

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**
 - THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Third quarter ended		Financial period ended	
	Unaudited		Unaudited	
	Current Period 30-Sep-22 RM'000	Preceding Period 30-Sep-21 RM'000	Current Period 30-Sep-22 RM'000	Preceding Period 30-Sep-21 RM'000
Continuing Operations				
Revenue	16,937	13,156	58,934	35,337
Cost of sales	(7,139)	(5,580)	(19,120)	(11,648)
Gross profit	9,798	7,576	39,814	23,689
Other income	231	192	387	1,997
Operating expenses	(13,144)	(7,615)	(30,036)	(22,391)
Finance cost	(85)	486	(223)	(307)
	(12,998)	(6,937)	(29,872)	(20,701)
Share of results in associate company	(352)	-	(1,008)	-
(Loss)/profit before tax from continuing operations	(3,552)	639	8,934	2,988
Taxation	(80)	-	(70)	(27)
(Loss)/profit for the period from continuing operations	(3,632)	639	8,864	2,961
Discontinued Operations				
(Loss)/profit for the period from discontinued operations	-	(30,342)	303,463	(89,411)
Total (loss)/profit for the period	(3,632)	(29,703)	312,327	(86,450)
Other comprehensive (expense)/income: Items that will be reclassified subsequently to profit or loss:				
Exchange difference arising from translation of foreign operations	(205)	1,340	(198,410)	7,238
Total comprehensive (expense)/income for the period	(3,837)	(28,363)	113,917	(79,212)
(Loss)/profit attributable to				
Equity holders of the Company	(3,920)	(29,844)	312,585	(87,241)
Minority interest	288	141	(258)	791
	(3,632)	(29,703)	312,327	(86,450)
Total comprehensive (expense)/income attributable to				
Equity holders of the Company	(4,561)	(29,087)	114,862	(83,753)
Minority interest	724	724	(945)	4,541
	(3,837)	(28,363)	113,917	(79,212)
(Loss)/profit per share attributable to equity holders of the Company (sen)				
- basic (sen)	(0.18)	(1.60)	14.14	(4.66)
- fully diluted (sen)	(0.18)	(1.60)	13.25	(4.66)

The above 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 2021.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 30-Sep-22	Audited as at 31-Dec-21
	RM'000	RM'000
Non Current Assets		
Property, plant and equipment	12,378	7,409
Investment in associates	102,627	88,583
Right of use assets	3,793	2,753
Intangible assets	94,977	94,562
Deferred tax asset	78	143
	213,853	193,450
Current Assets		
Inventories	1,225	1,007
Trade receivables	25,887	31,966
Other receivables, deposits and prepayments	9,643	16,904
Amount owing by an associate	978	971
Tax recoverable	455	654
Bank balances and cash	5,504	12,842
	43,692	64,344
Assets held for sales	-	75,624
Total Assets	257,545	333,418
Shareholders' Fund		
Share capital	1,224,044	1,222,833
Reserves	(1,135,643)	(1,250,506)
	88,401	(27,673)
Non-controlling interest	8,391	8,654
	96,792	(19,019)
Current Liabilities		
Trade payables	28,764	25,510
Other payables and accrued expenses	92,776	102,110
Amount owing to an associate	32,946	34,542
Lease liabilities	1,239	2,825
Borrowings	1,560	1,560
Redeemable convertible note	-	1,000
Provision for taxation	512	13
	157,797	167,560
Liabilities held for sales	-	184,103
	157,797	351,663
Non Current Liabilities		
Lease liabilities	2,956	709
Deferred tax liabilities	-	65
	2,956	774
Total Equity and Liabilities	257,545	333,418
Net assets per share (RM)	0.044	(0.009)

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**

- THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←----- Non-distributable reserves ----->					Distributable reserve		Sub-total RM'000	Non-controlling interest RM'000	Total RM'000
	Share capital RM'000	Statutory common funds reserve RM'000	Reverse acquisition reserve RM'000	Foreign currency translation reserve RM'000	ESOS reserve RM'000	Shares Option reserve RM'000	Accumulated losses RM'000			
9 months ended 30 September 2021										
Balance as of January 1, 2021	1,153,305	49,358	(799,823)	192,753	-	2,640	(536,774)	61,459	101,266	162,725
Issue of shares:										
Conversion of RCN	40,000	-	-	-	-	-	-	40,000	-	40,000
Private placement	17,458	-	-	-	-	-	-	17,458	-	17,458
(Loss)/profit for the period	-	-	-	-	-	-	(87,241)	(87,241)	791	(86,450)
Other comprehensive expense										
Exchange difference arising from translation of foreign operations	-	-	-	3,488	-	-	-	3,488	3,750	7,238
Balance as of September 30, 2021	1,210,763	49,358	(799,823)	196,241	-	2,640	(624,015)	35,164	105,807	140,971
9 months ended 30 September 2022										
Balance as of January 1, 2022	1,222,833	49,358	(799,823)	195,050	7,987	2,640	(705,718)	(27,673)	8,654	(19,019)
Issue of shares:										
Conversion of RCN	1,000	-	-	-	-	-	-	1,000	-	1,000
Exercise of Esos	211	-	-	-	-	-	-	211	-	211
Disposal of subsidiary	-	(49,358)	799,823	(198,155)	-	-	(750,465)	(198,155)	139	(198,016)
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	543	543
Profit/(loss) for the period	-	-	-	-	-	-	312,585	312,585	(258)	312,327
Other comprehensive expense										
Exchange difference arising from translation of foreign operations	-	-	-	433	-	-	-	433	(687)	(254)
Balance as of September 30, 2022	1,224,044	-	-	(2,672)	7,987	2,640	(1,143,598)	88,401	8,391	96,792

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**
- THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited	
	For the financial period ended	
	30-Sep-22	30-Sep-21
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	8,934	2,988
Profit/(loss) before tax from discontinued operations	303,463	(89,411)
Profit/(loss) for the period	<u>312,397</u>	<u>(86,423)</u>
Adjustments for:		
Depreciation of property, plant and equipment	1,247	25,879
Depreciation of right of use assets	2,414	2,572
Amortisation of lease payments	-	826
Amortisation of intangibles assets	673	626
Gain on disposal of asset held for sale	(301,170)	-
Finance costs	223	307
Interest income	(5)	(29)
Share of associate's results	1,008	-
Operating profit/(loss) before working capital changes	<u>17,200</u>	<u>(56,242)</u>
(Increase) / Decrease in:		
Inventories	(218)	(12,753)
Trade receivables	6,079	(6,890)
Other receivables, deposits and prepayments	7,223	(2,069)
Amount due by/(to) associate	(1,603)	-
Increase / (Decrease) in:		
Trade payables	3,254	90,238
Other payables and accrued expenses	(14,044)	(44,935)
Cash generated from/(used in) operations	<u>17,891</u>	<u>(32,651)</u>
Interest paid	(223)	(307)
Tax paid	633	-
Net cash generated from/(used in) operating activities	<u>18,301</u>	<u>(32,958)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(6,620)	(9,834)
Acquisition of subsidiaries, net of cash acquired	(451)	-
Interest received	5	29
Disposal of subsidiary	(716)	-
Net cash used in investing activities	<u>(7,782)</u>	<u>(9,805)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Redeemable Convertible Note, net of transaction costs	-	41,000
Repayment of bank loan	-	(854)
Proceeds from exercise of ESOS	211	-
Proceeds from Private Placement, net of transaction costs	-	17,458
Repayment of lease payables	(2,793)	(2,842)
Net cash (used in)/generated from financing activities	<u>(2,582)</u>	<u>54,762</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,937	11,999
CASH AND CASH EQUIVALENTS		
AT BEGINNING OF THE FINANCIAL PERIOD	12,842	10,048
Effect of changes in exchange rates	(15,275)	(8,025)
Changes in cash and cash equivalents classified as held for sales	-	(572)
CASH AND CASH EQUIVALENTS	<u>5,504</u>	<u>13,450</u>
AT END OF THE FINANCIAL PERIOD	<u>5,504</u>	<u>13,450</u>

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the the Audited Financial Statements for the financial year ended 31 December 2021.

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 - INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and Chapter 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“BMSB”).

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

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2021, except for the adoption of the following Malaysian Financial Reporting Standards (“MFRSs”) and amendments to MFRS for financial periods beginning on or after 1 January 2022: -

Annual periods beginning on/after 1 January 2022

- Amendments to MFRS 3, “Business Combinations” (Reference to the Conceptual Framework)
- Amendments to MFRS 116, “Property, Plant and Equipment” (Proceeds before Intended Use)
- Amendments to MFRS 137, “Provision, Contingent Liabilities and Contingent Assets” (Onerous Contracts - Cost of Fulfilling a Contract)
- Annual Improvement to MFRS Standards 2018 – 2020:
 - Amendment to MFRS, “First-time Adoption of Malaysian Financial Reporting Standards”
 - Amendment to MFRS 9, “Financial Instruments”
 - Amendment to Illustrative Examples accompanying MFRS 16, “Leases”
 - Amendment to MFRS 141, “Agriculture”

The above accounting standards and amendments to accounting standards effective during the financial year do not have any significant impact to the financial results and position of the Group.

Accounting standards and amendments to accounting standards that are applicable for the Group in the following periods but are not yet effective:

Annual periods beginning on/after 1 January 2023

- MFRS 17, “Insurance Contracts”
- Amendments to MFRS 17, “Insurance Contracts”
- Amendments to MFRS 101, “Presentation of Financial Statements” (Classification of Liabilities as Current or Non-current)
- Amendments to MFRS 101, “Presentation of Financial Statements” (Disclosure of Accounting Policies)
- Amendments to MFRS 108, “Accounting Policies Changes in Accounting Estimates and Errors” (Definition of Accounting Estimates)

- Amendments to MFRS 112 “Income Taxes” (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

Annual periods beginning on/after 1 January 2024

- Amendments to MFRS 16 “Leases” (Lease Liability in a Sale and Leaseback)

Effective date yet to be determined by the Malaysian Accounting Standards Board

- Amendments to MFRS 10 and MFRS 128, “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The adoption of the accounting standards and amendments to accounting standards are not expected to have any significant impact to the financial statements of the Group and of the Company.

A2. Audit report

The auditors' report on the audited financial statements for the year ended 31 December 2021 was not qualified.

A3. Seasonal or cyclical factors

The operations of the Group are subject to consumer spending preference and general market condition in the F&B and digital technology industry.

A4. Unusual items

During the quarter under review, there were no items or events that arose which affected the Group's assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A5. Changes in estimates

There were no changes in the estimates of amounts reported that have a material effect on the results in the quarter under review.

A6. Issuance, cancellations, repurchases, resale and repayments of debts and equity securities

There were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the current quarter.

A7. Dividends paid

There were no dividends paid during the quarter under review.

A8. Segmental information

Segment results by business activities

	Third quarter ended		Financial period ended	
	30 September 2022		30 September 2022	
	External revenue	Profit/(Loss) before tax	External revenue	Profit/(Loss) before tax
	RM'000	RM'000	RM'000	RM'000
Technology driven food and beverage	14,294	438	39,439	1,779
Technology and digital transformation enabler	2,643	71	19,495	11,737
Others	-	(4,061)	-	(4,582)
	<u>16,937</u>	<u>3,552</u>	<u>58,934</u>	<u>8,934</u>

	Third quarter ended		Financial period ended	
	30 September 2021		30 September 2021	
	External revenue	Profit/(Loss) before tax	External revenue	Loss before tax
	RM'000	RM'000	RM'000	RM'000
Technology driven food and beverage	8,537	(420)	21,777	1,072
Technology and digital transformation enabler	4,619	1,694	13,560	5,729
Others	-	(635)	-	(3,813)
	<u>13,156</u>	<u>639</u>	<u>35,337</u>	<u>2,988</u>

A9. Valuation of Property, Plant and Equipment

The property, plant and equipment of the Group have not been revalued during the quarter under review.

A10. Material Events Subsequent to the end of the Reporting Period

On 5 October 2022, the Company entered into a Deed of Termination to mutually terminate the Sale and Purchase Agreement dated 27 December 2021 with the parties in respect of its entire 50% equity interest in HK Aerospace Beidou New Energy Technology Co., Limited ("HKAB") which forms part of a reverse takeover ("RTO") exercise of Chaswood Resources Holdings Ltd, a company listed on the Catalist Board of Singapore Exchange Securities Trading Limited ("Proposed Disposal").

This collective decision was arrived at given the inadvertent delay in completing the relevant due diligence and corporate restructuring exercises of HKAB in connection with the RTO, stemming from the incessant travel, movement and other restrictions implemented by the authorities in the People's Republic of China ("PRC") in its pursuit of zero-Covid policy.

This Termination will not have any effect on the share capital and substantial shareholders' shareholdings and is not expected to have any material effect on the

earnings per share, net assets per share, and gearing of TXB for the financial year ending 31 December 2022.

On 25 November 2022, the Company announced the mutual termination of the Heads of Agreement signed on 17 January 2022 which aimed to collaborate with numerous 5G and IT infrastructure companies to supply work and services in relation to the project to provide and facilitate Point of Presence Fibre-Optics Infrastructure Hub nearby schools, industrial area, government premises and local surrounding community by the Ministry of Communications and Multimedia of Malaysia and seeking to invest, install and manage various 5G infrastructure work from Digital National Berhad and Ministry of Finance.

A11. Changes in the composition of the Group

There is no change in the composition of the Group during the quarter under review.

A12. Changes in contingent liabilities or contingent assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter under review.

A13. Related party transactions

There was no related party transaction during the quarter under review.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of performance

During the third quarter under review, the Group's technology driven food & beverage business continued to show strong recovery contributing approximately RM14.3 million in revenue compared to approximately RM8.5 million the same quarter last year. This was due to the fact that over the same period in the preceding year, these businesses were somewhat stifled by dining restrictions imposed by the Government in response to the continued proliferation of the Covid-19 pandemic last year. On the other hand, the Group's digital transformation & technology businesses saw some decline in its business, wherein the revenue generated during this quarter amounted to approximately RM2.6 million compared to a revenue of approximately RM4.6 million recorded in the same quarter last year. Such a circumstance was contributed by the lack of development and securing of new digital transformation projects under this particular business segment during the third quarter this year.

In tandem with the increase in revenue for the technology driven food & beverage business during the quarter under review, the cost of sales also saw a proportionate increase to approximately RM5.2 million compared to approximately RM2.8 million recorded in the same quarter last year. Insofar as the digital transformation & technology businesses are concerned, the attributable cost of sales thereof amounted to approximately RM1.9 million in this quarter compared to approximately RM2.8 million recorded in the same quarter last year.

The total operating expenses incurred by the technology driven food & beverage and the digital transformation & technology businesses as well as that of corporate holding company level ("the Company") of the Group as a whole, accounted to approximately RM13.1 million for the current quarter under review, compared to approximately RM7.6 million incurred during the same period last year. The higher operating expenses incurred during the quarter under review was primarily due to the inclusion of some expenses/costs incurred by the corporate holding company level relating to the notional finance costs incurred due the early payment of the deferred purchase consideration for the various acquisitions, expenses incurred for the disposal of coke business and corporate exercises expenses which in total amounted to approximately RM4 million.

Premised on the above, the Group turned in a loss for the period amounting to approximately RM3.6 million compared to a profit of approximately RM1 million in the preceding year corresponding quarter. Notwithstanding the foregoing, it is worth noting that should the abovementioned non-business-related operating expenses incurred by the corporate holding company level amounting to RM4 million be excluded, the performance of the technology driven food & beverage and the digital transformation & technology businesses collectively would have shown a profit of approximately RM0.4 million, a fair return given the challenging business environment besetting these businesses.

B2. Variation of results against preceding quarter

The revenue recorded by the technology driven food & beverage business saw an increase to approximately RM14.3 million in the current quarter under review compared to RM12.5 million during the immediate preceding quarter ended 30 June 2022. This was mainly due to the completion of renovation works which was undertaken in the China's TGI Fridays operations during the second quarter of the year, following which the businesses were able to be resumed uninterrupted during the third quarter under review. On the other hand, the revenue from the digital transformation & technology businesses, which included the contribution from the energy storage business, contributed approximately RM2.6 million in the third quarter of 2022 compared to approximately RM8.3 million in the immediate preceding quarter. Such a significant decrease was due to absence of new projects being secured compared to the second quarter of the year.

As a consequence of the above, the gross profit contribution from the technology-driven food & beverages business and digital transformation & technology businesses saw some reduction from approximately RM14.1 million in the immediate preceding quarter ended 30 June 2022 to approximately RM9.8 million for the current quarter under review.

The operating expenses of approximately RM13.1 million recorded during the quarter under review was significantly higher compared to that of approximately RM7.7 million recorded during the immediate preceding quarter ended 30 June 2022. Such increase was primarily due to the inclusion of some expenses/costs incurred by the corporate holding company level which related to the notional finance costs incurred due the early payment of the deferred purchase consideration for the various acquisitions, expenses incurred for the disposal of coke business and corporate exercises expenses which in total amounted to approximately RM4 million during the third quarter ended 30 September 2022, as explained above in Note B1.

After taking into consideration of other income and operating expenses, the Group registered a loss for the period of approximately RM3.6 million in the current quarter under review compared to a profit for the period of approximately RM6.1 million in the immediate preceding quarter.

B3. Current year prospects

Following the disposal of the Group's discontinued operations (i.e. the massively loss-making metallurgical coke business) in the second quarter of the year, the Group has been able to focused all of its efforts and resources in developing and growing its core digital transformation & technology businesses. These businesses are as follows:

Smart City

The Group continues to soldier ahead and engage with all the local government agencies and municipal councils of all the states in Malaysia to introduce its own developed Smart City Platform ("SCP"). This SCP enables the government agencies or local authorities to engage with the community intelligently via a mobile app. There are already several cities in Malaysia earmarked to be developed as a smart city which include Iskandar Malaysia in Johor, Georgetown in Penang and Mukah in Sarawak. Iskandar Regional Development Authority also intends to develop Iskandar Malaysia as a smart city by 2025. As such, the potential prospect for this business segment is expected to be enormous.

Agritech

Vertical farming in the agriculture sector is one of the key GDP contributors to the country and the aquaculture industry is expected to grow vigorously. The Group has recently ventured into the aquaculture industry by inking a partnership agreement for the joint development and commercialisation of a Smart Integrated Aquaculture Platform for sustainable aquafarming in Malaysia which will revolutionise the aquafarming industry and further promote sustainable farming practices in Malaysia. Through such efforts, the Group is aspired to be the leader in revolutionise the agriculture and aquaculture industries in the near future.

Electrical Mobility

The Group continues its presence in the electrical mobility segment by tapping on to the potential exponential growth of the Electric Vehicle Market, as it continues to play a strategic role in the electric mobility space and remain as a partner and sole representative of E-Rex to develop markets in ASEAN region and on “project to project” basis in other countries of Asia under its Smart Mobility business segment.

Energy Storage

Following the termination of the Group’s proposal of disposing its subsidiaries, namely HK Aerospace Beidou New Energy Technology Co., Ltd (“HKAB”) via a reverse takeover (“RTO”) exercise of Chaswood Resources Holdings Ltd, a company listed on the Catalist Board of Singapore Exchange Securities Trading Limited (“Proposed Disposal”) due to the inadvertent delay in completing the relevant due diligence and corporate restructuring exercises of HKAB in connection with the RTO, the Group has re-assessed the potential value of HKAB and would not rule out the possibility of relisting such highly potential business via Initial Public Offering (“IPO”) when the timing is right in the future.

Communication and Security Solutions

The Group will continue to tap on the technology development and maintenance contract to design and deliver an analytics-enabled public safety and security command system as a springboard for the Group to pursue and secure other opportunities in the communication and security space, both from the public as well as the private sector in the near future.

Technology driven food and beverage

As the living standards and disposable income of the population continues to improve, especially for urban households, it is expected to continue contributing to the growth of the food & beverage market in Malaysia. Specifically, annual expenditure in restaurants rose from RM34.8 billion in 2015 to an estimated RM41.1 billion in 2020, registering a CAGR of 1.1%. Similarly, according to the independent market researcher, Providence Strategic Partners Sdn Bhd, it forecasts the food & beverage market in China to recover after the Covid 19 pandemic and reach RMB4.9 trillion by 2023, registering a CAGR of 8.1% between 2021 and 2023. The Group is therefore, expected to ride on such growth for the technology driven food and beverage to contribute positively to the Group moving forward.

On the back of the said positive landscape and favourable prospects for the Group’s technology driven food and beverage businesses, the Group is actively eyeing on more restaurant openings once the strategic locations are identified and determined in the near future.

B4. Variation on forecast profit / Profit guarantee

The Group did not issue any profit forecast nor profit guarantee during the current financial period to date.

B5. Current year taxation

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

	Third quarter ended		Financial period ended	
	30 Sep 2022 RM'000	30 Sep 2021 RM'000	30 Sep 2022 RM'000	30 Sep 2021 RM'000
Profit/(loss) before taxation	(3,552)	(29,703)	312,397	(86,423)
Less: Profit/(loss) from discontinued operations	-	30,342	303,463	89,411
Loss from continuing operations	<u>(3,552)</u>	<u>639</u>	<u>8,934</u>	<u>2,988</u>
Taxation at statutory tax rate of 24%	(852)	153	2,144	717
Expenses not deductible for tax purposes	432	180	3,908	997
Income not subject to tax	-	(7)	(1)	(19)
Utilisation of tax losses not previously recognized	<u>500</u>	<u>(326)</u>	<u>(5,981)</u>	<u>(1,668)</u>
Taxation for the financial year	<u>80</u>	<u>-</u>	<u>70</u>	<u>27</u>

B6. Corporate proposals

On the issuance of RCN with an aggregate principal amount of up to RM150 million, there were no issuance and conversion of RCN during the current quarter ended 30 September 2022. The utilisation of proceeds raised is as follows: -

No.	Purposes	Proposed Utilisation	Actual utilised	Balance unutilised	Expected timeframe for utilisation of proceeds ⁽ⁱ⁾
		RM million	RM million	RM million	
(a)	Business expansion and working capital of TouchPoint International Sdn Bhd (“ TouchPoint ”)	27.0	7.4	19.6	Within 18 months
(b)	Business expansion and working capital of Wavetree PLT (“ Wavetree ”)	25.0	0.1	24.9	Within 18 months
(c)	Business expansion and working capital of Craveat International Sdn. Bhd. (formerly known as Bistromalones (PJ) Sdn. Bhd.), its subsidiaries and associated	40.0	35.6	4.4	Within 18 months

No.	Purposes	Proposed	Actual	Balance	Expected timeframe for utilisation of proceeds ⁽ⁱ⁾
		Utilisation	utilised	unutilised	
		RM million	RM million	RM million	
	companies (“Craveat Group”) within Malaysia				
(d)	Business expansion and working capital of Craveat Group in China	22.0	-	22.0	Within one (1) year
(e)	Working capital for TXB’s core business	26.2	21.2	5.0	Within one (1) year
(f)	Estimated expenses in relation to the TXB RCN				
	(i) Professional fees, regulatory fees, printing and advertising costs	1.6	1.0	0.6	Within one (1) month
	(ii) Upon issuance redemption and/or implementation of the TXB RCN which includes, inter-alia, the administrative fees and the annual fee	8.2	3.7	4.5	Within two (2) year
Total		150.0	69.0	81.0	

Note: -

(i) From the date of drawdown.

Subsequent to the reporting period under review, the Redeemable Convertible Notes Issuance Programme (“RCN Programme”) has expired on 11 November 2022, being thirty-six (36) months from the closing date of the first sub-tranche of Tranche 1 Notes pursuant to Clause 10.1 of the Subscription Agreement. Further thereto, the Company could not issue further Notes under the RCN Programme.

B7. Lease payable

	30 Sep 2022 RM’000	31 Dec 2021 RM’000
Secured Lease liabilities	4,195	3,534
Analysed as		
Repayable within twelve months	1,239	2,825
Repayable after twelve months	2,956	709

B8. Borrowings

	30 Sep 2022 RM'000	31 Dec 2021 RM'000
Secured Term loan	<u>1,560</u>	<u>1,560</u>
Analysed as Repayable within twelve months	<u>1,560</u>	<u>1,560</u>

B9. Material litigation

As at the date of this report, save and except for the liabilities that have already been recognised in the financial statements, the Group is not engaged in any material litigation which in the opinion of the Board of Directors will have a material effect on the financial position or the business of the Group.

B10. Dividends

No dividends had been declared in respect of the current quarter under review.

B11. Profit/(Loss) per share

(a) Basic profit/(loss) per share

The profit/(loss) per share has been calculated based on the consolidated profit/(loss) for the financial year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the current quarter.

	Third quarter ended		Financial period ended	
	30 Sep 22	30 Sep 21	30 Sep 22	30 Sep 21
Basic profit/(loss) per share				
Profit/(loss) for the period attributable to the equity holders of the Company from: (RM'000)				
- continuing operations	(3,920)	498	9,122	2,170
- discontinued operations	-	(30,342)	303,463	(89,411)
	<u>(3,920)</u>	<u>(29,844)</u>	<u>312,585</u>	<u>(87,241)</u>
Number / Weighted average number of shares in issue ('000)	<u>2,211,215</u>	<u>1,870,204</u>	<u>2,211,215</u>	<u>1,870,204</u>
Basic profit/(loss) per share (sen)				
- continuing operations	(0.18)	0.03	0.42	0.12
- discontinued operations	-	(1.63)	13.72	(4.78)
	<u>(0.18)</u>	<u>(1.60)</u>	<u>14.14</u>	<u>(4.66)</u>

(b) Diluted profit/(loss) per share

For the purpose of calculating diluted profit/(loss) per share, consolidated profit/(loss) attributable to owners of the Company, adjusted for dilutive adjustments is divided by weighted average number of ordinary shares in issue during the financial period, adjusted for the dilutive effects of all potential ordinary shares.

	Third quarter ended		Financial period ended	
	30 Sep 22	30 Sep 21	30 Sep 22	30 Sep 21
Diluted profit/(loss) per share				
Profit/(loss) for the period attributable to the equity holders of the Company from: (RM'000)				
- continuing operations	(3,920)	498	9,122	2,170
- discontinued operations	-	(30,342)	303,463	(89,411)
	<u>(3,920)</u>	<u>(29,844)</u>	<u>312,585</u>	<u>(87,241)</u>
Adjustment in respect of redeemable convertible notes (RM'000)	-	N/A	130	N/A
Profit/(loss) for the year after dilutive adjustment (RM'000)	(3,920)	(29,844)	312,455	(87,241)
Number / Weighted average number of shares in issue ('000)	2,211,215	1,870,204	2,211,215	1,870,204
Adjustment in respect of redeemable convertible notes and ESOS (RM'000)	*	*	147,000	*
Adjusted weighted average number of shares in issue ('000)	2,211,215	1,870,204	2,358,215	1,870,204
Diluted profit/(loss) per share (sen)				
- continuing operations	(0.18)	0.03	0.38	0.12
- discontinued operations	-	(1.63)	12.87	(4.78)
	<u>(0.18)</u>	<u>(1.60)</u>	<u>13.25</u>	<u>(4.66)</u>

* The potential conversion of redeemable convertible notes ("RCN") and ESOS is anti-dilutive as the conversion of the RCN and ESOS results in a reduction in diluted loss per share upon conversion.

B12. Profit/(loss) before tax

Profit/(loss) before tax is derived after charging/(crediting):

	Third quarter ended		Financial period ended	
	30 Sep 2022	30 Sep 2021	30 Sep 2022	30 Sep 2021
	RM'000	RM'000	RM'000	RM'000
Interest income	-	(8)	(5)	(29)
Other income	(231)	(319)	(382)	(2,987)
Finance cost	85	(486)	223	307
Gain on disposal of subsidiary	-	-	(301,170)	-
Depreciation of property, plant and equipment	376	6,501	1,247	25,879
Amortisation of lease payments	-	285	-	826
Depreciation of right-of-use-asset	888	788	2,414	2,572
Share of associate's results	352	-	1,008	-

By Order of the Board
Chua Siew Chuan
Secretary
25 November 2022