Preceding Year Corresponding Quarter 31.03.2021 <sup>(1)</sup> RM'000	Current Year-To-Date 31.03.2022 RM'000	Preceding Year Corresponding Year-To-Date 31.03.2021 <sup>(1)</sup> RM'000
<b>Revenue:-</b>				
Malaysia	23,339	N/A	23,339	N/A
Singapore	7,602	N/A	7,602	N/A
United States of America	2,677	N/A	2,677	N/A
China	4	N/A	4	N/A
European countries	640	N/A	640	N/A
Other Asian countries	61	N/A	61	N/A
	<b>34,323</b>	<b>N/A</b>	<b>34,323</b>	<b>N/A</b>

**Note:**

<sup>(1)</sup> No comparative figures for the preceding quarter are available as this is the Company's third interim financial report on its consolidated results for the first quarter ended 31 March 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

### A10. Material events during the reporting period

In conjunction with the Company's listing on the ACE Market of Bursa Securities which was held on 20 January 2022, the Company issued 117,791,000 new shares at an issue price of RM0.28 per share via a public issue that were allocated in the following manner:

- 21,416,550 Issue Shares available for application by the Malaysian Public;
- 21,416,550 Issue Shares available for application by our eligible Directors, employees and persons who contributed to the success of the Company; and
- 74,957,900 Issue Shares by way of private placement to selected investors.

On 20 January 2022, the Company was admitted to the Official List of Bursa Securities and the Company's entire enlarged issue share capital of 428,331,001 shares was listed and quoted on the ACE Market of Bursa Securities.



# CORAZA INTEGRATED TECHNOLOGY BERHAD

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## A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONT'D)

### A11. Material events subsequent to the end of the reporting period

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

### A12. Changes in composition of the Group

On 20 January 2022, the Company's entire enlarged issue share capital of 428,331,001 shares was listed and quoted on the ACE Market of Bursa Securities.

Save as disclosed above, there were no other material changes in the composition of the Group for the current financial quarter under review.

### A13. Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets in the Group since the end of the last reporting period as at 31 March 2022.

### A14. Related Party Transactions Disclosures

The following companies are related parties as they relate to companies in which the directors of the Group have substantial financial interest.

- Unigen Corporation ("UC")
- Surface Technology Solutions Sdn. Bhd. ("STS")
- Kalungan Prestij Sdn. Bhd. ("KPSB")

Type of transactions	Related parties	Individual Quarter		Cumulative Period	
		Current Year Quarter 31.03.2022 RM'000	Preceding Year Corresponding Quarter 31.03.2021 <sup>(1)</sup> RM'000	Current Year To Date 31.03.2022 RM'000	Preceding Year Corresponding Period 31.03.2021 <sup>(1)</sup> RM'000
Sales of fabricated parts	UC	236	N/A	236	N/A
Provision of finishing services	STS	881	N/A	881	N/A
Rental expenses	KPSB	6	N/A	6	N/A

The transactions were entered in the normal course of business and have been established under normal commercial terms that are no less favourable than those arranged with independent third parties.

#### Note:

- <sup>(1)</sup> No comparative figures for the preceding quarter are available as this is the Company's third interim financial report on its consolidated results for the first quarter ended 31 March 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

# CORAZA INTEGRATED TECHNOLOGY BERHAD

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## A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONT'D)

### A15. Capital Commitments

	(Unaudited) As at 31.03.2022 RM'000	(Audited) As at 31.12.2021 RM'000
Contracted but not provided for:		
- Property, Plant and Equipment	5,265	3,308
Approved but not contracted for:		
- Property, Plant and Equipment	16,459	16,459
	<u>21,724</u>	<u>19,767</u>

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## CORAZA INTEGRATED TECHNOLOGY BERHAD

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### B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### B1. Review of performance

	<b>Current Year Quarter</b> <b>31.03.2022</b> <b>RM'000</b>	<b>Preceding Year Corresponding Quarter</b> <b>31.03.2021</b> <b>RM'000</b>	<b>Current Year-To-Date</b> <b>31.03.2022</b> <b>RM'000</b>	<b>Preceding Year Corresponding Year-To-Date</b> <b>31.03.2021</b> <b>RM'000</b>
Revenue	34,323	N/A	34,323	N/A
Gross Profit (“GP”)	9,141	N/A	9,141	N/A
Profit before tax (“PBT”)	3,506	N/A	3,506	N/A

In the current quarter ended 31 March 2022 and financial year-to-date, the Group reported revenue of RM34.3 million and it is mainly attributed from the sheet metal fabrication segment which accounted for RM28.4 million, taking up 83% of the total revenue. Among various industries, Semiconductor industry related products still takes predominance, being 60% of the total revenue, followed by a slight increase of Instrumentation products being 20% in the current quarter.

GP of RM9.1 million has been recorded, having the margin of 27%. PBT for the current quarter amounted to RM3.5 million and if excluding non-recurring listing expenses of RM1.7 million, adjusted normalised profit before tax would be RM5.2 million. The distribution expenses and administrative expenses amounted to RM5.7 million for the current quarter. The distribution expenses and administrative expenses mainly consists of staff costs, depreciation, maintenance fees for building and office equipment, insurance, professional fees, outward transport and utilities.

There are no comparative figures for the corresponding preceding quarter’s results as this is the third interim financial report being announced by the Company in compliance with the Listing Requirements of the Bursa Securities.

#### B2. Comparison with Immediate Preceding Quarter’s Results

	<b>Current Year Quarter</b> <b>31.03.2022</b> <b>RM'000</b>	<b>Current Year Preceding Quarter</b> <b>31.12.2021</b> <b>RM'000</b>
Revenue	34,323	34,806
GP	9,141	8,804
PBT	3,506	4,283

The Group’s revenue for the quarter under review remained largely unchanged at RM34 million if compared to preceding quarter. Majority of the revenue is still contributed by Semiconductor related products at RM21 million respectively for both periods. We recorded a slight growth for Instrumentation products at approximately 10%, netting off a slight decline for Life Science and Medical Devices products.

GP margin has increased from 25% in preceding quarter to 27% in the current quarter. The increase in margin was due to better product mix for this quarter although there was a slight increase in depreciation cost which was related to the increase in machinery investment. PBT decreased slightly by 18% if compared to preceding quarter. Our PBT was affected by our Group’s listing expenses of RM1.7 million charged to profit or loss. If excluded, the normalized adjusted profit before tax would be RM5.2 million and it would record a 15% PBT margin if compared to the preceding quarter of 12%, due to better product mix which yielded better product margin.

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### **B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)**

#### **B3. Prospects of the Group**

As disclosed in Section 7.19 of the Company's Prospectus dated 22 December 2021, the Group will implement the following future plans:

- a) Construction of a new factory (91,110 sq ft) adjacent to our current factory in Nibong Tebal, Pulau Pinang, which phase 1-3 will focus on precision machining, sheet metal fabrication (involving frames and structures) and finishing services.
- b) Invest in new machineries in order to improve the production capacity and service offerings to meet the increasing demand from our customers and to secure additional customers in the industry involved.

Due to the widespread adoption and integration of technologies, Malaysian Industrial Development Finance ("MIDF") is confident that the Semiconductor industry is still set for explosive growth, quoted recently at a report in The Edge. The Precedence Research has also stated that the rising penetration of the digital technologies and rising adoption of various consumer electronics across the globe is fostering the growth of the semiconductor market. Moreover, the rising popularity of the latest technologies such as Artificial Intelligence ("AI") and Internet Of Things ("IOT") that allows the memory chips to process huge volume of data in less time is expected to provide growth opportunities to the market players in the foreseeable future. Coraza remains positive given our involvement in the manufacturing for fabricated parts in various sectors as shown in the increased number of orders and enquiries that were received. In effort to reduce the gap between demand and supply of the Semiconductors industry, Coraza is looking into renting alternative sites to increase production facilities alongside with the construction of a new factory mentioned above.

#### **B4. Variance of actual profits from forecast profits**

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

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### B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)

#### B5. Taxation

Taxation comprises the following:-

	<b>Current Year Quarter 31.03.2022</b>	<b>Preceding Year Corresponding Quarter 31.03.2021<sup>(1)</sup></b>	<b>Current Year- To-Date 31.03.2022</b>	<b>Preceding Year Corresponding Year-To-Date 31.03.2021<sup>(1)</sup></b>
Income tax expense				
-Current Period (RM'000)	1,306	N/A	1,306	N/A
Effective tax rate (%)	37.25	N/A	37.25	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

The Group's effective tax rate for the current financial quarter is higher than the statutory tax rate mainly due to our listing expenses which are non-deductible. If listing expenses are excluded, the current year-to-date effective tax rate would have been 25%.

#### Note:

<sup>(1)</sup> No comparative figures for the preceding quarter are available as this is the Company's third interim financial report on its consolidated results for the first quarter ended 31 March 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

#### B6. Status of corporate proposals

On 20 January 2022, the Company has been admitted to the Official List of Bursa Securities and the Company's entire enlarged issue share capital of 428,331,001 shares was listed and quoted on the ACE Market of Bursa Securities.

Save as disclosed above, there were no other corporate proposals announced but not yet implemented as at the date of this interim financial report.

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## CORAZA INTEGRATED TECHNOLOGY BERHAD

Registration No.: 202001039065 (1395386-M)

### B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)

#### B7. Utilisation of Proceeds from IPO

The gross proceeds of RM33.0 million from the IPO is intended to be utilised in the following manner:

	Details of use of proceeds	Proposed utilisation RM'000	Actual utilisation RM'000	Re-allocation RM'000	Balance to be utilised RM'000	Estimated timeframe for the use of proceeds upon listing <sup>(1)</sup>
(i)	Purchase of new machinery	15,500	(4,495)	-	11,005	Within 36 months
(ii)	Construction of factory	6,412	-	-	6,412	Within 36 months
(iii)	Implementation of ERP system	1,200	(609)	-	591	Within 12 months
(iv)	Extension of existing building	1,500	(1,414)	-	86	Within 12 months
(v)	Repayment of bank borrowings	4,600	(339)	-	4,261	Within 12 months
(vi)	Estimated listing expenses	3,770	(3,187)	(583) <sup>(2)</sup>	-	Within 1 month
(vii)	Working capital	-	-	583 <sup>(3)</sup>	583	Within 6 months
		<b>32,982</b>	<b>(10,044)</b>	<b>-</b>	<b>22,938</b>	

#### Notes:

- (1) From the date of listing of the Company.
- (2) Surplus of RM0.6 million (of the RM3.8 million allocated for the estimated listing expenses) was re-allocated to the general working capital requirements of the Group, in accordance with the Company's prospectus dated 22 December 2021.
- (3) The amount re-allocated for the working capital purposes will be utilised for the day-to-day operations (e.g. Consultation fees and office related expenses).

#### B8. Group borrowings and debts securities

As at 31 March 2022	Long term RM'000	Short term RM'000	Total borrowings RM'000
<b>Secured</b>			
Bank overdraft	-	2,824	2,824
Bankers' acceptance	-	2,397	2,397
Hire purchase	4,183	3,109	7,292
Term loans	5,470	883	6,353
<b>Total</b>	<b>9,653</b>	<b>9,213</b>	<b>18,866</b>

#### B9. Material Litigation

There was no material litigation against the Group as at 31 March 2022.

## CORAZA INTEGRATED TECHNOLOGY BERHAD

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### B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)

#### B10. Dividends

No dividend has been proposed or declared for the current financial period.

#### B11. Earnings Per Share

The basic EPS for the current quarter and financial year-to-date are computed as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.03.2022	Preceding Year Corresponding Quarter 31.03.2021 <sup>(1)</sup>	Current Year- To-Date 31.03.2022	Preceding Year Corresponding Year-to-Date 31.03.2021 <sup>(1)</sup>
Profit attributable to Owners of the Company (RM'000)	2,200	N/A	2,200	N/A
Number of ordinary shares ('000)	428,331	N/A	428,331	N/A
EPS (sen) <sup>(2)</sup>	0.51	N/A	0.51	N/A

#### Notes:

- (1) No comparative figures for the preceding quarter are available as this is the Company's third interim financial report on its consolidated results for the first quarter ended 31 March 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.
- (2) EPS is calculated based on the Company's share capital of 428,331,001 ordinary shares that was listed on the ACE Market of Bursa Securities.

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**CORAZA INTEGRATED TECHNOLOGY BERHAD**

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**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****B12. Notes to Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

Profit for the period was derived after taking into consideration of the following:-

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.03.2022 RM'000	Preceding Year Corresponding Quarter 31.03.2021 <sup>(1)</sup> RM'000	Current Year- To-Date 31.03.2022 RM'000	Preceding Year Corresponding Year-to-Date 31.03.2021 <sup>(1)</sup> RM'000
<b>After charging/ (crediting):-</b>				
Depreciation of property, plant and equipment	980	N/A	980	N/A
Interest expense	175	N/A	175	N/A
(Gain)/Loss on foreign exchange				
- Realised	(16)	N/A	(16)	N/A
- Unrealised	178	N/A	178	N/A
Short-term leases and lease of low value assets	63	N/A	63	N/A
Deferred income released	(84)	N/A	(84)	N/A
Interest Income	(64)	N/A	(64)	N/A

**Note:**

- (1) No comparative figures for the preceding quarter are available as this is the Company's third interim financial report on its consolidated results for the first quarter ended 31 March 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

**BY ORDER OF THE BOARD**  
**CORAZA INTEGRATED TECHNOLOGY BERHAD**  
**27 MAY 2022**