

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

- THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 30-Jun-24	Audited as at 31-Dec-22
	RM'000	RM'000
Non Current Assets		
Property, plant and equipment	18,160	15,917
Investment in associates	61,690	68,761
Other Investment	7	7
Other Receivables	-	-
Right of use assets	12,410	11,990
Intangible assets	49,339	70,676
Deferred tax asset	-	143
	141,606	167,494
Current Assets		
Inventories	990	1,410
Trade receivables	4,012	23,657
Other receivables, deposits and prepayments	7,131	7,755
Tax recoverable	359	404
Bank balances and cash	2,981	4,990
	15,473	38,216
Assets held for sales	-	10,000
Total Assets	157,079	215,710
Shareholders' Fund		
Share capital	58,319	1,224,219
Reserves	(272)	(1,182,190)
	58,047	42,029
Non-controlling interest	(1,399)	(192)
	56,648	41,837
Current Liabilities		
Trade payables	4,369	4,932
Other payables and accrued expenses	33,879	82,466
Amount owing to an associate	30,504	32,054
Lease liabilities	8,096	6,832
Borrowings	-	1,735
Provision for taxation	1,615	1,839
	78,463	129,858
Liabilities held for sales	-	-
	78,463	129,858
Non Current Liabilities		
Other payable	15,876	37,427
Lease liabilities	6,074	6,466
Deferred tax liabilities	18	122
	21,968	44,015
Total Equity and Liabilities	157,079	215,710
Net assets per share (RM)	0.241	0.019

NOTES:

- 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 2022

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

- THE FIGURES HAVE NOT BEEN AUDITED

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

	Sixth quarter ended		Financial period ended	
	Unaudited		Unaudited	
	Current Period 30-Jun-24 RM'000	Preceding Period - RM'000	Current Period 30-Jun-24 RM'000	Preceding Period - RM'000
Continuing Operations				
Revenue	15,320	N/A	94,603	N/A
Cost of sales	(5,493)	N/A	(34,271)	N/A
Gross profit	9,827	N/A	60,332	N/A
Other income	19	N/A	3,314	N/A
Operating expenses	(28,078)	N/A	(77,662)	N/A
Finance cost	(198)	N/A	(1,148)	N/A
	(28,257)	N/A	(75,496)	N/A
Share of results in associate company	(452)	N/A	(2,933)	N/A
Profit before tax from continuing operations	(18,882)	N/A	(18,097)	N/A
Taxation	(107)	N/A	(564)	N/A
Profit for the period from continuing operations	(18,989)	N/A	(18,661)	N/A
Discontinued Operations				
Profit for the period from discontinued operations	-	N/A	20	N/A
Total profit/(loss) for the period	(18,989)	N/A	(18,641)	N/A
Other comprehensive income/(expense):				
Items that will be reclassified subsequently to profit or loss:				
Exchange difference arising from translation of foreign operations	(120)	N/A	(382)	N/A
Total comprehensive (expense)/income for the period	(19,109)	N/A	(19,023)	N/A
Profit/(loss) attributable to				
Equity holders of the Company	(18,564)	N/A	(17,685)	N/A
Minority interest	(425)	N/A	(956)	N/A
	(18,989)	N/A	(18,641)	N/A
Total comprehensive (expense)/income attributable to				
Equity holders of the Company	(18,640)	N/A	(17,817)	N/A
Minority interest	(469)	N/A	(1,206)	N/A
	(19,109)	N/A	(19,023)	N/A
Profit/(loss) per share attributable to equity holders of the Company (sen)				
- basic (sen)	(0.87)	N/A	(0.83)	N/A
- fully diluted (sen)	(0.87)	N/A	(0.83)	N/A

NOTES:

- I. The financial year end has been changed from 31 December 2023 to 30 June 2024 for financial period 2023. The previous reporting financial period will be for a period of 12 months, made up from 1 January 2022 to 31 December 2022. As such, there are no comparative figures for the current eighteen months ended 30 June 2024.
- II. 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 2022

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

- THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<----- Non-distributable reserves ----->				Distributable reserve			
	Share capital RM'000	Foreign currency translation reserve RM'000	ESOS reserve RM'000	Shares Option reserve RM'000	(Accumulated losses) / Retained Profits RM'000	Sub-total RM'000	Non- controlling interest RM'000	Total RM'000
18 months ended June 30, 2024								
Balance as of January 1, 2023	1,224,219	(38)	7,812	3,920	(1,193,884)	42,029	(192)	41,837
Legal entity adjustment in accordance with FRS 3						-		-
Issue of shares:								
Conversion of RCN	-	-	-	-	-	-	-	-
Debt settlements	33,835	-	-	-	-	33,835	-	33,835
(Loss)/profit for the period	-	-	-	-	(17,686)	(17,686)	(956)	(18,642)
Other comprehensive expense								
Exchange difference arising from translation of foreign operations	-	(131)		-	-	(131)	(251)	(382)
Capital Reduction	(1,199,735)	-	-	-	1,199,735	-	-	-
Balance as of June 30, 2024	58,319	(169)	7,812	3,920	(11,835)	58,047	(1,399)	56,648

NOTES:

- I. The financial year end has been changed from 31 December 2023 to 30 June 2024 for financial period 2023. The previous reporting financial period will be for a period of 12 months, made up from 1 January 2022 to 31 December 2022. As such, there are no comparative figures for the current eighteen months ended 30 June 2024.
- II. 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 2022.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

- THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited	
	For the financial period ended	
	30-Jun-24	-
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax from continuing operations	(18,097)	N/A
Profit/(loss) before tax from discontinued operations	20	N/A
Profit/(loss) for the period	<u>(18,077)</u>	<u>-</u>
Adjustments for:		
Depreciation of property, plant and equipment	3,442	N/A
Depreciation of right of use assets	4,828	N/A
Amortisation of intangibles assets	663	N/A
Impairment of intangible asset	3,300	-
Impairment of goodwill	11,841	N/A
Gain on disposal of asset held for sale	(2,810)	N/A
Fixed assets written off	1,510	N/A
Finance costs	1,148	N/A
Share of associate's results	2,933	N/A
Operating profit/(loss) before working capital changes	8,778	-
(Increase) / Decrease in:		
Inventories	350	N/A
Trade receivables	19,645	N/A
Other receivables, deposits and prepayments	14,260	N/A
Amount due by/(to) associate	(1,550)	N/A
Increase / (Decrease) in:		
Trade payables	24	N/A
Other payables and accrued expenses	(32,581)	N/A
Cash used in operations	<u>8,926</u>	<u>-</u>
Interest paid	(973)	N/A
Tax (refund)/paid	(435)	N/A
Net cash used in operating activities	<u>7,518</u>	<u>-</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(7,928)	N/A
Acquisition of intangible assets	(111)	-
Disposal of subsidiary	(63)	N/A
Net cash used in investing activities	<u>(8,102)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Addition of lease payable	62	N/A
Repayment of lease payables	(5,748)	N/A
Net cash (used in)/generated from financing activities	<u>(5,686)</u>	<u>-</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(6,270)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	4,990	N/A
Effect of changes in exchange rates	4,261	N/A
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>2,981</u>	<u>-</u>

NOTES:

- I. The financial year end has been changed from 31 December 2023 to 30 June 2024 for financial period 2023. The previous reporting financial period will be for a period of 12 months, made up from 1 January 2022 to 31 December 2022. As such, there are no comparative figures for the current eighteen months ended 30 June 2024.
- II. The above Condensed Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

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 2022. 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 2022, 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 2023: -

Annual periods beginning on/after 1 January 2023

- 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 2024

- 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

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 2022 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, saved as disclosed below, there were no items or events that arose, which affected assets, liabilities, net income or cash flows, that are unusual by reason of their nature, size or incidence.

- I. The Capital Reduction entailed the reduction of TXB's share capital by RM1,199,734,780 resulting in the reduction of the share capital of TXB from RM1,224,219,163 to RM24,484,383 and gave rise to a credit of RM1,199,734,780.
- II. The Debt Settlement of RM33,834,500 is deemed completed with the listing of and quotation for 2,487,830,882 Settlement Shares on the Main Market of Bursa Securities on 25 April 2024.
- III. The Share Consolidation has been completed on 13 May 2024 following the listing and quotation of 235,125,043 Consolidated Shares on the Main Market of Bursa Securities.

	Share capital RM'000	(Accumulated losses) / Retained Profits RM'000
<u>18 months ended June 30, 2024</u>		
Balance as of January 1, 2023	1,224,219	(1,193,884)
Legal entity adjustment in accordance with FRS 3		
Issue of shares:		
Conversion of RCN	-	-
Debt settlements	33,835	-
(Loss)/profit for the period	-	(17,686)
Other comprehensive expense		
Exchange difference arising from translation of foreign operations	-	-
Capital Reduction	(1,199,735)	1,199,735
Balance as of June 30, 2024	<u>58,319</u>	<u>(11,835)</u>

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

	Sixth quarter ended 30 June 2024		Financial period ended 30 June 2024	
	External revenue RM'000	Profit/(Loss) before tax RM'000	External revenue RM'000	Profit/(Loss) before tax RM'000
Technology driven food and beverage	15,273	822	93,886	4,720
Technology and digital transformations enabler	47	(10,333)	717	(13,687)
Others	-	(9,371)	-	(9,130)
	<u>15,320</u>	<u>(18,882)</u>	<u>94,603</u>	<u>(18,097)</u>

NOTES:

i. The financial year end has been changed from 31 December to 30 June for financial period 2023. The previous reporting financial period will be for a period of 12 months, made up from 1 January 2022 to 31 December 2022. As such, there are no comparative figures for the current eighteen months ended 30 June 2024.

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

During the quarter under review, the Group's subsidiary, Wavetree Technologies Sdn Bhd(WT) due to a deferred payment of the purchase consideration for its acquisitions entered to a Debt Assignment Agreement on 29 May 2024 to assign and transfer its outstanding debt of RM17.3mil to the Company together with an Accounts Receivable Assignment Agreement on the same day with GIP Work Sdn Bhd(GIP) to assign and transfer all right, title and interest in the Accounts Receivable.

On 4 Jun 2024, a Debt Settlement Agreement was entered where the Company has agreed to settle of the outstanding debt, and provide a share charge in favour of GIP as security for the settlement of the Outstanding Debt of 17.3mil shall be settled in full before or on the first anniversary of the effective date of the Agreement in cash or all ordinary shares held in one of its subsidiaries.

Pursuant to the Company's obligation, on 21 June 2024 entered to a Share Charge Agreement to create a share charge in favour of GIP as security for the payment of the secured amount

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

The Group's subsidiary Touchpoint International Sdn Bhd in its best recovery efforts has on 21 June 2024 served a Letter of Demand to its largest Debtor after it was delinquent in its commitment to pay up arrears in owing. In the claims of receivables, RM10.6mil is to be utilized to settle the debt on behalf Touchpoint International Sdn Bhd to Wavetree PLT.

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

B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of performance

During the sixth quarter under review, the Group's technology driven food & beverage business continued to show strong contributing approximately RM15.3 million in revenue compared to approximately RM15.6 million during 1 March 2023 till 31 June 2023. This is due to the fact that over the same period in the preceding year, there were higher retail spending during the school holiday season by customers compared to the same period in the preceding year. In contrast, the Group's digital transformation & technology businesses adversely increased with a revenue of approximately RM0.05 million by virtue of the fact that the closure of previous project, fulfilling defects liability and to only service the existing contracts with no new addition to securing new projects in this current quarter. This is in comparison to a revenue of RM0.01 million recorded in the same quarter last year.

As a direct consequence of a decrease in revenue during the quarter under review compared to that in the preceding year, the cost of sales for the technology driven food & beverage business saw a proportionate decrease to approximately RM5.5million during this quarter compared to approximately RM5.6million recorded during 1 April 2023 till 30 June 2023. Insofar as the digital transformation & technology businesses are concerned, the attributable cost of sales thereof amounted to approximately RM0.04 million in this quarter compared to approximately RM0.2 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 RM28.1million for the current quarter under review, compared to approximately RM8.6 million incurred during 1 April 2023 till 30 Jun 2023 last year attributed to the imputed impairment loss on intangible assets & goodwill of approximately RM9.6million and investment in associate of approximately RM5.5million which accounted to approximately RM15.1million. The higher operating expenses incurred during the quarter under review was also due to once-off expenses incurred for the purpose of capital raising and corporate exercises recognised from corporate holding company.

Premised on the above, the performance of the technology driven food & beverage, and the digital transformation & technology businesses collectively had generated a non-favourable result during the quarter under review with a loss before tax of approximately RM18.9million compared to approximately RM0.7million profit recorded in the 1 April 2023 till 30 June 2023 last year.

B2. Variation of results against preceding quarter

The revenue recorded by the technology driven food & beverage business saw a marginal decrease to approximately RM15.3 million in the current quarter under review compared to RM15.4 million in the immediate preceding quarter ended 31 March 2024. This was attributed higher celebration spending in the fifth quarter compared to the sixth quarter of FY2023. The revenue from the digital transformation & technology, including the energy storage business, maintained at approximately RM0.05 million in the Sixth quarter similarly to the immediate preceding quarter at RM0.05million. This is due to absence of new projects being secured.

As a consequence of the above, the gross profit contribution from the technology-driven food & beverages business and digital transformation & technology businesses marginally decrease to approximately RM9.8 million from RM9.9 million recorded in the immediate preceding quarter ended 31 March 2024.

The operating expenses of approximately RM28.1million recorded during the quarter under review was imputed higher compared to approximately RM10.9 million recorded during the immediate preceding quarter ended 31 March 2024. The is mainly due to impairment loss on intangible assets & goodwill and investment in associate of approximately RM15.1million.

After taking into consideration of other income and operating expenses, the Group registered a loss before tax for the period of approximately RM18.9million in the current quarter under review compared to approximately RM2.4million loss during the immediate preceding quarter ended 31 March 2024 attributed to higher recognition of share of results from foreign associate company.

B3. Current year prospect

Cyber Security - Smart City, Public Safety and Security

A strategic partnership combines the expertise in digital ecosystems and energy storage with Netsec's expertise in cybersecurity solutions.

The region's diverse and expanding digital ecosystem, coupled with its unique challenges, offers immense opportunities for innovation and development in cybersecurity solutions. The strategic partnership combines the Group's expertise in digital ecosystems and energy storage with Netsec's expertise in cybersecurity solutions.

The cybersecurity landscape in Southeast Asia is estimated to grow to reach US\$4.49 billion by 2024, driven by increasing digitalisation, a surge in cyber threats, and a growing awareness of cybersecurity's importance across various sectors. The region's diverse and expanding digital ecosystem, coupled with its unique challenges, offers immense opportunities for innovation and development in cybersecurity solutions.

The Group will begin focusing its efforts in developing and promoting an integrated suite of cybersecurity solutions for these markets.

Technology driven food and beverage

The Group via Craveat International has been one of the leading operators in the F&B casual dining space for over the past 20 years. The 3 core brands comprise TGI Fridays (for the Malaysia and Beijing region), Teh Tarik Place and recently acquired Italiannies.

The relocation strategy for the TGIF brand continues as 2 key outlets will be relocated this year. Preliminary discussions are underway for the re-imaging and re-opening of TGIF at Sunway Pyramid followed by an expansion in Mid Valley Megamall during Q3 2024.

On the Teh Tarik Place brand locally, the Group is continuing to focus on product development and aggressive promotional activities as new competitors has emerged offering similar local food concepts.

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:

	Sixth quarter ended 30 June 2024 RM'000	Financial period ended 30 June 2024 RM'000
Profit/(loss) before taxation	(18,882)	(18,077)
Less: Profit/(loss) from discontinued operations	-	20
Loss / gain from continuing operations	<u>(18,882)</u>	<u>(18,097)</u>
Taxation at statutory tax rate of 24%	(4,532)	(4,343)
Expenses not deductible for tax purposes	4,806	5,667
Income not subject to tax	(167)	(779)
Utilization of tax losses not previously recognized	-	-
Under/(Over)provision of current tax in prior years	-	19
Taxation for the financial year	<u>107</u>	<u>564</u>

NOTES:

- I. The financial year end has been changed from 31 December 2023 to 30 June 2024 for financial period 2023. The previous reporting financial period will be for a period of 12 months, made up from 1 January 2022 to 31 December 2022. As such, there are no comparative figures for the current eighteen months ended 30 June 2024.

B6. Corporate proposals

The Company, announced on 3 April 2024 that the Capital Reduction completed with the reduction of the share capital of TXB from RM1,224,219,163 to RM24,484,383 and that gave a rise to a credit of RM1,199,734,780.

On 25 April 2024, the proposed settlement of an aggregate amount of RM33,834,500 debt owing to creditors by the Company via the issuance of 2,487,830,882 new ordinary shares in the Company is completed resulting in an increase of the Company's share capital to RM58,319,000 and numbers of ordinary shares to 4,702,545,618.

The proposed consolidation of every 20 existing shares into 1 ordinary share of the Company was completed on 13 May 2024. TXB's existing number of 4,702,545,618 shares was consolidated into 235,125,043 shares after disregarding the fractional entitlements pursuant to the Share Consolidation exercise.

The Company will continue to undertake the following final Proposal of the "Corporate Exercises" after the Capital Reduction, Debt Settlement and Share Consolidation.

- I. proposed renounceable rights issue of up to 251,587,641 new ordinary shares in the Company on the basis of 1 Rights Share for every 1 Consolidated Share held, together with up to 251,587,641 free detachable warrants in the Company on the basis of 1 Warrant for every 1 Rights Share subscribed for by the entitled shareholders of the Company on an entitlement date to be determined later.

B7. Lease payable

	30 June 2024	31 Dec 2022
	RM'000	RM'000
Secured Lease liabilities	14,170	13,298
Analysed as		
Repayable within twelve months	8,096	6,832
Repayable after twelve months	6,074	6,466

B8. Borrowings

	30 June 2024	31 Dec 2022
	RM'000	RM'000
Secured Term loan	-	1,735
Analysed as Repayable within twelve months	-	1,735

B9. Material litigation

Saraleana Nattaya Binti Azmi (“the Vendor”) vs Techna-X Berhad (“the Company”)

Pursuant to the Share Purchase Agreement ("SPA") dated 10 February 2021, the Vendor has commenced a suit against the Company for an alleged non-payment of part of the purchase consideration. As at the date of this report, the Court on 23 August 2024 case management has given the following directions;

1. The date of filing and exchange of witness statements shall remain the same, that being 30.08.2024;
2. The Company to file the summary of the Company's case by 23 August 2024;
3. The Vendor and Company may file further bundle of documents; and
4. The Vendor to serve the Company the hard copies of the Amended Statement of Claim and Reply to Defence by 23 August 2023.

The trial has been fixed on 4, 5 and 6 September 2024.

Government of Malaysia (“GoM”) v Touchpoint International Sdn Bhd, Ng Chee Seng and Amirrudin Bin Yahaya (collectively as “Defendants”)

The GoM filed an application judgement against the Defendants for non-payment of service tax amounting to RM449,044.82, penalty of RM179,617.90 and interest of 5% per annum on the above sum until the date of full settlement.

On 20 March 2024, the court has granted an Order in Terms for GoM's application for summary judgement with cost of RM3,000.00 to be paid by the Defendants to GoM.

Save for the above and except for the liabilities that have already been recognized 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.

	Sixth quarter ended 30 June 2024	Financial period ended 30 June 2024
Basic profit/(loss) per share		
Profit/(loss) for the period attributable to the equity holders of the Company from: (RM'000)		
- continuing operations	(18,564)	(17,705)
- discontinued operations	-	20
	<u>(18,564)</u>	<u>(17,685)</u>
Number / Weighted average number of shares in issue ('000)	<u>2,132,973</u>	<u>2,132,973</u>
Basic profit/(loss) per share (sen)		
- continuing operations	(0.87)	(0.83)
- discontinued operations	-	0.00
	<u>(0.87)</u>	<u>(0.83)</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.

	Sixth quarter ended 30 June 2024	Financial period ended 30 June 2024
Diluted profit/(loss) per share		
Profit/(loss) for the period attributable to the equity holders of the Company from: (RM'000)		
- continuing operations	(18,564)	(17,705)
- discontinued operations	-	20
	<u>(18,564)</u>	<u>(17,685)</u>
Adjustment in respect of RCN (RM'000)	N/A	N/A
Profit/(loss) for the year after dilutive adjustment (RM'000)	(33,699)	(32,840)
Number / Weighted average number of shares in issue ('000)	2,132,973	2,132,973
Adjustment in respect of RCN and ESOS (RM'000)	N/A	N/A
Adjusted weighted average number of shares in issue ('000)	2,132,973	2,132,973
Diluted profit/(loss) per share (sen)		
- continuing operations	(0.87)	(0.83)
- discontinued operations	-	0.00
	<u>(0.87)</u>	<u>(0.83)</u>

NOTES:

I. The financial year end has been changed from 31 December 2023 to 30 June 2024 for financial period 2023. The previous reporting financial period will be for a period of 12 months, made up from 1 January 2022 to 31 December 2022. As such, there are no comparative figures for the current eighteen months ended 30 June 2024.

B12. Profit/(loss) before tax

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

	Sixth quarter ended 30 June 2024	Financial period ended 30 June 2024
	RM'000	RM'000
Other income	(19)	(3,314)
Finance cost	198	1,148
Gain on disposal of subsidiary/ indirect holding subsidiaries	-	(2,810)
Depreciation of property, plant and equipment	320	3,442
Depreciation of right-of-use-asset	1,576	4,828
Impairment of goodwill	6,329	6,329
Fixed assets written off	992	1,510
Share of associate's results	452	2,933
Impairment of intangible asset	3,300	3,300
Impairment of investment in associate	5,512	5,512

NOTES:

- I. The financial year end has been changed from 31 December 2023 to 30 June 2024 for financial period 2023. The previous reporting financial period will be for a period of 12 months, made up from 1 January 2022 to 31 December 2022. As such, there are no comparative figures for the current eighteen months ended 30 June 2024.

By Order of the Board
Chua Siew Chuan
Secretary
30 August 2024