



AXTERIA GROUP BERHAD

Company No. 199901021765 (496665-W)
(Incorporated in Malaysia)

Interim Financial Report For the Period Ended 30 September 2022 (Quarter 3, 2022)

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**Interim Financial Report for the Period Ended 30 September 2022
(Quarter 3, 2022)**

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AXTERIA GROUP BERHAD

Company No. 199901021765 (496665-W)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2022***(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	30/09/2022	30/09/2021	30/09/2022	30/09/2021
	RM'000 (Unaudited)	RM'000 (Audited)	RM'000 (Unaudited)	RM'000 (Audited)
Revenue	2,823	10,960	12,867	19,584
Operating expenses	(4,839)	(9,760)	(16,600)	(22,959)
Other operating income	566	197	678	328
(Loss)/profit from operations	(1,450)	1,397	(3,055)	(3,047)
Finance costs	(269)	(178)	(668)	(908)
Share of results in associate	92	130	270	292
(Loss)/profit before tax	(1,627)	1,349	(3,453)	(3,663)
Taxation	(25)	(78)	(422)	(330)
(Loss)/profit for the period / Total comprehensive (loss)/profit	(1,652)	1,271	(3,875)	(3,993)
(Loss)/profit for the period / Total comprehensive (loss)/profit attributable to :				
- Equity holders of the parent	(1,652)	1,271	(3,875)	(3,993)
- Non-controlling interests	-	-	-	-
	(1,652)	1,271	(3,875)	(3,993)
(Loss)/profit per share attributable to equity holders of the parent :				
- Basic (loss)/profit per share (sen)	(0.40)	0.37	(0.94)	(1.18)
- Diluted (loss)/profit per share (sen)	(0.40)	0.37	(0.94)	(1.18)

The above Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited consolidated financial statements of Axteria Group Berhad ("AGB" or the "Company") for the financial year ended 31 December 2021 and the accompanying explanatory notes to the interim financial statements.

AXTERIA GROUP BERHAD

Company No. 199901021765 (496665-W)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**AS AT 30 SEPTEMBER 2022***(The figures have not been audited)*

	(Unaudited) As at 30/09/2022	(Audited) As at 31/12/2021
	RM'000	RM'000
ASSETS		
Property, plant and equipment	22,801	16,844
Right-of-use assets	879	1,014
Investment property	19,505	11,645
Goodwill	19,469	19,469
Investment in associate	4,325	4,055
Other receivables	1,735	1,619
Deferred tax assets	95	95
Other financial asset	1,892	1,866
Total non-current assets	70,701	56,607
Inventories	99,182	81,197
Trade and other receivables	4,992	6,684
Contract assets	65	217
Current tax assets	2,020	1,623
Fixed deposits with a licensed bank	805	604
Cash and bank balances	2,322	4,633
Total current assets	109,386	94,958
TOTAL ASSETS	180,087	151,565
EQUITY AND LIABILITIES		
Share capital	165,479	150,459
Treasury shares	(92)	(92)
Accumulated losses	(36,935)	(33,060)
Equity holders of the parent	128,452	117,307
Non-controlling interest	-	-
Total equity	128,452	117,307
Borrowings	17,571	5,933
Lease liabilities	434	721
Deferred tax liabilities	471	313
Total non-current liabilities	18,476	6,967
Trade and other payables	25,406	15,746
Provisions	1,096	380
Contract liabilities	4,066	1,715
Lease liabilities	369	227
Borrowings	2,222	9,223
Total current liabilities	33,159	27,291
TOTAL LIABILITIES	51,635	34,258
TOTAL EQUITY AND LIABILITIES	180,087	151,565
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS	0.26	0.27

The above Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements of AGB for the financial year ended 31 December 2021 and the accompanying explanatory notes to the interim financial statements.

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Company No. 199901021765 (496665-W)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2022***(The figures have not been audited)*

	----- Attributable to equity holders of the parent -----				
	----- Non-distributable -----		----- Distributable -----		
	Share Capital	Redeemable Convertible Preference Shares ("RCPS")	Tresury Shares	Retained Earnings/ (Accumulated Losses)	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2021 (restated)	105,503	-	(92)	(31,330)	74,081
Loss for the financial period	-	-	-	(3,993)	(3,993)
Issuance of RCPS	-	32,500	-	-	32,500
Transaction with the owners					
Conversion of RCPS	32,500	(32,500)	-	-	-
Issuance of new shares	8,456	-	-	-	8,456
Balance as at 30 September 2021	146,459	-	(92)	(35,323)	111,044
Balance as at 1 January 2022	150,459	-	(92)	(33,060)	117,307
Loss for the financial period	-	-	-	(3,875)	(3,875)
Issuance of RCPS	-	6,500	-	-	6,500
Transaction with the owners					
Conversion of RCPS	5,500	(5,500)	-	-	-
Issuance of new shares	8,520	-	-	-	8,520
Balance as at 30 September 2022	164,479	1,000	(92)	(36,935)	128,452

The above Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements of AGB for the financial year ended 31 December 2021 and the accompanying explanatory notes to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2022***(The figures have not been audited)*

	(Unaudited) Period ended 30/09/2022	(Audited) Year ended 31/12/2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(3,453)	(1,312)
Net adjustments for non-cash items	1,225	(2,617)
Operating loss before working capital changes	(2,228)	(3,929)
Changes in working capital		
Net change in inventories	(17,986)	(1,434)
Net change in trade and other receivables	1,692	555
Net change in contract assets	152	(152)
Net change in trade and other payables	9,661	(8,732)
Net change in contract liabilities	2,351	1,059
Cash used in operations	(6,358)	(12,633)
Tax paid	(660)	(1,668)
Net cash flow for operating activities	(7,018)	(14,301)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additional investment in associate	-	(2,778)
Advances to an associate	-	(1,501)
Purchase of keymen insurance	-	(2,210)
Purchase of right-of-use assets	(40)	(76)
Proceeds from disposal of right-of-use assets	12	777
Interest income received	-	4
Acquisition of investment properties	(7,860)	(3,385)
Purchase of property, plant and equipment	(6,049)	(13,130)
Placement of fixed deposit	(201)	(604)
Net cash flow for investing activities	(14,138)	(22,903)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(repayment) of loan	4,608	(2,218)
Interest paid	(638)	(976)
Payment of lease liabilities	(145)	(1,075)
Proceeds from issuance of:		
- Ordinary shares	8,520	8,456
- RCPS	6,500	36,500
Net cash flow from financing activities	18,845	40,687
Net (decrease)/increase in cash and cash equivalents	(2,311)	3,483
Cash and cash equivalents at beginning of financial period/year	4,633	1,150
Cash and cash equivalents at end of financial period/year	2,322	4,633

The above Condensed Consolidated Cash Flow Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the financial year ended 31 December 2021.

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

A1. Basis of Preparation

The condensed interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and issuers communication no. 1/2017 – Guidance on Disclosures in Notes to Quarterly Reported issued by Bursa Securities.

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

A2. Summary of Significant Accounting Policies

The significant accounting policies and method of computation adopted in these condensed interim financial statements are consistent with those adopted and disclosed in the audited financial statements of the Group and of the Company for the financial year ended 31 December 2021, except for the adoption of the following:-

Amendments effective for annual periods beginning on or after 1 April 2021

- Amendments to MFRS 16 – Covid-19 Related Rent Concessions beyond 30 June 2021

Amendments effective for annual periods beginning on or after 1 January 2022

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

Adoption of the above amendments to MFRS did not have any material financial impact to the Group.

A2.1 Amendment to MFRSs and IC Interpretations (including the Consequential Amendments) which were issued but not yet effective

The Group and the Company have yet to apply the following amendments to the MFRSs as they will only be effective for annual periods beginning on or after 1 January 2023: -

- | | <u>Effective Date</u> |
|-----------------------------------------------------------------------------------------------|------------------------------|
| • MFRS 17 – Insurance Contracts | 1 January 2023 |
| • Amendments to MFRS 17 – Insurance Contracts | 1 January 2023 |
| • Amendments to MFRS 17 – Initial Application of MFRS 17 and MFRS 9 – Comparative Information | 1 January 2023 |

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-
- | | |
|------------------------------------------------------------------------------------------------------------------------------|----------------|
| • Amendment to MFRS 101 – Classification of Liabilities as Current or Non-current | 1 January 2023 |
| • Amendments to MFRS 101 – Disclosure of Accounting Policies | 1 January 2023 |
| • Amendments to MFRS 108 – Definition of Accounting Estimates | 1 January 2023 |
| • Amendments to MFRS 112 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction | 1 January 2023 |
| • Amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred |

The Group is currently assessing the impact of implementing these amendments and plans to adopt these standards on the respective effective dates.

A3. Audit Report of Preceding Year's Annual Financial Statements

The preceding year annual audited financial statements were not subjected to any qualification.

A4. Seasonal or Cyclical Factors

The Group's performance during the financial period under review was not materially affected by seasonal or cyclical factors.

A5. Extraordinary and Exceptional Items

There was no item which is extraordinary and exceptional because of its size or incidences that has affected the assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter under review.

A6. Changes in Estimates

There were no material changes in estimates of amounts reported in prior interim periods or prior financial years that have a material effect in the current financial quarter and year-to-date.

A7. Debt and Equity Securities

During the current quarter, the Company issued 10,000,000 RCPS at RM0.10 per share for a total of RM1,000,000 and these RCPS remains outstanding at the end of the current quarter.

Except for the above, there was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter under review.

The total number of outstanding warrants remained as 97,211,694 units as of 30 September 2022.

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A8. Dividend Paid

No dividend has been declared or paid by the Group during the current quarter.

A9. Segmental Information

The Group's segmental information are as follows: -

	Property development & construction	Trading	Investment holding	Total
	RM'000	RM'000	RM'000	RM'000
9 months ended 30 September 2022				
Revenue				
External revenue	12,308	559	-	12,867
Results				
Operating (loss)/profit	(1,655)	25	(2,104)	(3,733)
Finance costs	(667)	-	(2)	(668)
Interest income	5	-	116	121
Other income	67	-	490	557
Share of results in an associate	-	-	270	270
(Loss)/profit before tax	(2,250)	25	(1,230)	(3,453)
Tax expense	(264)	-	(158)	(422)
(Loss)/profit for the period	(2,514)	25	(1,388)	(3,875)

	Property development & construction	Trading	Investment holding	Total
	RM'000	RM'000	RM'000	RM'000
9-months ended 30 September 2021				
Revenue				
External revenue	19,584	-	-	19,584
Results				
Operating loss	(50)	-	(3,325)	(3,375)
Finance costs	(900)	-	(8)	(908)
Interest income	-	-	85	85
Other income	70	-	173	243
Share of results in an associate	-	-	292	292
Loss before tax	(880)	-	(2,783)	(3,663)
Tax expense	(107)	-	(223)	(330)
Loss for the period	(987)	-	(3,006)	(3,993)

A10. Valuation of Property, Plant and Equipment

The property, plant and equipment are stated at cost less depreciation and impairment loss, if any.

A11. Significant Events During the Reporting Period

There was no other material event subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

A12. Material Events After the End of the Interim Financial Period

The significant events for the current quarter under review are summarised as follows:-

- (a) The Company announced that its wholly-owned subsidiary, Axteria Eco Sdn. Bhd. ("AESB"), had on 21 October 2022 received a letter from the Immigration Department Malaysia ("IDM") notifying that AESB had been appointed as an agent for Malaysia Premium Visa Programme ("PVIP").

The appointment would enable AESB to act as the agent on behalf of the IDM to process up one thousand (1,000) applications. The appointment is valid for a period of three (3) years from 21 October 2022.

- (b) On 22 November 2022, the Company also announced that its another wholly-owned subsidiary, Axteria Development Sdn Bhd, had on 22 November 2022, entered into the following agreements:-

- a joint venture agreement with Alpha Astral Properties Sdn Bhd ("AAPSB") to undertake a mixed development project on a portion of a freehold land held under HSD 520150 PTD 171203 in the Mukim of Tebrau, District of Johor Bahru, State of Johor measuring approximately 83,037 square meters ("sqm"); and
- a joint venture agreement with Sumber Alpha Sdn Bhd ("SASB") to undertake a mixed development project on the freehold land held under Geran 504836 Lot 28073 in the Mukim of Plentong, District of Johor Bahru, State of Johor measuring approximately 7,909 sqm.

Save for the above, there was no other significant event after the end of the quarter up to the date of this announcement.

A13. Changes in the Composition of the Group

There was no change in the composition of the Group during the current quarter.

A14. Contingent Liabilities and Contingent Assets

(a) Contingent liabilities

	Company	
	As at 30/09/2022 (Unaudited) RM'000	As at 31/12/2021 (Audited) RM'000
<u>Limit:</u>		
Corporate guarantees given to financial institutions for credit facilities granted to a subsidiary – unsecured	74,914	41,914
Corporate guarantees given to financial institutions for credit facilities granted to an associate – unsecured	13,573	9,709
<u>Utilised:</u>		
Corporate guarantees given to financial institutions for credit facilities granted to a subsidiary – unsecured	19,793	15,157
Corporate guarantees given to financial institutions for credit facilities granted to an associate – unsecured	13,155	9,225

(b) Contingent assets

There was no contingent asset as at the end of current financial quarter.

A15. Capital Commitments

There were no outstanding capital commitments for the Group as at the end of the current quarter.

A16. Related Party Transactions

The Group had the following transactions with the related parties for the 9-month period ended 30 September 2022:-

	RM'000
(i) Transactions with an associate	
- Interest received and receivables	116

B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENT BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 9 months ended	Preceding Year 9 months ended
	30/09/2022 (Unaudited) RM'000	30/09/2021 (Audited) RM'000	30/09/2022 (Unaudited) RM'000	30/09/2021 (Audited) RM'000
Revenue	2,823	10,960	12,867	19,584
(Loss)/profit before tax	(1,627)	1,349	(3,453)	(3,663)

For the quarter ended 30 September 2022, the Group recorded a total revenue of RM2.82 million which was contributed by the Group's ongoing projects, i.e. Phase 2 of Project Desa 88 and Project Sentrio. The revenue for 3Q 2021 is 74.24% higher as compared to the current quarter mainly due to recognition of revenue from sale of a parcel of land in addition to the progressive claims from Phase 1 and 2 of Desa 88 in 3Q 2021.

As the sale of international units and development progress of the key revenue contributor of the Group, i.e. Phase 1 and 2 of Project Desa 88, have reached the advance stage, the cumulative revenue recognised for 9-month period ended 30 September 2022 is lower as compared to RM19.58 million in the corresponding 9-month period last year.

The Group recorded a loss before tax ("LBT") of RM1.63 million for 3Q 2022 in the current quarter as compared to a profit before tax of RM1.35 million in 3Q 2021. Cumulatively, the negative profit margin has also increased from 26.84% in 9-month period ended 30 September 2022 to 18.70% in the 6-month period ended 30 September 2021. Both are in tandem with slower revenue trend in year 2022.

B2. Comparison with Preceding Quarter's Results

	Current Quarter ended	Preceding Quarter ended
	30/09/2022 (Unaudited) RM'000	30/06/2022 (Unaudited) RM'000
Revenue	2,823	2,752
Loss before tax	(1,627)	(2,287)

The Group recorded a marginal increase in revenue for 3Q 2022 as compared to 2Q 2022.

In addition to the revenue generated from the Group's existing projects, the Company had also recognised an income from non-fulfilment of profit guarantee by vendor of about RM0.49 million during the current quarter for the shortfall in the profit guaranteed pursuant to the Share Sale Agreement dated 29 May 2015 entered into by the Company and the former shareholders of its

subsidiary, AESB. Due to the recognition of this additional other income, the loss before tax improved from RM2.29 million in 2Q 2022 to RM1.63 million in 3Q 2022.

B3. Prospects for the Current Financial Year

The growth prospect of Malaysia economy remains robust after achieving a growth in Gross Domestic Product of 8.9% in the second quarter of 2022. Underpinned by stronger domestic demand, continued expansion in external demand and further improvement in the labour market as a result from the easing of restrictions and the reopening of international borders, the Malaysia economy is expected to improve further this year.

Nevertheless, the Group believes that the property market remains challenging in the short and medium term as a result of the continuous military conflict in Ukraine, strict Covid containment measures in China and rising cost of construction due to uncertainties caused by fluctuations of building materials price, shortage of workers as well as the uptrend in interest rate. Amidst the ongoing headwinds, the transition of Malaysia to endemic phase and the re-opening of all economic sectors and international border in April 2022 coupled with the reduction of Real Property Gains Tax rate for disposal made by individuals in the 6th year onwards from 5% to 0% is expected to support a recovery in property sector. As such, the Group remain optimistic and committed to focus on monetising its inventories and progressing its development projects for timely completion as well as launching of new products that continue to tap into underlying customer demands.

For the remaining of year 2022, the Group will continue to focus on the development of 66 units of shop offices on a land measuring 5.94 acres in Pasir Gudang, a Development project with Sun Rock Development Sdn Bhd, with Gross Development Value (“GDV”) of RM44.1 million, namely Project Sentrico. Out of the 66 units, 17 units were allocated the land owner as their entitlement with the remaining 49 units belongs to the Group. As of the date of this report, approximately 65% of the units under the Group are sold and booked.

For the Project Desa 88, the Group had obtained Certificate of Completion and Compliance (“CCC”) and handed over Phase 1 of Project Desa 88 on 2 August 2022. Phase 2 of Project Desa 88 is also making great progress at the end of current period and expects to obtain CCC by 2Q 2023. Both phases continue to show encouraging prospects with 100% take-up rate for international units while 80% of Bumiputra units are booked.

For The Asteria Melaka, the development of the 16-storey 241-room hotel and the 44-storey 306 serviced suites, both in Kota Syahbandar, Melaka, are also proceeding progressively with hotel operation expects to commence in 2Q 2023 and the serviced suites to be launched towards the end of 2023. With the expected launching of the serviced suites, the Group is hopeful that the sales will be encouraging in view that tourism industry would begin to recover by then on the basis that vaccination nationwide has been substantially completed and with the reopening of the international borders on 1 April 2022.

Lastly, in our effort to align with the evolving market trends and demand, the Group has entered into joint venture agreements with AAPSB and SASB for the following projects within the next one year:-

- (i) A mixed development project which consists of 474 units of Small office Home office (“SoHo”) and 35 units of shoplots at Taman Johor Jaya with a combined Gross Development Value (“GDV”) of approximately RM176.6 millions; and
- (ii) A mixed development project which consists of 2 blocks of 792 units SOHO suites, 4-storey corporate office, 4-storey of SPA, boutique hotel, office and co-working space, 3-storey retail showroom space, 7-storey multi-level carpark and a clubhouse with a combined GDV of approximately RM413.2 million.

As the property market is foreseen to regain its momentum with the opening up of all economic sectors, we believe the demand for properties in strategic growth area with good accessibility and connectivity will improve gradually.

The Group will continue to monitor the market situation and adopt a prudent and cautious approach for its new project launches.

B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review and the financial year-to-date.

B5. Status of Corporate Proposals

Other than as disclosed in Note A12, there was no corporate proposal announced but not completed as of the date of this report.

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B6. Profit before Taxation

The profit before taxation is arrived at after charging the following items:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 9 months ended	Preceding Year 9 months ended
	30/09/2022 (Unaudited) RM'000	30/09/2021 (Audited) RM'000	30/09/2022 (Unaudited) RM'000	30/09/2021 (Audited) RM'000
Interest income	(44)	(29)	(121)	(85)
Other income including investment income	(522)	(168)	(557)	(243)
Interest expenses	269	178	668	908
Depreciation and amortisation	91	135	255	408
Provision for write off of receivables	-	-	-	-
Provision for write off of inventories	-	-	-	-
Gain or loss on disposal of quoted or unquoted investments or properties	-	-	-	-
Impairment of assets	-	-	-	-
Foreign exchange loss/(gain)	-	-	-	-
Gain or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

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B7. Taxation

Taxation comprises the following: -

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 9 months ended	Preceding Year 9 months ended
	30/09/2022 (Unaudited) RM'000	30/09/2021 (Audited) RM'000	30/09/2022 (Unaudited) RM'000	30/09/2021 (Audited) RM'000
Current tax expense	-	-	264	107
Deferred taxation	25	78	158	223
	25	78	422	330

Effective tax rate (1.54%) 5.80% (12.21%) (9.01%)

The Group's effective tax rates are negative due to the loss making position of the Group. The tax expenses arose mainly from certain profitable entities within the Group but the profit has been offset with the losses from other entities in the Group at the consolidated level.

B8. Group Loans and Borrowings

The Group's loans and borrowings as at 30 September 2022 are as follows: -

	As at 30 September 2022		
	Long Term Borrowings	Short Term Borrowings	Total Borrowings
	(Unaudited) RM'000	(Unaudited) RM'000	(Unaudited) RM'000
Secured			
Term loans and bridging finance	17,571	2,222	19,793
Lease liabilities	434	369	803
	18,005	2,591	20,596

	As at 30 September 2021		
	Long Term Borrowings	Short Term Borrowings	Total Borrowings
	(Audited) RM'000	(Audited) RM'000	(Audited) RM'000
Secured			
Term loans and bridging finance	10,753	2,151	12,904
Lease liabilities	768	257	1,025
	11,521	2,408	13,929

B9. Financial Instruments

Forward foreign exchange contracts are entered into by the Group in currencies other than the functional currency to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.

Forward foreign exchange contracts are recognised on the contract dates and are measured at fair values at the end of the financial period under review with changes in fair values being recognised as profit or loss.

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its interest rate risk, credit risk, liquidity risk and foreign currency risk.

As at 30 September 2022, the Group does not have any financial instrument.

B10. Material Litigation

There was no material litigation during the current financial period under review.

B11. Proposed Dividend

There was no dividend declared for the current financial period under review.

B12. (Loss)/Earnings per Ordinary Share ["(LPS)" or "EPS"]**Basic (LPS)/EPS**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 9 months ended	Preceding Year 9 months ended
	30/09/2022 (Unaudited)	30/09/2021 (Restated)	30/09/2022 (Unaudited)	30/09/2021 (Restated)
(Loss)/earnings attributable to equity holders of the parent (RM'000)	(1,652)	1,271	(3,875)	(3,993)
Weighted average number of shares in issue ('000)	410,803	339,474	410,803	339,474
Basic (LPS)/EPS (sen)	(0.40)	0.37	(0.94)	(1.18)

AXTERIA GROUP BERHAD

Company No. 199901021765 (496665-W)

Diluted (LPS) / EPS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 9 months ended	Preceding Year 9 months ended
	30/09/2022 (Unaudited)	30/09/2021 (Restated)	30/09/2022 (Unaudited)	30/09/2021 (Restated)
(Loss)/earnings attributable to equity holders of the parent (RM'000)	(1,652)	1,271	(3,875)	(3,993)
Weighted average number of shares in issue ('000)	410,803	339,474	410,803	339,474
Cumulative Redeemable Convertible Preference Shares	-	-	-	-
Shares deemed issued for no consideration ('000) – Warrants	-	-	-	-
Weighted average number of shares for diluted (LPS)/EPS ('000)	410,803	339,474	410,803	339,474
Diluted (LPS)/EPS (sen)	(0.40)	0.37	(0.94)	(1.18)

BY ORDER OF THE BOARD OF
AXTERIA GROUP BERHAD

Date: 29 November 2022