



Company No. 199401005913 (291592-U)
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE 2ND QUARTER
AND THREE MONTH ENDED 31 DECEMBER 2020**

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TA WIN HOLDINGS BERHAD

Company No. 199401005913 (291592-U)
(Incorporated in Malaysia)

QUARTERLY REPORT FOR SECOND QUARTER ENDED 31 DECEMBER 2020 UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Current Quarter 3 months ended		Cumulative Quarter 6 months ended	
		31-Dec-20 RM'000	31-Dec-19 RM'000	31-Dec-20 RM'000	31-Dec-19 RM'000
Revenue	21 & 22	124,060	87,153	209,068	154,070
Cost of sales		(119,782)	(85,630)	(203,903)	(150,395)
Gross profit/(loss)		<u>4,278</u>	<u>1,523</u>	<u>5,165</u>	<u>3,675</u>
Other income		31	232	315	401
Selling and distribution expenses		(613)	(619)	(874)	(980)
Administrative expenses		(4,480)	(2,497)	(8,078)	(5,727)
Profit/(loss) from operation		<u>(784)</u>	<u>(1,361)</u>	<u>(3,472)</u>	<u>(2,631)</u>
Finance costs		(707)	(625)	(1,069)	(1,465)
Profit/(loss) before tax	21 & 22	<u>(1,491)</u>	<u>(1,986)</u>	<u>(4,541)</u>	<u>(4,096)</u>
Income tax expense		(153)	(111)	(153)	(152)
Net profit/(loss) for the period		<u>(1,644)</u>	<u>(2,097)</u>	<u>(4,694)</u>	<u>(4,248)</u>
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations		(11)	11	(11)	11
Cash flow hedge reserve		(1,134)	-	(1,134)	-
Total comprehensive income/(loss) for the period		<u>(2,789)</u>	<u>(2,086)</u>	<u>(5,839)</u>	<u>(4,237)</u>
Total income/(loss) attributable to:					
Equity holders of the parents		(1,503)	(1,867)	(4,256)	(3,963)
Non-controlling interests		(141)	(230)	(438)	(285)
		<u>(1,644)</u>	<u>(2,097)</u>	<u>(4,694)</u>	<u>(4,248)</u>
Total comprehensive income attributable to:					
Equity holders of the parents		(2,648)	(1,856)	(5,401)	(3,952)
Non-controlling interests		(141)	(230)	(438)	(285)
		<u>(2,789)</u>	<u>(2,086)</u>	<u>(5,839)</u>	<u>(4,237)</u>
Earning/(loss) per share (sen)					
- Basic	25	(0.157)	(0.195)	(0.445)	(0.415)
- Diluted	25	Anti-dilutive	Anti-dilutive	Anti-dilutive	Anti-dilutive

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the condensed consolidated financial statements form an integral part of the financial statements.

TA WIN HOLDINGS BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at end of Current Quarter 31-Dec-20 RM'000	(Audited) Financial Year End 30-Jun-20 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	53,591	50,267
Intangible assets	2,915	3,150
Associate company	20,850	-
	77,356	53,417
Current assets		
Development expenditure	2,375	-
Inventories	51,654	39,133
Trade receivables	44,120	22,971
Other receivables, prepayment and deposits	17,893	17,545
Current tax assets	250	308
Derivation assets	-	-
Cash and bank balances	35,021	47,644
	151,313	127,601
TOTAL ASSETS	228,669	181,018
EQUITY AND LIABILITIES		
Current liabilities		
Loans and borrowings	79,228	56,516
Lease liabilities	847	384
Trade payables	9,581	2,455
Other payables	13,776	3,563
Provisions	1,730	1,730
Derivative liabilities	2,148	259
	107,311	64,907
Non-current liabilities		
Deferred tax liabilities	4,968	4,968
Lease liabilities	2,731	509
	7,699	5,477
TOTAL LIABILITIES	115,010	70,384
Equity attributable to equity holders of the Company		
Share capital	105,559	93,739
Irredeemable convertible preference share	8,014	10,969
Warrant reserves	6,369	6,369
Total loss attributable to:		
<i>Foreign currency translation reserves</i>	(411)	(400)
<i>Revaluation reserves</i>	13,219	13,219
<i>Cash flow hedge reserves</i>	(1,134)	-
<i>Accumulated losses</i>	(19,564)	(15,307)
	112,052	108,588
Non-controlling interest	1,608	2,046
TOTAL EQUITY	113,660	110,634
TOTAL EQUITY AND LIABILITIES	228,669	181,018
No. of share issued as at 31 December 2020/30 June 2020	475,588	357,391
Net asset per share (RM)	0.236	0.304

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parents						Total RM'000	Non- controlling interest RM'000	Total equity RM'000	
	Share capital RM'000	Irredeemable convertible preference share RM'000	Warrant reserves RM'000	Revaluation reserves RM'000	Foreign currency translation reserves RM'000	Cash flow hedge reserves RM'000				Accumulated losses RM'000
Balance at 1 July 2020	93,739	10,969	6,369	13,219	(400)	-	(15,307)	108,588	2,046	110,634
Profit/(loss) for the period	-	-	-	-	-	-	(4,257)	(4,257)	(438)	(4,695)
Other comprehensive income										
Foreign currency translation differences for foreign operation	-	-	-	-	(11)	-	-	(11)	-	(11)
Cash flow hedge gains and losses - net of change in fair value	-	-	-	-	-	(1,134)	-	(1,134)	-	(1,134)
Total comprehensive income for the period	-	-	-	-	(11)	(1,134)	(4,257)	(5,402)	(438)	(5,840)
<i>Contribution by and distributions to owners of the Company</i>	-	-	-	-	-	-	-	-	-	-
Issue of ordinary shares: convertible preference share	11,821	-	-	-	-	-	-	11,821	-	11,821
Issue of irredeemable convertible preference share: - Conversion to ordinary shares	-	(2,955)	-	-	-	-	-	(2,955)	-	(2,955)
Total transactions with owners of the Company	11,821	(2,955)	-	-	-	-	-	8,866	-	8,866
Balance at 31 December 2020	105,559	8,014	6,369	13,219	(411)	(1,134)	(19,564)	112,052	1,608	113,660

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

TA WIN HOLDINGS BERHAD

Company No. 199401005913 (291592-U)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parents						Total RM'000	Non- controlling interest RM'000	Total equity RM'000	
	Share capital RM'000	Irredeemable convertible preference share RM'000	Warrant reserves RM'000	Revaluation reserves RM'000	Foreign currency translation reserves RM'000	Cash flow hedge reserves RM'000				Accumulated losses RM'000
Balance at 1 July 2019 (restated)	73,725	-	-	13,219	(411)	-	(1,586)	84,947	2,182	87,129
Profit/(loss) for the year (restated)	-	-	-	-	-	-	(13,721)	(13,721)	(736)	(14,457)
Other comprehensive income										
Foreign currency translation differences for foreign operation	-	-	-	-	11	-	-	11	-	11
Total comprehensive income for the period	-	-	-	-	11	-	(13,721)	(13,711)	(736)	(14,446)
Issue of ordinary shares:										
- Right issue	17,515	-	-	-	-	-	-	17,515	-	17,515
- Conversion of irredeemable convertible preference share	3,893	-	-	-	-	-	-	3,893	-	3,893
- Share issuance expenses	(1,394)	-	-	-	-	-	-	(1,394)	-	(1,394)
Issue of irredeemable convertible preference share:										
- Rights issue	-	11,942	-	-	-	-	-	11,942	-	11,942
- Conversion to ordinary shares	-	(973)	-	-	-	-	-	(973)	-	(973)
Issue of warrants										
- Rights issue	-	-	6,369	-	-	-	-	6,369	-	6,369
Change in ownership interests in a subsidiary	20,014	10,969	6,369	-	-	-	-	37,351	-	37,351
	-	-	-	-	-	-	-	-	600	600
Total transactions with owners of the Company	20,014	10,969	6,369	-	-	-	-	37,351	600	37,951
Balance at 30 June 2020	93,739	10,969	6,369	13,219	(400)	-	(15,307)	108,588	2,046	110,634

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) 6 months ended 31-Dec-20 RM'000	(Audited) 12 months ended 30-Jun-20 RM'000
CASH FLOW FORM OPERATING ACTIVITIES		
(Loss)/profit before tax	(4,695)	(14,156)
Adjustments for :		
Amortisation of intangible assets	234	278
Depreciation of property, plant and equipment	1,280	2,162
Depreciation of right-of-use assets	106	212
Bad debts written off	-	548
Interest expense	1,069	2,458
Impairment loss on inventories	-	699
(Gain)/loss on fair value of derivative	1,889	(420)
Unrealised loss/(gain) foreign exchange	641	(587)
Interest income	(242)	(574)
Rental income	(16)	(36)
Gain on disposal of property, plant and equipment	-	(18)
Operating profit/(loss) before changes in working capital	<u>267</u>	<u>(9,434)</u>
<u>Changes in working capital</u>		
Decrease/(increase) in receivables	(23,039)	23,908
(Increase)/decrease in inventories	(12,521)	(7,104)
(Decrease)/increase in payables	10,380	4,710
Cash flows (used)/from operations	<u>(24,912)</u>	<u>12,080</u>
Tax (paid)/refunded	58	(1,503)
Interest paid	(1,069)	(2,458)
Interest received	242	574
Net cash (used in)/generated from operating activities	<u>(25,682)</u>	<u>8,693</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of development expenditure	(2,375)	-
Acquisition of intangible assets	-	(3,428)
Purchase of property, plant and equipment	(4,710)	(6,880)
Proceeds from disposal of property, plant and equipment	-	103
Placement of deposit pledged with bank	(179)	(1,013)
Rental income	16	36
Investment in associates company	(13,000)	-
Net cash used in investing activities	<u>(20,248)</u>	<u>(11,182)</u>

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) 6 months ended 31-Dec-20 RM'000	(Audited) 12 months ended 30-Jun-20 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loans and borrowings	(140,915)	(245,150)
Drawdown of loans and borrowings	163,627	221,143
Repayment of hire purchase financing	75	(176)
Drawdown of hire purchase financing	2,724	-
Repayment of lease obligations	(113)	(228)
Acquisition of exchangeable derivatives	(1,134)	-
Amount due to directors	-	(936)
Proceeds from issuance of shares	-	25,410
Proceeds from issuance of shares to non-controlling interests	-	600
Proceeds from issuance of ICPS	8,865	11,942
Net cash generated from financing activities	<u>33,128</u>	<u>12,605</u>
Net increase/(decrease) in cash and cash equivalents	(12,802)	10,116
At beginning of financial period	29,467	19,216
Effects of exchange rate changes	-	135
At end of financial year	<u>16,665</u>	<u>29,467</u>
Cash and bank balances	35,021	47,644
Deposit pledged with banks	<u>(18,356)</u>	<u>(18,177)</u>
Net cash and cash equivalents	<u>16,665</u>	<u>29,467</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.