



AURELIUS TECHNOLOGIES BERHAD
(Company Registration No. 202101005015 (1405314-D))
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE
FIRST (1st) QUARTER ENDED 30 APRIL 2022
FINANCIAL YEAR ENDING 31 JANUARY 2023**

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

	1st Quarter Ended		Cumulative Quarter Ended	
	30 April 2022 (a)	30 April 2021 (b)	30 April 2022 (a)	30 April 2021 (b)
	RM	RM	RM	RM
Revenue	100,714,436	N/A	100,714,436	N/A
Cost of sales	(93,178,396)	N/A	(93,178,396)	N/A
Gross Profit	7,536,040	N/A	7,536,040	N/A
Other Income	235,671	N/A	235,671	N/A
Administrative expenses	(2,683,794)	N/A	(2,683,794)	N/A
Selling and distribution expenses	(68,269)	N/A	(68,269)	N/A
Operating profit	5,019,648	N/A	5,019,648	N/A
Finance costs	(638,480)	N/A	(638,480)	N/A
Profit before tax	4,381,168	N/A	4,381,168	N/A
Taxation	634,000	N/A	634,000	N/A
Profit for the financial period	5,015,168	N/A	5,015,168	N/A
Total other comprehensive Income, net of tax: Items that will not be reclassified subsequently to profit or loss:				
Transfer of revaluation surplus to retained profits	46,880	N/A	46,880	N/A
Realisation of revaluation surplus upon depreciation	(46,880)	N/A	(46,880)	N/A
Net Profit/ Total comprehensive income for the financial period attributable to :				
Owner of the Company	5,015,168	N/A	5,015,168	N/A
	5,015,168	N/A	5,015,168	N/A
Earnings Per Share attributable to Owners of the Company				
Basic EPS (sen)	(c) 1.40	N/A	1.40	N/A

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (*cont'd*)

Notes:

N/A: Not applicable

(a) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 November 2021 and the interim notes attached to these interim financial statements.

(b) No comparative figures for the preceding quarter and preceding period are available as this is the third interim report announced by the Company in compliance with the Main Market Listing Requirement of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Main LR").

(c) Basic earnings per share ("EPS") is calculated based on profit attributable to owners of the Company divided by the number of ordinary shares of 358,180,000 as disclosed in B13.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Unaudited</u> As at 30 April 2022 (a) RM	<u>Audited</u> As at 31 January 2022 RM
ASSETS		
Non-current asset		
Property, plant and equipment	84,327,426	83,962,896
Current assets		
Inventories	110,565,973	133,500,019
Trade receivables	82,540,165	90,580,658
Other receivables, deposits and prepayments	4,292,650	2,520,959
Contract assets	26,834,155	23,510,090
Current tax asset	174,884	938,223
Other Investments	43,172,902	-
Fixed deposits with licensed banks	6,657,788	41,707,008
Cash and bank balances	23,188,109	34,632,313
	<u>297,426,625</u>	<u>327,389,270</u>
TOTAL ASSETS	<u>381,754,051</u>	<u>411,352,166</u>
EQUITY & LIABILITIES		
Share capital	182,946,490	182,946,490
Merger deficit	(38,486,932)	(38,486,932)
Revaluation reserve	6,328,821	6,375,701
Retained profits	55,644,975	50,582,927
Total equity	<u>206,433,354</u>	<u>201,418,186</u>
Non-current liabilities		
Borrowings	22,626,438	15,862,145
Deferred tax liabilities	6,880,000	7,881,000
	<u>29,506,438</u>	<u>23,743,145</u>
Current liabilities		
Trade payables	49,127,147	75,496,126
Other payables & accruals	4,902,200	12,175,791
Amount owing to director	49,000	-
Borrowings	91,586,912	98,471,918
Provision of taxation	149,000	47,000
	<u>145,814,259</u>	<u>186,190,835</u>
Total Liabilities	<u>175,320,697</u>	<u>209,933,980</u>
TOTAL EQUITY AND LIABILITIES	<u>381,754,051</u>	<u>411,352,166</u>
Net Assets per share attributable to owner of the Company (RM) (b)	0.58	0.56

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (*cont'd*)

Notes:-

N/A: Not applicable.

(a) The condensed consolidated statement of financial position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 January 2022 and the accompanying explanatory notes attached to this interim financial report.

(b) For financial year ended 2022 was computed based on total equity divided by the number of ordinary shares outstanding of 358,180,000 shares.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Cumulative Quarter ended	
	30 April 2022 (a)	30 April 2021 (b)
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,381,168	N/A
Adjustments for:		
Depreciation of property, plant & equipment	1,757,032	N/A
Fair Value gain/loss on short term investment	(59,456)	N/A
Interest expense	601,255	N/A
Interest income	(155,718)	N/A
Unrealised loss on foreign exchange	448,155	N/A
Operating profit before working capital changes	<u>6,972,436</u>	<u>N/A</u>
Changes in working capital:		
Inventories	22,934,047	N/A
Receivables	10,077,954	N/A
Contract asset	(3,324,064)	N/A
Payables	<u>(35,258,163)</u>	<u>N/A</u>
Net cash flows generated from operations	1,402,210	N/A
Interest paid	(601,255)	N/A
Income tax paid	<u>(441,300)</u>	<u>N/A</u>
Net cash flows generated from operating activities	359,655	N/A
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(2,121,562)	N/A
Interest received	155,718	N/A
Investment in others	(43,113,446)	N/A
Placement of fixed deposits pledged with licensed bank	(477,198)	N/A
Uplift of fixed deposits with licensed bank	<u>30,523,755</u>	<u>N/A</u>
Net cash used in investing activities	(15,032,733)	N/A
CASH FLOW FROM FINANCING ACTIVITIES		
Net change in bankers acceptances and OFCL	(5,548,351)	N/A
Repayment of finance lease liabilities	(60,709)	N/A
Funding from term loans	8,862,317	N/A
Repayment of term loans	(491,514)	N/A
Net change in revolving credit	<u>(5,000,000)</u>	<u>N/A</u>
Net cash generated from financing activities	(2,238,256)	N/A
NET INCREASE IN CASH AND CASH EQUIVALENTS	(16,911,334)	N/A
Effect of changes in foreign exchange rate	464,468	N/A
CASH & CASH EQUIVALENTS AT BEGINNING	<u>39,634,975</u>	<u>N/A</u>
CASH & CASH EQUIVALENTS AT END	<u>23,188,109</u>	<u>N/A</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(cont'd)

	Cumulative Quarter ended	
	30 April 2022 (a)	30 April 2021 (b)
	RM	RM
Cash and cash equivalents included in the consolidated statement of cash flows comprise the following balance sheet amounts:		
Fixed deposits with licensed banks	6,657,788	N/A
Cash and bank balances	<u>23,188,109</u>	<u>N/A</u>
	29,845,897	N/A
Less: Fixed deposits pledged with licensed banks	<u>(6,657,788)</u>	<u>N/A</u>
CASH & CASH EQUIVALENTS AT END	<u>23,188,109</u>	<u>N/A</u>

Notes:

N/A: Not applicable

(a) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 November 2021 and the interim notes attached to these interim financial statements.

(b) No comparative figures for the preceding year corresponding quarter is available as this is the third interim report on the consolidated results for the first quarter ended 30 April 2022 being announced by the Company in compliance with the Main LR of Bursa Securities.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 APRIL 2022 (a)**

	← Attributable to Owners of the Company →				Total Equity RM
	Non-distributable Share Capital RM	Merger deficit RM	Distributable Revaluation Reserve RM	Retained Profit RM	
Balance as at 1 February 2022	182,946,490	(38,486,932)	6,375,701	50,582,927	201,418,186
Profit after taxation	-	-	-	5,015,168	5,015,168
Other comprehensive income/(loss)	-	-	(46,880)	46,880	-
As 30 April 2022	182,946,490	(38,486,932)	6,328,821	55,644,975	206,433,354

Notes:

(a) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 November 2021 and the interim notes attached to these interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2022

A1. Basis of Preparation

The interim financial report of Aurelius Technologies Berhad (“ATech”, “Company”) and its subsidiary (collectively, “the Group”) are 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 and Appendix 9B of the Main Market Listing Requirement of Bursa Securities.

This is the third interim financial report announced by the Company in compliance with the Main LR of Bursa Securities and as such, there are no comparative figures for the preceding year’s corresponding quarter and period.

The accounting policies and methods of computation adopted by the Group in this unaudited condensed consolidated interim financial report are consistent with those adopted in the audited financial statements of the Group for the year ending 31 January 2022. The interim financial report should be read in conjunction with the Combined Financial Information and Accountants’ Report as disclosed in the Prospectus of the Company dated 29 November 2021 and audited financial statements of the Group for the year ending 31 January 2022.

The interim financial report is prepared on the basis that the Group has been in existence since 09 February 2021. For the purpose of preparing the interim financial report, the Group adopted the consolidated accounting method of which the Company incorporates the assets and liabilities of its sole subsidiary, BCM Electronics Corporation Sdn Bhd (“BCM Electronics”) at their pre-combination carrying amount.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2022 (Cont'd)

A2. Changes in Accounting Policies

The accounting policies and presentations adopted by the Group are consistent with those adopted for the audited financial statements of the Group for the financial year ended 31 January 2022 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 1 June 2020

Amendment to MFRS 16 Leases: Covid-19 - Related Rent Concession

Effective for annual periods beginning on or after 1 January 2021

Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases: Interest Rate Benchmark Reform – Phase 2

Initial application for the above standards did not have any material impact to the financial statements of the Group upon adoption.

Standards Issued But Not Yet Effective

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the Group and for the Company:

Effective for annual periods beginning on or after 1 April 2021

Amendment to MFRS 16 Leases: Covid-19 – Related Rent Concessions beyond 30 June 2021

Effective for annual periods beginning on or after 1 January 2022

Amendments to MFRS 3 Business Combination: Reference to the Conceptual Framework
Amendments to MFRS 116 Property, Plant and Equipment: Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018 - 2020

Effective for annual periods beginning on or after 1 January 2023

MFRS 17 Insurance Contracts
Amendments to MFRS 4 Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 17 Insurance Contracts
Amendments to MFRS 17 Insurance Contracts: Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2022 (Cont'd)

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

Effective date yet to be confirmed

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

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

A3. Auditors' Report on Preceding Annual Financial Statements

The Company was incorporated on 09 February 2021 and its first annual audited financial statements will be for the financial period ended 31 January 2022.

The auditors' report to the members of BCM Electronics on the financial statements for the financial year ended 31 January 2022 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's revenues are typically lower in the first half of our financial year because our customers plan ahead for their requirements for the entire year and accordingly, the bulk of orders from our customers are typically received after the end of festive periods, namely the calendar new year and Chinese New Year. Invoices for the orders being delivered are issued progressively in subsequent months depending on our production processes and lead times applicable.

A5. Unusual Items

There were no unusual item affecting assets, liabilities, equity, net income or cash flows of the Group during the quarter under review.

A6. Material Changes in Estimates

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2022 (*Cont'd*)

A7. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the quarter under review.

A8. Segmental Reporting

The management determines the business segments based on the reports reviewed and used by the management for strategic decisions making and resources allocation.

No segmental analysis by business segment is prepared as the Group operates predominantly in the electronic manufacturing services (“EMS”) focusing on industrial electronic products namely, communications and internet of things (“IoT”) products, electronics devices, and semiconductor components.

Revenue segmented by products

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	30 April 2022	30 April 2021	30 April 2022	30 April 2021
	RM	RM	RM	RM
Communication and IoT products	88,203,495	N/A	88,203,495	N/A
Electronics devices	8,712,487	N/A	8,712,487	N/A
Semiconductor components	3,798,454	N/A	3,798,454	N/A
	100,714,436	N/A	100,714,436	N/A

Revenue segmented by geographical markets

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	30 April 2022	30 April 2021	30 April 2022	30 April 2021
	RM	RM	RM	RM
MALAYSIA	39,373,535	N/A	39,373,535	N/A
AMERICAS	43,272,731	N/A	43,272,731	N/A
ASIA PACIFIC (excluding Malaysia)	6,818,219	N/A	6,818,219	N/A
EUROPE	11,249,951	N/A	11,249,951	N/A
	100,714,436	N/A	100,714,436	N/A

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2022 (*Cont'd*)

A9. Dividend Paid

There were no dividend paid during the current quarter under review.

A10. Property, Plant and Equipment

The Group did not carry out any valuation of its property, plant and equipment in the current quarter under review.

A11. Capital Commitments

	Unaudited As at 30 April 2022 RM	Audited As at 31 January 2022 RM
Contracted but not provided for:		
- Property, plant and equipment	10,219,981	1,387,262
Approved but not provided for:		
- Property, plant and equipment	43,343,929	53,542,600
	53,563,910	54,929,862

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the quarter under review.

A13. Contingent Liabilities and Contingent Assets

There were no material contingent liability or contingent asset to be disclosed as at the date of this report.

A14. Significant Related Party Transactions

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

A15. Material Events Subsequent to the End of the Quarter

No material event subsequent to the end of the current quarter and financial year-to-date that have not been reflected in this interim financial report.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

B1. Review of performance

Results for current quarter and financial year-to-date

For the current quarter ended 30 April 2022 under review, the Group recorded a revenue of RM100.7 million, of which RM88.2 million and RM8.7 million or 87.6% and 8.7% was derived from communication and IoT products, and electronics devices while the semiconductor components contributed the remaining RM3.8 million or 3.7%.

The Group recorded a profit before taxation of RM4.4 million for the current quarter under review after incurring finance cost of RM0.6 million, loss in forex exchange of RM0.5 million and RM2.7 million of other administrative, selling and distribution expenses.

This is the third interim financial report announced by the Company in compliance with the listing requirement. As such, no comparative figures are presented for the preceding year's corresponding quarter. Notwithstanding this, please refer to the Company's Prospectus dated 29 November 2021 for further information on the Group's financial results for the past financial years.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (*cont'd*)

B2. Comparison with Immediate Preceding Quarter's Results

	Unaudited		Variance %
	Individual Quarter Ended		
	30 April 2022 RM	31 January 2022 RM	
Revenue	100,714,436	106,606,799	(5.53)
Gross profit	7,536,040	10,537,823	(28.49)
Profit before tax	4,381,168	4,508,669	(2.83)

The Group recorded a revenue and profit before tax of RM100.7 million and RM4.4 million respectively for the current quarter, as compared to the revenue and profit before tax of RM106.6 million and RM4.5 million respectively for the immediate preceding quarter.

The revenue for Q1 was lower than the preceding quarter mainly due to seasonal order fluctuations as disclosed in Note A4. The global shortages of semiconductors components supply for Communication and IoT products was also another factor for the lower revenue.

The lower gross profit & profit before tax was weighed down by lower margin product mix in the Communication and IoT products.

B3. Prospects for the Group for the financial year ending 31 January 2023

The Group's future plans and strategies are as follows:

(i) Expansion of semiconductor component manufacturing

We have purchased one (1) SMT line during the quarter one.

(ii) Expansion of our production facilities

- (a) We received the Certificate of Construction Completion on the 28 March 2022 for the factory extension. This expansion will provide us additional 53,667 sqft of production space.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (*cont'd*)

The challenges of the Group for financial year 2023 are dependent upon, among others, the recovery from the ongoing Covid-19 pandemic and other factors such as global semiconductors components shortage, labour supply shortage, minimum wages hike, ongoing Ukraine-Russia conflict, higher utility prices, increasing inflationary pressures and political instability. However, having secured an order book of approximately RM504 million at the beginning of May 2022 and by continuing its effort to continuously build on its customer relationship, improving its production quality, efficiency, technical capability, and capacity will better prepare the Group in facing these challenges. Barring any unforeseen circumstances, we are cautiously optimistic about the Group's performance for the financial year ending 31 January 2023.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES *(cont'd)*

B4. Profit before tax

	Current quarter ended		Cumulative quarter ended	
	30 April 2022	30 April 2021	30 April 2022	30 April 2021
	RM	RM	RM	RM
This includes the following items of Income/ (expense):				
Depreciation of property, plant and equipment	1,757,032	N/A	1,757,032	N/A
Employee benefits expense	10,458,229	N/A	10,458,229	N/A
Expenses relating to lease of low value assets	5,830	N/A	5,830	N/A
Expenses relating to short-term leases	39,179	N/A	39,179	N/A
Interest expenses on:				
- Finance lease Liabilities	1,262	N/A	1,262	N/A
- Term loan	211,375	N/A	211,375	N/A
- Bankers acceptances and OFCL	375,550	N/A	375,550	N/A
- Revolving credit	13,068	N/A	13,068	N/A
Loss on foreign exchange				
- Realised	97,990	N/A	97,990	N/A
- Unrealised	448,155	N/A	448,155	N/A
And crediting:				
Fair value gain on revaluation of short term investment	59,456	N/A	59,456	N/A
Interest income	155,718	N/A	155,718	N/A

There were no provision for and write off of receivables, impairment of assets and gain or loss on derivatives for the financial quarter under review.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES *(cont'd)*

B5. Income tax expense

	Current Quarter ended		Cumulative quarter ended	
	30 April 2022	30 April 2021	30 April 2022	30 April 2021
	RM	RM	RM	RM
Current period income tax	367,000	N/A	367,000	N/A
Deferred tax	(1,001,000)	N/A	(1,001,000)	N/A
	<u>(634,000)</u>	<u>N/A</u>	<u>(634,000)</u>	<u>N/A</u>

The effective tax rate of the Group for the current quarter and financial year under review was lower than the statutory tax rate. This was mainly due to the availability of reinvestment allowances.

B6. Profit forecast or Profit guarantee

The Group did not issue any profit forecast or profit guarantee in respect of any corporate proposals.

B7. Status of corporate proposals

There was no corporate proposal announced by the Company.

B8. Utilisation of proceeds from the Public Issue

The initial public offering (“IPO”) proceeds of RM104.7 million was utilised in the following manner:

Details of use	Estimated timeframe for utilisation	Proposed Utilisation	%	Fund Utilised	Balance as at 30 April 2022
		RM		RM	RM
Purchase of new machinery and equipment	within 24 months (1)	40,000,000	38.19	-	40,000,000
Repayment of bank borrowings	within 6 months (1)	29,520,000	28.19	29,520,000	-
Working capital	within 36 months (1)	28,128,600	26.86	28,128,600	-
Listing expenses	within 6 months (1)	7,085,000	6.76	7,085,000	-
Total		104,733,600	100.00	64,733,600	40,000,000

(1) From the date of listing of the Company shares.

*In the event of a surplus or deficit in the allocated amount for the estimated expenses for the Company's IPO and Listing, such variance will be adjusted to or from the proceeds allocated for working capital.

The remaining RM40.0 million IPO proceeds will be dedicatedly used for the purchases of new machinery & equipment.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (*cont'd*)

B9. Group's Borrowings and Debts Securities

The details of the Group's borrowings as at 30 April 2022 are as follows: -

	Unaudited As at 30 April 2022 RM	Audited As at 31 January 2022 RM
Short term borrowings		
Secured:		
Finance lease liabilities	64,078	112,987
Term loans	4,738,521	3,143,811
Bankers acceptances and onshore foreign currency loan(OFCL)	86,784,313	90,215,120
Revolving credit	-	5,000,000
	91,586,912	98,471,918
Long term borrowing		
Secured:		
Finance lease liabilities	-	11,800
Term loans	22,626,438	15,850,345
	22,626,438	15,862,145
Total borrowings	114,213,350	114,334,063

B10. Off Balance Sheet Financial Instruments

There is no significant off-balance sheet financial Instruments as at date of this quarterly report.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES *(cont'd)*

B11. Material Litigation

Save as disclosed below, our Group is not engaged in any material litigation, claim and/or arbitration, whether as plaintiff or defendant, which might materially and adversely affect the financial or business position of our Group:

BCM Electronics had, on 13 October 2015, filed a lawsuit against Mimos Berhad (“Mimos”) at the High Court of Malaya at Kuala Lumpur (“High Court”) to claim a sum RM1,672,789 together with the interest (“Suit”). The High Court judge had, on 6 May 2019, allowed BCM Electronics’ claim with costs amounting to RM1,694,734.75. Mimos had on 9 May 2019 filed an appeal against the decision at the Court of Appeal of Malaysia. On 3 August 2021, the Court of Appeal of Malaysia allowed the appeal filed by Mimos with cost and BCM Electronics is to return the sum of RM1,731,134.75 (including costs) to Mimos.

2 September 2021: BCM Electronics filed an application of motion for leave to the Federal Court of Malaysia (“Leave Application”).

The court deferred the hearing of the Leave Application to 16 August 2022.

Pending the hearing of the Leave Application, BCM Electronics has repaid the claim together with the interest amounting to RM1,731,135 to Mimos on 14 September 2021.

The outcome of the hearing of the Leave Application is not expected to have a material impact on our Group as the remaining inventory have been written off in the financial year ended 2019 and the additional costs amounting to RM36,400.00 (being the difference between RM1,731,134.75 and RM1,694,734.75 as mentioned above) is immaterial.

B12. Dividends

No dividend has been declared or recommended by the Board of Directors of the Company during the financial period under review.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 APRIL 2022

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES (*cont'd*)

B13. Earning Per Shares (“EPS”)

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

The calculation of earnings per ordinary share as at 30 April 2022, was based on the profit attributable to ordinary shareholders and a number of ordinary shares outstanding was calculated as follows:

	Unaudited Individual quarter ended		Unaudited Cumulative quarter ended	
	30 April 2022	30 April 2021	30 April 2022	30 April 2021
Profit attributable to ordinary equity owners of the Company (RM)	5,015,168	N/A	5,015,168	N/A
Earnings per ordinary share attributable to owners of the Company				
Number of ordinary shares	358,180,000	N/A	358,180,000	N/A
Earnings per ordinary share (sen)	1.40	N/A	1.40	N/A

B14. Fair value of financial liabilities

There was no gain or loss arising from fair value changes of financial liabilities for the current quarter and financial period under review as the Group did not have any financial liabilities measured at fair value.