

TWL HOLDINGS BERHAD
199401039944 (325631- V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2022

(The figures have not been audited)

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		3 MONTHS ENDED 30/09/22	3 MONTHS ENDED 30/09/21	3 MONTHS CUMULATIVE TO DATE 30/09/22	3 MONTHS PRECEDING YEAR TO DATE 30/09/21
		RM'000	RM'000	RM'000	RM'000
Revenue	A8	3,107	2,369	3,107	2,369
Cost of sales		(1,972)	(2,192)	(1,972)	(2,192)
Gross profit/(loss) from operation		1,135	177	1,135	177
Other income		48	265	48	265
Depreciation of Property, Plant and Equipmnt		(173)	(152)	(173)	(152)
Administrative expenses		(680)	(563)	(680)	(563)
Profit/ (Loss) from operation		330	(273)	330	(273)
Finance costs		(151)	(48)	(151)	(48)
Share-based payments (ESOS)		-	-	-	-
(Loss)/profit before tax		179	(321)	179	(321)
Taxation	B5	-	-	-	-
(Loss)/profit after tax		179	(321)	179	(321)
(Loss)/profit for the period		179	(321)	179	(321)
Other comprehensive income		-	-	-	-
Total comprehensive (loss)/income for the period		179	(321)	179	(321)
Total comprehensive (loss)/income					
Attributable to :					
Owners of the parent		179	(321)	179	(321)
		<u>179</u>	<u>(321)</u>	<u>179</u>	<u>(321)</u>
(Loss)/earnings per share (sen)					
Basic	B14	0.01	(0.01)	0.01	(0.01)

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE QUARTER ENDED 30 SEPTEMBER 2022

	UNAUDITED AS AT 30/09/2022 RM'000	AUDITED AS AT 30/06/2022 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	2,479	2,606
Inventories	225,213	225,213
Other Investment	6,770	6,770
Right-of-use assets	84	115
	234,546	234,704
Current Assets		
Inventories	18,351	18,786
Trade receivables	3,057	13,965
Other receivables	61,873	54,987
Fixed deposit placed with Financial institutions	32,997	32,306
Cash and bank balances	56,302	40,642
	172,580	160,686
TOTAL ASSETS	407,126	395,390
EQUITY AND LIABILITIES		
Share capital	343,780	319,808
Reserves	48,163	58,322
Equity attributable to owners of the parent	391,943	378,130
Non-controlling interest	5	5
TOTAL EQUITY	391,948	378,135
Non Current Liabilities		
Borrowings	9,524	9,524
Lease Liabilities	207	183
	9,731	9,707
Current Liabilities		
Trade payables	1,424	2,641
Other payables	1,210	2,187
Amount due to Directors	618	390
Tax payable	574	581
Borrowings	1,374	1,422
Lease Liabilities	247	327
	5,447	7,548
TOTAL LIABILITIES	15,178	17,255
TOTAL EQUITY & LIABILITIES	407,126	395,390
Net assets per share (RM)	0.11	0.11

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED 30 SEPTEMBER 2022

(The figures have not been audited)

	Attributable to owners of the Company				Retained Earnings RM'000	Total Equity RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Non-distributable			Distributable				
	Share capital RM'000	Warrant Reserve RM'000	ESOS Reserve RM'000	Warrant Reserves RM'000				
Balance as at 1 July 2022	319,808	16,522	10,338	-	31,462	378,130	5	378,135
Loss for the financial period	-	-	-	-	179	179	-	179
Transactions with owners								
Issuance of shares pursuant to :								
- Exercise ESOS	23,972	-	(10,338)	-	-	13,634	-	13,634
Total transactions with owners	23,972	-	(10,338)	-	-	13,634	-	13,634
At 30 September 2022	343,780	16,522	-	-	31,641	391,943	5	391,948
At 1 July 2021	233,128	-	-	-	49,178	282,306	-	282,306
Net loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	-	(17,716)	(17,716)	-	(17,716)
Transactions with owners :								
Issuance of shares pursuant to :								
- Right Issue	27,537	16,522	-	-	-	44,059	-	44,059
- Private Placement	40,459	-	-	-	-	40,459	-	40,459
- Exercise of ESOS	18,684	-	(8,527)	-	-	10,157	-	10,157
Issuance of ESOS	-	-	18,865	-	-	18,865	-	18,865
Acquisition of subsidiary company	-	-	-	-	-	-	5	5
Total transactions with owners	86,680	16,522	10,338	-	-	113,540	5	113,545
At 30 June 2022	319,808	16,522	10,338	-	31,462	378,130	5	378,135

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED 30 SEPTEMBER 2022

(The figures have not been audited)

	2023	2022
	3 months ended	12 months ended
	30 September	30 June
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	179	(17,675)
Adjustments for:		
Depreciation of property, plant and equipment	173	638
Receivables written off	-	19
Amortisation of right-of-use assets	31	193
Interest income	(48)	(219)
Interest expenses	151	718
(Gain)/Loss on disposal of right-of-use assets	-	(49)
- Trade receivables	-	(346)
- Other receivables	-	(107)
Share based payments	-	18,866
Operating profit/(loss) before working capital changes	486	2,038
Changes in working capital :		
Inventories	434	(4,445)
Receivables	(785)	(21,646)
Payables	(1,684)	(1,202)
Cash generated from/ (used in) operations	(1,549)	(25,255)
Interest received	48	219
Interest paid	(151)	(154)
Tax paid	(2)	(2)
Net cash from/(used in) operating activities	(1,654)	(25,192)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of right-of-use assets	-	98
Acquisition of subsidiary companies	-	5
Acquisition of other investment	4,303	(6,770)
Purchase of property, plant and equipment	(47)	(429)
Placement of fixed deposit	(690)	(31,981)
Net cash (used in)/from investing activities	3,566	(39,077)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(55)	(435)
Repayment of term loans	(47)	(82)
Net changes in amount due to Directors	217	139
Proceeds from issuance of right shares	-	44,059
Proceeds from exercise of ESOS	13,633	10,157
Proceeds from private placement	-	40,459
Net cash from financing activities	13,748	94,297
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	15,660	30,028
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	40,671	10,643
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	56,331	40,671
Fixed deposits with financial institutions	32,997	32,306
Cash and bank balances	56,302	40,642
	89,299	72,948
Less : Fixed deposit pledged to banks	(277)	(277)
Fixed deposit with licensed banks with maturity more than three months	(32,691)	(32,000)
	56,331	40,671

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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A. Notes To The Interim Financial Statements

A1. Basis of Preparation

The interim financial statements are unaudited but have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (MFRS) 134: Interim Financial Reporting issued by the Malaysia Accounting Standards Board (MASB) and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial period ended 30 June 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2022.

The Auditors’ Report on the preceding financial statements for the financial year ended 30 June 2022 was not qualified.

A2. Changes in Accounting Policies

The significant accounting policies adopted during the current quarter under review are consistent with Malaysian Financial Reporting Standards.

A3. Seasonality or cyclicity of operations

The principal business operations of the Group are not materially affected by seasonal or cyclical factors.

A4. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the period ended 30 September 2022.

A5. Changes in Estimates

There were no changes in estimates that have had any material effect in the current quarter.

A6. Debt and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the period ended 30 September 2022.

A7. Dividends Paid

No dividend was paid or declared during the current financial year-to-date.

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A8. Segmental results for the financial period ended 30 September 2022 are as follows:

Cumulative to date	Plantation & Timber		Property Development and Construction		Batching Plant		Medical Healthcare		Others*		Eliminations		Consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue														
External sales	76	N/A	1,500	N/A	-	N/A	1,531	N/A	-	N/A	-	N/A	3,107	N/A
Inter-segment sales	-	N/A	-	N/A	-	N/A	-	N/A	450	N/A	(450)	N/A	-	N/A
	<u>76</u>	<u>N/A</u>	<u>1,500</u>	<u>N/A</u>	<u>-</u>	<u>N/A</u>	<u>1,531</u>	<u>N/A</u>	<u>450</u>	<u>N/A</u>	<u>(450)</u>	<u>N/A</u>	<u>3,107</u>	<u>N/A</u>
Results														
Segment results	(37)	N/A	698	N/A	(270)	N/A	138	N/A	(200)	N/A		N/A	330	N/A
Discontinued Operation													-	N/A
Loss from operations													<u>330</u>	<u>N/A</u>
Finance costs													(151)	N/A
Taxation													-	N/A
Net loss for the period													<u><u>179</u></u>	<u><u>N/A</u></u>

**Others represent investment holding & dormant companies*

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A9. Carrying Amount of Revalued Assets

There is no revaluation of assets carried out during the current quarter.

The valuations of freehold land and buildings have been brought forward without amendment from the previous annual financial statements.

A10. Material Subsequent Events

There were no material subsequent events as at 30 September 2022.

A11. Changes in the Composition of the Group

There were no changes in the composition of the group as at 30 September 2022.

A12. Changes in Contingent Assets and Contingent Liabilities

The group has no contingent assets and contingent liabilities as at 30 September 2022.

A13. Capital Commitments

There were no capital commitments as at 30 September 2022.

A14. Related Party Transactions

The group related party transactions as at 30 September 2022 are for the rental of office premises amounting to RM30,673.00.

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B. Notes Pursuant to Appendix 9B of Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of Performance

	INDIVIDUAL PERIOD 3 MONTHS			CUMULATIVE PERIOD 3 MONTHS		
	CURRENT YEAR QUARTER 30/09/2022 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2021 RM'000	CHANGES AMOUNT (%)	CURRENT YEAR TO-DATE 30/09/2022 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2021 RM'000	CHANGES AMOUNT (%)
Revenue	3,107	2,369	31	3,107	2,369	31
Gross profit/(loss) from operation	1,135	177	541	1,135	177	541
Profit/ (Loss) from operation	330	(273)	(221)	330	(273)	(221)
(Loss)/profit before tax	179	(321)	(156)	179	(321)	(156)
(Loss)/profit for the period	179	(321)	(156)	179	(321)	(156)
Total comprehensive (loss)/income attributable to						
Equity holders of the company	179	(321)	(156)	179	(321)	(156)

a) Current Quarter vs Previous Year Corresponding Quarter

The Group posted operating revenue of RM3.107 million in current period quarter from trading of gloves and rubber woods and construction works. The Group recorded a profit before tax for the current period of RM0.179 million mainly due to lower administration expenses.

Performance of the respective operating business segments for the first quarter ended 30 September 2022 is analyzed as follows:

- Plantation & Timber-The division recorded a loss of RM0.037 million before tax due to administration expenses.
- Batching Plant-The division recorded a loss of RM0.270 million before tax mainly due to depreciation of property, plant and equipment and administration expenses.
- Property Development & Construction-The division recorded a profit of RM0.698 million before tax mainly due to higher margin from construction works and lower administration expenses.
- Medical Healthcare-The division recorded a profit of RM0.138 million before tax mainly due to lower administration expenses.
- Others-The division recorded a loss before tax of RM0.200 million mainly attributed by administration expenses.

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B1. Review of Performance (continued)

b) Current Year-to-date vs Previous Year-to date

Performance of the respective operating business segments for the first quarter ended 30 September 2022 is analyzed as follows:

- Plantation & Timber-The division recorded a loss of RM0.037 million before tax due to administration expenses.
- Batching Plant-The division recorded a loss of RM0.270 million before tax mainly due to depreciation of property, plant and equipment and administration expenses.
- Property Development & Construction-The division recorded a profit of RM0.698 million before tax mainly due to higher margin from construction works and lower administration expenses.
- Medical Healthcare-The division recorded a profit of RM0.138 million before tax mainly due to lower administration expenses.
- Others-The division recorded a loss before tax of RM0.200 million mainly attributed by administration expenses.

B2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter

The Group's revenue of RM3.107 million for the current financial period mainly derived from trading of gloves and rubber woods and construction works.

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B3. Current Year Prospects

Property market in Malaysia

Property market activity recorded better performance in first half of 2022 (H1 2022) with more than 188,000 transactions recorded worth RM84.40 billion, showing an increase of more than 30% in volume and value compared to the same period last year, as all property sectors recorded year-on-year growth.

Residential property sector recorded 116,178 transactions worth RM45.62 billion in the review period, increased by 26.3% in volume and 32.2% in value year-on-year. The four major states namely Pulau Pinang, WP Kuala Lumpur, Johor and Selangor formed about 47% of the total national residential volume.

Commercial property segment recorded 15,169 transactions worth RM14.02 billion recorded, up by 45.4% in volume and 28.3% in value compared to the same period last year. Selangor contributed the highest volume and value to the national market share, with 26.5% in volume (4,025 transactions) and 33.5% in value (RM4.70 billion).

Residential new launches has softened with more than 10,000 units of newly launched recorded, down by 66.7% against 31,687 units (revised) in H1 2021. Against H2 2021, the new launches were lower by 13.3% (H2 2021: 12,173 units). Sales performance for new launches recorded at 20.3%, slightly lower compared to H1 2021 (revised 20.6%) and H2 2021 (28.1%).

The overhang situation improved amidst market recovery. A total of 34,092 overhang units worth RM21.73 billion was recorded, down by 7.5% and 4.6% in volume and value respectively against H2 2021. Most of the overhang is in Johor with 6,040 units worth RM4.73 billion. Likewise, the unsold under construction residential units saw a decrease of 11.1% to 62,404 units compared to H2 2021 (70,231 units).

The property market performance recorded a rebound in the H1 2022, a reflective of normalizing economic activity as the country moved towards endemicity. With the positive projection on economic growth by Bank Negara Malaysia, expected between 5.3% to 6.3% in 2022, supported by the implementation of various government initiatives and assistance, the property market performance is expected to be on track.

(Source: Malaysia Property Market Report First Half 2022, Valuation and Property Services Department, Ministry of Finance Malaysia)

Construction industry in Malaysia

The value of work done in the second quarter 2022 rebounded 6.1% (Q1 2022: -6.1%) year-on-year basis, amounting to RM29.9 billion (Q1 2022: RM29.5 billion). Meanwhile, a quarter-on-quarter comparison showed the value of work done increased 1.6% in the second quarter 2022.

The increase of construction sector for the second quarter of 2022 was contributed by Non-residential buildings (18.1%), Special trades activities (11.9 %) and Residential buildings (7.9%). Meanwhile, Civil engineering subsector contracted at 4.4% (Q1 2022: -15.5%).

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B3. Current Year Prospects (continued)

Non-residential buildings and civil engineering subsectors recorded positive growth in a quarter-on-quarter comparison of 4.8% and 6.0% respectively. In contrast, the Special trade activities and Residential buildings subsectors contracted to 0.5% and 3.7% respectively.

The Department of Statistics Malaysia also reports that in the second quarter of 2022, the civil engineering subsector remained dominant as the main contributor to the value of work done with 36.6% share. Besides that, Non-residential buildings subsector contributed 31.4% while Residential buildings and Special trades activities contributed 23.0% and 9.0% respectively.

The report also stated that the private sector grew 14.8% with 58.1% share of total value of work done (RM17.4 billion) as compared to the public sector which contracted to 4.0% (Q1 2022: -17.6%) with 41.9% share of total value of work done (RM12.5 billion).

(Source: Quarterly Construction Statistics, Second Quarter 2022, Department of Statistics Malaysia)

The construction sector contracted by 2.1% in the first half of 2022, mainly due to lower construction activities in civil engineering and residential buildings subsectors. In contrast, non-residential buildings and specialised construction activities subsectors registered a growth during the same period, in line with expansion in business activities, albeit rising prices of construction-related materials. The sector is expected to turn around in the second half with an expansion rate of 6.9%, supported by positive growth in all subsectors. Improvement in private investment and robust domestic economic activities are anticipated to increase demand for more industrial buildings. In addition, the acceleration of major infrastructure projects will continue to drive the sector's performance.

The construction sector is forecast to expand by 4.7% in 2023 following a better performance in all subsectors. Civil engineering subsector is anticipated to rebound buoyed by implementation of new projects such as Mass Rapid Transit Line 3 (“**MRT3**”) Circle Line and acceleration of ongoing infrastructure projects which include, Rapid Transit System (“**RTS**”) Link, East Coast Rail Link (“**ECRL**”) and Light Rail Transit Line 3 (“**LRT3**”).

In addition, the approved investment projects in the manufacturing sector are anticipated to come onstream and subsequently creating a greater demand for industrial buildings. Hence, the non-residential buildings subsector is projected to expand further. Meanwhile, the residential buildings subsector is expected to grow steadily supported by more construction of affordable houses, in line with the strategy under the 12th Malaysia Plan (“**12MP**”). In addition, incentive offered by the Government to encourage home ownership through the i-MILIKI programme is expected to spur demand for residential buildings while addressing the property overhang issue.

(Source: Economic Outlook 2023, Ministry of Finance Malaysia, 7 October 2022)

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B3. Current Year Prospects (continued)

During the financial under review, the Group is mindful of the headwinds that surround the local property market scene. The Group exercised greater prudence in its products planning and continuously monitored and strategized its project launches and project planning to achieve the best match of its products to meet customer's needs and affordability levels in various locations whilst balancing profit and prudence to create higher value to its stakeholders. While the demand in properties is currently low, the Group has a number projects currently in plan. These developments are in the process of securing necessary development approvals ready to be launched when the property market recovers.

The Group has the following on-going projects:-

Development

- (1) A residential development project comprising 600 stylish modern concept of condominium units at Seri Kembangan where the surrounding area would consist of schools, university colleges, residential properties, supermarkets and a shopping mall. There would also be several bus services and a KTM commuter train station serving the area.
- (2) Telaris Alam Impian Project– This is a joint development project to be undertaken by the Group comprising 224 units of double-storey link house. Telaris Alam Impian is nestled in the locale of Alam Impian, a mature township complete with amenities to sustain the daily need of its population. Five educational institutes cover the age range from children to adults, one them being a prestigious international school. Hypermarkets and shopping centers sprout in close proximity. Professional healthcare is around the corner at the various medical centers. Telaris Alam Impian has everything covered
- (3) A residential Development comprising 300 units of condominium at Bukit Serdang with a full range of securities and facilities for the enjoyment of all residents with the combination of swimming pool, children's wading pool, playground, gymnasium, jogging trail, reflexology path and etc.
- (4) A joint-development project for the development of 1,000 units of affordable housing units on freehold lands held under Lot No. 1866 and Lot No. 1867, Off Jalan Sungei Kandis, Shah Alam with a total area of approximately 9 acres in Shah Alam, Selangor Darul Ehsan.
- (5) The Aster Residence is a exclusive apartments development consists of 259 units on freehold land with an area of approximately 0.8094 hectare located at Jalan Cheras, Mukim Cheras, Daerah Hulu Langat.
- (6) A joint-development project for the development of 206 units of luxury condominium on freehold lands located in the Mukim Kuala Lumpur, Daerah Kuala Lumpur, with a total area of approximately 2 acres in Kuala Lumpur, Negeri Wilayah Persekutuan.
- (7) Sungai Buloh project is a development of 571 units of affordable apartments in Gombak Selangor.

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B3. Current Year Prospects (continued)

- (8) Taman Pinggiran USJ is another affordable housing project to be undertaken by the Group and is the development of 1,221 units of affordable housing units together with 14 units shop-offices on freehold lands with the total area of 11.38 acres in Taman Pinggiran USJ.
- (9) Noble Gardens project is a stylish living modern concept with low density residential sited on approximately 2.10 acres of prime freehold land in a popular and matured housing development in the township of Seri Kembangan.

Construction

- 1) The group had been awarded a Turnkey Contract for the sum of RM235 million for the development located in Sentul. The Sentul project comprises 1,066 units of 3 bedroom apartments, multi-level car park podium and a podium floor of residence with net floor area of 82,567 sqm and a gross floor area (including car park) of 141,830 sqm.

B4. Profit Forecast and Profit Guarantee

The Group is not involved in any arrangement whereby it provides profit guarantee(s).

B5. Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended 30/09/22 RM'000	3 months ended 30/09/21 RM'000	3 months ended 30/09/22 RM'000	3 months ended 30/09/21 RM'000
Income tax:				
- Current period	-	-	-	-
- Deferred tax liability	-	-	-	-
	-	-	-	-

B6. Sale of Unquoted Investments and/or Properties

There is no sale of unquoted investments and/or properties for the quarter ended 30 September 2022.

B7. Quoted Securities

There is no sale of quoted securities for the quarter ended 30 September 2022.

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*(Incorporated in Malaysia)***B8 Corporate Proposal**

1. On 13 January 2021, the Board of Directors of the Company (“Board”), Mercury Securities Sdn Bhd (“Mercury Securities”) announced that the Company proposes to undertake the renounceable right issue of up to 1,137,789,807 new ordinary shares in the Company (“Tiger Shares” or “Shares”)(“Right Shares”) together with up to 1,137,789,807 free detachable warrants in the Company (“Warrants D”) on the basis of 3 Right Shares together with 3 free Warrants D for every 4 existing Shares held by the entitled shareholders of the Company on an entitlement date to be determined (“Proposed Right Issue with Warrants”)

Bursa Malaysia Securities Berhad had via its letter dated 07 July 2021 had approved the following:

- a) Listing and quotation of up to 1,101,480,437 Right Shares to be issued pursuant to Proposed Rights Issue with Warrants
- b) Admission to the Official List and listing and quotation of up to 1,101,480,437 Warrants D to be issued pursuant to the Proposed Rights Issue with Warrants and
- c) Listing and quotation of up to 1,101,480,437 new Shares to be issued arising from the exercise of the Warrants D

Pursuant to the close of acceptance on 27 September 2021, the Company had received valid acceptances and excess applications for a total of 1,385,371,477 Rights Shares representing 125.77% subscription of the total number of Rights Shares available for subscription under the Rights Issue with Warrants.

The Company had announced on 11 October 2021 that the Rights Issue with Warrants has been completed following the listing and quotation of 1,101,479,634 Rights Shares and 1,101,479,634 Warrants D on the Main Market of Bursa Securities.

The utilization of proceeds from the right issue as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Intended Timeframe for Utilisation
Funding for existing property development projects	30,000	948	29,052	Within 36 months
Repayment of borrowings	11,171	782	10,389	Within 6 months
Working capital	2,067	2,067	-	Within 24 months
Estimated expenses for the Rights Issue with Warrants	821	774	47	Immediate
Total	<u>44,059</u>	<u>4,571</u>	<u>39,488</u>	

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B8 Corporate Proposal (continued)

2. On 10 January, the Board of Directors of TWL announced that TWL had entered into a shares sale agreement with Afandi Bin Amir (“Afandi”), Mohammad Ramadhan Bin Othman (“Ramadhan”) and Rising Applause Sdn Bhd (“Rising Applause”)(collectively referred to as the “Vendors”) for the proposed acquisition of 100% equity in Pembinaan Qaiser Sdn Bhd (“Qaiser”) for a total purchase consideration of RM35.0 million (“Purchase Consideration”) to be satisfy partly via cash and partly issuance of new ordinary shares in TWL. On 27 January 2022, the Board of Directors of TWL announced that the Company proposed to undertake the following proposal:-

- a) Issuance of 555,555,556 Consideration Shares to the Vendors to satisfy part of the Purchase Consideration for the Acquisition (“Proposed Issuance”) and
- b) Private placement of up to 771,036,000 new TWL Shares (“Placement Shares”), representing 30% of the existing total number of issued Shares, to independent third-party investor to be identified later and at an issue price to be determined later (“Proposed Private Placement”) to raise funds mainly to fund the construction of a high rise apartment complex building comprising 1,066 units of 3-bedroom apartments, multi-level car park podium and a podium floor of residence facilities as well as other ancillary works. (“Project”).

Bursa Securities had vide its letter dated 18 February approved the listing and quotation of:

- a) Up to 555,555,556 Consideration Shares to be issued pursuant to the Proposed Issuance as part of the Purchase Consideration for the Acquisition
- b) Up to 771,036,000 Placement Shares to be issued pursuant to the Proposed Private Placement.

The listing and quotation of 771,036,000 Placement Shares had been completed on 15 April 2022. Bursa Securities had vide its letter dated 11 August 2022 approved the Company’s application for an extension of time of 6 months until 18 February 2023 for the Company to complete the implementation of the issuance.

The utilization of proceeds from the private placement as follows:

	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance Unutilised (RM'000)
Construction cost for Sentul Project	39,519	416	39,103
PP Expenses	940	730	210
	<u>40,459</u>	<u>1,146</u>	<u>39,313</u>

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B8 Corporate Proposal (continued)

3. On 25 April 2022, the Board of Directors of TWL announced that TWL Land Sdn Bhd (formerly known as Allfit Furniture Industries Sdn Bhd (“TWL Land” or the “Purchaser”) (a wholly-owned subsidiary of TWL) had even date entered a conditional sale and purchase agreement (“SPA”) with Stellar Vantage Sdn Bhd (“Stellar Vantage” or the “Vendor”) for the proposed acquisition of a piece of vacant freehold land held under G.M 1243, Lot 117025, Tempat Kuyow, Mukim Petaling, Daerah Petaling, Negeri Selangor measuring 8,479 square meters for a purchase consideration of RM13.90 million (“Purchase Consideration”) and partly satisfied partly via cash payment of RM0.50 million (“Cash Consideration”) and partly via issuance of 166,047,088 new ordinary shares in the Company (“TWL” Shares or “Shares”) at an issue price of RM0.0807 per share (“Consideration Shares”)(“Proposed Acquisition”).

Bursa vide its letter dated 10 May 2022, approved the listing and quotation of 166,047,088 Consideration Shares to be issued pursuant to the Proposed Acquisition.

4. On 16 August 2022, the Board of Directors of TWL, announced that the Company proposes to undertake a renounceable rights issue of up to RM120.199 million nominal value of 4,006,633,348 5 year redeemable convertible unsecured loan stocks in the Company (“RCULS” at 100% of its nominal value of RM0.03 each together with up to 1,144,752,385 free detachable warrants in the Company (“Warrant E”) on the basis of 7 RCULS together with 2 Warrants E for every 10 existing ordinary shares in the Company held by the entitled shareholders of the Company on an entitlement date to be determined and announced later.

On 26 August 2022, application for the issuance of the RCULS pursuant to the Proposed Rights Issue had been submitted to the Securities Commission and a revised application on 09 November 2022.

B9 Borrowings and Debt Securities

	30/09/2022 RM'000	30/06/2022 RM'000
a. Secured borrowings	11,352	11,413
Unsecured borrowings	-	-
	<u>11,352</u>	<u>11,413</u>
b. Short term		
- lease liabilities	247	327
- term loan	1,374	1,422
	<u>1,621</u>	<u>1,749</u>
Long term		
- lease liabilities	207	183
- term loan	9,524	9,524
	<u>9,731</u>	<u>9,707</u>
Total borrowings	<u>11,352</u>	<u>11,456</u>

All of the above borrowings are denominated in Ringgit Malaysia.

B10. Derivative Financial Instruments

The Group does not have any derivative financial instruments as at 30 September 2022.

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B11. Changes in Material Litigation

There was no material litigation, claims or arbitration, either as plaintiff or defendant and the Directors have no knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries or of any fact likely to give rise to any proceedings which might adversely and materially affect the financial position or business of the Company and/or its subsidiaries as at 30 September 2022.

B12. Dividends Payable

The Company has not declared any dividend since the date of the last quarterly report.

B13. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2022 was not qualified.

B14. Basic Earnings Per Share

The basic earnings per share were computed based on:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter ended 30/09/2022 RM'000	Comparative quarter ended 30/09/2021 RM'000	3 months cumulative to date 30/09/2022 RM'000	3 months cumulative to date 30/09/2021 RM'000
Net (loss)/profit attributable to:				
Shareholders of the company	179	(321)	179	(321)
EPS-Basic (sen)	0.01	(0.01)	0.01	(0.01)
Weighted average number of Ordinary shares in issue	3,730,156	2,570,120	3,730,156	2,570,120

The diluted earnings per share of the Group is similar to the basic earnings per share as the Group does not have any material potential dilutive ordinary shares in issue.

B15. Authorization for Issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 29 November 2022.

By Order of the Board

Heng Chiang Pooh
Company Secretary
29 November 2022