

# **ACME HOLDINGS BERHAD**

Company No.: 198901012432 (189740-X)  
(Incorporated in Malaysia)

Interim Financial Report  
For The Fourth Quarter Ended 31 March 2022 (Unaudited)

**ACME HOLDINGS BERHAD**  
**COMPANY NO.: 198901012432 (189740-X)**  
**(INCORPORATED IN MALAYSIA)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2022**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

|  | Note | <u>INDIVIDUAL QUARTER</u>                           |  | <u>CUMULATIVE QUARTER</u>                             |   |
|--|------|---|--|---|---|
|  |      | CURRENT<br>QUARTER ENDED<br>31 MARCH 2022<br>RM'000 | CORRESPONDING<br>PRECEDING<br>QUARTER ENDED<br>31 MARCH 2021<br>RM'000 | CUMULATIVE<br>PERIOD ENDED<br>31 MARCH 2022<br>RM'000 | CORRESPONDING<br>PRECEDING<br>PERIOD ENDED<br>31 MARCH 2021<br>RM'000 |
| Revenue  |      | 693   | 12,026   | 9,852   | 30,313  |
| Cost of sales  |      | (511)   | (8,221)  | (8,924)   | (23,188)  |
| Gross profit   |      | 182   | 3,805  | 928   | 7,125   |
| Other income   |      | 235   | 232  | 798   | 1,137   |
| Administrative and general expenses  |      | (838)   | (1,212)  | (4,402)   | (4,036)   |
| Selling and distribution expenses  |      | (10)  | (6)  | 19  | (610)   |
| Finance costs  |      | (3)   | (14)   | (33)  | (40)  |
| Share of result of joint venture   |      | (6)   | (3)  | (31)  | (3)   |
| (Loss)/profit before tax   | 16   | (440)   | 2,802  | (2,721)   | 3,573   |
| Taxation   | 18   | (224)   | (741)  | 131   | (993)   |
| Net (loss)/profit, representing total comprehensive (loss)/profit for the financial period |      | (664)   | 2,061  | (2,590)   | 2,580   |
| Total comprehensive (loss)/profit attributable to:-  |      |   |  |   |   |
| - Owners of the Company  |      | (664)   | 2,061  | (2,590)   | 2,580   |
| - Non-controlling interests  |      | 0   | 0  | 0   | 0   |
|  |      | (664)   | 2,061  | (2,590)   | 2,580   |
| (Loss)/profit per share attributable to owners of the Company (sen)                        | 23   |   |  |   |   |
| - Basic  |      | (0.21)  | 0.76   | (0.82)  | 0.95  |
| - Diluted  |      | (0.21)  | 0.72   | (0.81)  | 0.90  |

Note:-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2021.

**ACME HOLDINGS BERHAD**  
**COMPANY NO : 198901012432 (189740-X)**  
**(INCORPORATED IN MALAYSIA)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

|   | (Unaudited)<br>31 MARCH 2022<br>RM'000 | (Audited)<br>31 MARCH 2021<br>RM'000 |
|---|--|--------------------------------------|
| <b>Non-current assets</b>   |  |                                      |
| Property, plant and equipment   | 87                                     | 19,274                               |
| Right-of-use asset  | 183                                    | 208                                  |
| Investment properties   | 6,263                                  | 8,026                                |
| Inventory properties  | 0                                      | 113                                  |
| Investment in a joint venture   | 116                                    | 147                                  |
|   | 6,649                                  | 27,768                               |
| <b>Current assets</b>   |  |                                      |
| Inventory properties  | 68,295                                 | 67,593                               |
| Inventories   | 0                                      | 3,621                                |
| Trade and other receivables   | 8,215                                  | 19,709                               |
| Prepayments   | 1,184                                  | 1,282                                |
| Contract assets   | 590                                    | 411                                  |
| Current tax assets  | 563                                    | 126                                  |
| Investment securities   | 185                                    | 167                                  |
| Cash and cash equivalents   | 32,127                                 | 12,345                               |
|   | 111,159                                | 105,254                              |
| <b>Current liabilities</b>  |  |                                      |
| Trade and other payables  | 10,495                                 | 30,623                               |
| Lease liability   | 65                                     | 53                                   |
| Short-term bank borrowings  | 0                                      | 255                                  |
| Refund liabilities  | 0                                      | 203                                  |
| Current tax liabilities   | 13                                     | 163                                  |
|   | 10,573                                 | 31,297                               |
| <b>Net current assets</b>   | 100,586                                | 73,957                               |
| <b>Non-current liabilities</b>  |  |                                      |
| Lease liability   | 120                                    | 171                                  |
| Long-term bank borrowings   | 1,485                                  | 1,855                                |
| Deferred tax liabilities  | 1,565                                  | 1,655                                |
| <b>Net assets</b>   | 104,065                                | 98,044                               |
| <b>Financed by:-</b>  |  |                                      |
| Share capital   | 251,448                                | 242,826                              |
| Treasury shares   | (13,874)                               | (13,874)                             |
| Reverse acquisition reserve   | 0                                      | (193,196)                            |
| Currency translation reserve  | (57)                                   | (46)                                 |
| Retained (losses)/profits   | (133,452)                              | 62,334                               |
| <b>Equity Attributable to Owners of the Company</b>                                   | 104,065                                | 98,044                               |
| <b>Net Assets per Share Attributable to Owners of the Company (sen)<sup>(2)</sup></b> | 29                                     | 33                                   |

Notes:-

(1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2021.

(2) Based on 358,758,600 and 298,965,500 shares in issue after excluding 8,784,500 treasury shares as at 31 March 2022 and 31 March 2021.

**ACME HOLDINGS BERHAD**  
**COMPANY NO : 198901012432 (189740-X)**  
**(INCORPORATED IN MALAYSIA)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2022**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

|   | ----- Attributable to owners of the parent ----- |                              |  |  |                               |                           |
|---|--|------------------------------|--|--|-------------------------------|---------------------------|
|   | Share<br>Capital<br>RM'000                       | Treasury<br>Shares<br>RM'000 | ---- Non-Distributable ----  <br>Reverse<br>Acquisition<br>Reserve<br>RM'000 | Currency<br>Translation<br>Reserve<br>RM'000 | Retained<br>Profits<br>RM'000 | Total<br>Equity<br>RM'000 |
| <b>CUMULATIVE PERIOD ENDED 31 MARCH 2022</b>              |  |                              |  |  |                               |                           |
| Balance as at 1 April 2021                                | 242,826  | (13,874)                     | (193,196)  | (46)   | 62,334                        | 98,044                    |
| Total comprehensive loss for the financial period         | 0  | 0                            | 0  | (11)   | (2,590)                       | (2,601)                   |
| Disposal of a subsidiary                                  | 0  | 0                            | 193,196  | 0  | (193,196)                     | 0                         |
| <i>Transaction with owners:</i>                           |  |                              |  |  |                               |                           |
| Issuance of shares<br>pursuant to private placement       | 8,622  | 0                            | 0  | 0  | 0                             | 8,622                     |
| Balance as at 31 March 2022                               | <u>251,448</u>                                   | <u>(13,874)</u>              | <u>0</u>   | <u>(57)</u>                                  | <u>(133,452)</u>              | <u>104,065</u>            |
| <b>CORRESPONDING PRECEDING PERIOD ENDED 31 MARCH 2021</b> |  |                              |  |  |                               |                           |
| Balance as at 1 April 2020                                | 228,861  | (13,874)                     | (193,196)  | (35)   | 59,754                        | 81,510                    |
| Total comprehensive profit for the financial period       | 0  | 0                            | 0  | (11)   | 2,580                         | 2,569                     |
| <i>Transaction with owners:</i>                           |  |                              |  |  |                               |                           |
| Issuance of shares<br>pursuant to private placement       | 13,965   | 0                            | 0  | 0  | 0                             | 13,965                    |
| Balance as at 31 March 2021                               | <u>242,826</u>                                   | <u>(13,874)</u>              | <u>(193,196)</u>   | <u>(46)</u>                                  | <u>62,334</u>                 | <u>98,044</u>             |

Notes:-

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2021.

**ACME HOLDINGS BERHAD**  
**COMPANY NO : 198901012432 (189740-X)**  
**(INCORPORATED IN MALAYSIA)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

|   | (Unaudited)   | (Audited)   |
|---|---|---|
|   | CUMULATIVE<br>PERIOD ENDED<br>31 MARCH 2022<br>RM'000 | CORRESPONDING<br>PRECEDING<br>PERIOD ENDED<br>31 MARCH 2021<br>RM'000 |
| <b>Cash flows from operating activities</b>             |   |   |
| (Loss)/Profit before tax                                | (2,721)   | 3,573   |
| <b>Adjustments for:-</b>                                |   |   |
| Accretion of interest                                   | 9   | 11  |
| Allowance for expected credit losses                    | 0   | 111   |
| Bad debts recovered                                     | (23)  | 0   |
| Depreciation of investment properties                   | 302   | 312   |
| Depreciation of property, plant and equipment           | 1,486   | 2,044   |
| Depreciation of right-of-use assets                     | 59  | 56  |
| Dividend income   | (8)   | (4)   |
| Fair value (gain)/loss on investment securities         | (18)  | 1   |
| Gain on disposal of investment securities               | 0   | (21)  |
| Gain on disposal of property, plant and equipment       | 0   | (169)   |
| Gain on remeasurement of right-of-use asset             | (20)  | 0   |
| Interest expense  | 23  | 29  |
| Interest income   | (316)   | (345)   |
| Inventories written down                                | 0   | 19  |
| Loss on deconsolidation of investment in subsidiaries   | 743   | 0   |
| Share of result of joint venture                        | 31  | 3   |
| Unrealised gain on foreign exchange                     | (11)  | 0   |
| Unwinding discount on retention sum payable             | 0   | 33  |
| Operating (loss)/profit before working capital changes  | <u>(464)</u>  | <u>5,653</u>  |
| <b>Changes in:-</b>                                     |   |   |
| Inventory properties                                    | (590)   | 3,019   |
| Contract assets   | (179)   | (180)   |
| Inventories   | 478   | (647)   |
| Receivables and prepayments                             | 5,905   | (5,976)   |
| Payables  | (13,503)  | (6,290)   |
| Refund liabilities                                      | (92)  | (24)  |
| Cash generated used in operations                       | <u>(8,445)</u>  | <u>(4,445)</u>  |
| Income tax paid   | (906)   | (431)   |
| Income tax refund                                       | 101   | 108   |
| Interest paid   | (23)  | (29)  |
| Net cash used in operating activities                   | <u>(9,273)</u>  | <u>(4,797)</u>  |
| <b>Cash flows from investing activities</b>             |   |   |
| Cash outflow on acquisition of subsidiaries             | 0   | (7,486)   |
| Proceeds from disposal of subsidiaries                  | 20,878  | 0   |
| Interest received                                       | 316   | 345   |
| Dividend received                                       | 8   | 4   |
| Purchase of investments in a joint venture              | 0   | (150)   |
| Purchase of other investments                           | 0   | (1,064)   |
| Proceeds from disposal of property, plant and equipment | 0   | 169   |
| Proceeds from disposal of other investment              | 0   | 917   |
| Purchase of property, plant and equipment               | (532)   | (287)   |
| Net cash from/(used in) investing activities            | <u>20,670</u>   | <u>(7,552)</u>  |
| <b>Cash flows from financing activities</b>             |   |   |
| Drawdown of term loan                                   | 23  | 1,462   |
| Payment of finance lease liabilities                    | (197)   | (353)   |
| Payment of principal portion of lease liability         | (63)  | (60)  |
| Proceeds from private placement                         | 8,622   | 13,965  |
| Net cash from financing activities                      | <u>8,385</u>  | <u>15,014</u>   |
| <b>Net increase in cash and cash equivalents</b>        | <u>19,782</u>   | <u>2,665</u>  |
| <b>Cash and cash equivalents brought forward</b>        | <u>12,345</u>   | <u>9,680</u>  |
| <b>Cash and cash equivalents carried forward</b>        | <u><u>32,127</u></u>                                  | <u><u>12,345</u></u>  |

Note:-

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2021.

## **NOTES TO THE INTERIM FINANCIAL REPORT**

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### **1. Basis of Preparation**

The interim financial report has been prepared in accordance with requirements of MFRS 134: "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2021.

The financial statements of the Group for the financial year ending 31 March 2022 will be prepared under the Malaysian Financial Reporting Standards Framework ("MFRS"). The MFRS framework is a fully IFRS-compliant framework and equivalent to IFRSs. Save for the required presentation of three statements of financial position in the first MFRS financial statement and the changes of accounts classification as disclosed below, there is no major impact on the Group's financial statements.

#### **Adoption of New and Amendments/Improvements to MFRS**

The significant accounting policies, methods of computation and basis of consolidation adapted by the Group for the preparation of the interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 31 March 2021.

The Group also applied the following standards, IC Interpretations and amendment to standard that have been issued by the Malaysian Accounting Standard Board ("MASB") effective from 1 April 2021. Initial application of the following amendments to MFRSs did not have any material impact to the financial statements of the Group upon adoption.

#### **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*

#### **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*

#### **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:

#### **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 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**

*Amendments to MFRS 4 Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9  
MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts  
Amendments to MFRS 17 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 & 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*

**NOTES TO THE INTERIM FINANCIAL REPORT**

**1. Basis of Preparation (Cont'd)**

**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 upon adoption.

**2. Seasonal or Cyclical Factors**

The interim operations of the Group were not affected by any seasonal or cyclical factors.

**3. Unusual Items**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current interim period under review.

**4. Changes in Estimates**

There were no changes in estimates of amounts reported in the prior financial period that have a material effect in the current interim period.

**5. Debt and Equity Securities**

There were no issuances, repurchases and repayments of debt and equity securities during the current interim period.

**6. Dividend Paid**

There was no payment of dividend during the current interim period.

**7. Segment Information**

| <u>Analysis by activity</u> | Manufacturing<br>RM'000 | Property<br>development<br>RM'000 | Others<br>RM'000 | Group<br>RM'000 |
|-----------------------------|-------------------------|-----------------------------------|------------------|-----------------|
| <u>Revenue</u>              |                         |                                   |                  |                 |
| Total revenue               | 7,050                   | 1,714                             | 1,088            | 9,852           |
| Intersegment revenue        | 0                       | 0                                 | 0                | 0               |
| External revenue            | <u>7,050</u>            | <u>1,714</u>                      | <u>1,088</u>     | <u>9,852</u>    |
| <u>Results</u>              |                         |                                   |                  |                 |
| Segment results             | (712)                   | (1,415)                           | (773)            | (2,900)         |
| Interest income             | 15                      | 91                                | 96               | 202             |
| Interest expense            | (23)                    | 0                                 | 0                | (23)            |
| Loss before tax             | <u>(720)</u>            | <u>(1,324)</u>                    | <u>(677)</u>     | <u>(2,721)</u>  |
| Taxation                    | 297                     | 52                                | (218)            | 131             |
| Net loss                    | <u>(423)</u>            | <u>(1,272)</u>                    | <u>(895)</u>     | <u>(2,590)</u>  |
| <u>Assets</u>               |                         |                                   |                  |                 |
| Segment assets              | 0                       | 82,023                            | 35,222           | 117,245         |
| Income tax assets           | 0                       | 563                               | 0                | 563             |
| Total assets                | <u>0</u>                | <u>82,586</u>                     | <u>35,222</u>    | <u>117,808</u>  |

**8. Valuation of Property, Plant and Equipment**

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 31 March 2021.

**NOTES TO THE INTERIM FINANCIAL REPORT**

**9. Material Events After The Reporting Period**

There were no material events after the reporting period that have not been reflected in the interim financial report.

**10. Changes in Composition**

There were no changes in the Group's composition during the interim period.

**11. Changes in Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets since 1 April 2021.

**12. Capital Commitments**

|  | <b>RM'000</b> |
|--|---------------|
| <b><u>Contracted but not provided for:</u></b> |               |
| Investment Properties                          | 4,760         |

**13. Review of Performance**

**(a) Cumulative Period Vs Corresponding Preceding Period**

|                                 | Current<br>Quarter<br>Ended<br>31 March<br>2022<br>RM'000 | Corresponding<br>Preceding<br>Quarter Ended<br>31 March<br>2021<br>RM'000 | Changes<br>RM'000 | Cumulative<br>Period<br>Ended<br>31 March<br>2022<br>RM'000 | Corresponding<br>Preceding<br>Period Ended<br>31 March<br>2021<br>RM'000 | Changes<br>RM'000 |
|---------------------------------|---|---|-------------------|---|--|-------------------|
| <u>Revenue</u>                  |   |   |                   |   |  |                   |
| Manufacturing                   | 0   | 3,317   | (3,317)           | 7,050   | 14,509   | (7,459)           |
| Property                        | 418   | 8,439   | (8,021)           | 1,714   | 14,719   | (13,005)          |
| Others                          | 275   | 270   | 5                 | 1,088   | 1,085  | 3                 |
|                                 | <u>693</u>  | <u>12,026</u>   | <u>(11,333)</u>   | <u>9,852</u>  | <u>30,313</u>  | <u>(20,461)</u>   |
| <u>(Loss)/Profit before tax</u> |   |   |                   |   |  |                   |
| Manufacturing                   | 0   | (263)   | 263               | (720)   | (359)  | (361)             |
| Property                        | (525)   | 2,938   | (3,463)           | (1,324)   | 3,586  | (4,910)           |
| Others                          | 85  | 127   | (42)              | (677)   | 346  | (1,023)           |
|                                 | <u>(440)</u>  | <u>2,802</u>  | <u>(3,242)</u>    | <u>(2,721)</u>  | <u>3,573</u>   | <u>(6,294)</u>    |

**(i) Comparison with Previous Year Corresponding Preceding Quarter's Results**

General

The Group recorded a loss before tax of RM440,000 for the current quarter ended 31 March 2022 as compared to profit before tax of RM2,802,000 for the previous corresponding quarter ended 31 March 2021.

Manufacturing Division

No contribution was recorded for the current quarter ended 31 March 2022 from Manufacturing Division since it was disposed in the immediate preceding quarter ended 31 December 2021.

Property Division

During the quarter under review, turnover in the Property Division decreased by 95% as compared to the previous corresponding quarter ended 31 March 2021. The decrease in revenue was mainly due to lower sales being recorded from the on-going low-cost flats project. This has resulted in the division registering a loss before tax of RM525,000.



**NOTES TO THE INTERIM FINANCIAL REPORT**

**13. Review of Performance (Cont'd)**

(ii) Comparison with Previous Year Corresponding Period's Results

The Group recorded loss before tax of RM2,721,000 for cumulative period ended 31 March 2022 as compared to profit before tax of RM3,573,000 for the previous corresponding period ended 31 March 2021. The loss for the current period is mainly due to drop in revenue contribution by the Property Division and loss on disposal of subsidiary by Investment Holding Division.

**(b) Current Quarter Vs Immediate Preceding Quarter**

|                                 | <b>Current<br/>Quarter<br/>Ended<br/>31 March<br/>2022<br/>RM'000</b> | <b>Immediate<br/>Preceding<br/>Quarter Ended<br/>31 December<br/>2021<br/>RM'000</b> | <b>Changes<br/>RM'000</b> |
|---------------------------------|---|--|---------------------------|
| <u>Revenue</u>                  |   |  |                           |
| Manufacturing                   | 0   | 2,785  | (2,785)                   |
| Property                        | 418   | 1,131  | (713)                     |
| Others                          | 275   | 275  | 0                         |
|                                 | <u>693</u>  | <u>4,191</u>   | <u>(3,498)</u>            |
| <u>(Loss)/Profit before tax</u> |   |  |                           |
| Manufacturing                   | 0   | 12   | (12)                      |
| Property                        | (525)   | 47   | (572)                     |
| Others                          | 85  | (870)  | 955                       |
|                                 | <u>(440)</u>  | <u>(811)</u>   | <u>371</u>                |

The Group's turnover for the reporting quarter was RM693,000 as compared to RM4,191,000 for the immediate preceding quarter. This decrease of approximately 83% is mainly due to no contribution was recorded for the current quarter from Manufacturing Division since it was disposed in the immediate preceding quarter.

Overall, the Group recorded a loss before tax of RM440,000 in the current quarter as compared to loss before tax of RM811,000 in the immediate preceding quarter.

**14. Prospects**

After the completion of our highly successful Quayside @ Clear Water Bay development in 2017, the Property Development Division is currently gearing up for 2 upcoming new launches.

The Group will be embarking on the final phase of the project which involves 6 blocks of 12-storey condominiums (404 units) located in Teluk Air Tawar, Seberang Perai Utara, Penang on a piece of 11-acre land. The Group targets to launch phase 1 of this development project in the third quarter of year 2022 and forecasted to generate a gross development value of approximately RM99.3 million.

In addition, the Group intends to launch an affordable housing project consisting of 2 blocks of 39-storey apartments (646 units) on 2 adjoining parcels of freehold development land in Air Itam, Penang with a total land area measuring approximately 4.1 acres in the fourth quarter of year 2022. The gross development value is forecasted to be approximately RM194.37 million.

**NOTES TO THE INTERIM FINANCIAL REPORT**

**15. Profit Forecast**

There was no profit forecast being previously announced or disclosed in a public document.

**16. (Loss)/Profit Before Tax**

|                                 | <b>Current<br/>Quarter<br/>Ended<br/>31 March<br/>2022<br/>RM'000</b> | <b>Corresponding<br/>Preceding<br/>Quarter Ended<br/>31 March<br/>2021<br/>RM'000</b> | <b>Cumulative<br/>Period<br/>Ended<br/>31 March<br/>2022<br/>RM'000</b> | <b>Corresponding<br/>Preceding<br/>Period Ended<br/>31 March<br/>2021<br/>RM'000</b> |
|---------------------------------|---|---|---|--|
| After charging:-                |   |   |   |  |
| Depreciation of                 |   |   |   |  |
| - Property, plant and equipment | 11  | 512   | 1,486   | 2,044  |
| - Investment properties         | 69  | 78  | 302   | 312  |
| - Right-of-use assets           | 18  | 14  | 59  | 56   |
| Impairment loss on receivables  |   |   |   |  |
| Interest expense                | 0   | 3   | 23  | 29   |
| And crediting:-                 |   |   |   |  |
| Interest income                 | 117   | 54  | 316   | 345  |

**17. Additional Disclosure Information**

(a) Significant Related Party Transaction

- (i) Included in the other receivables is an amount of RM2,100,355 due from Skymind Intelligent Systems Sdn. Bhd., a joint venture of the Company. It is unsecured and interest bearing at 3.48% per annum and repayable on demand.
- (ii) Included in other payables is an amount of RM308,482 representing short term loan from Nada Wangi Sdn. Bhd., a substantial shareholder of the Company. The loan is unsecured, non-interest bearing and repayable on demand.

**18. Taxation**

|   | <b>Current<br/>Quarter<br/>Ended<br/>31 March<br/>2022<br/>RM'000</b> | <b>Corresponding<br/>Preceding<br/>Quarter Ended<br/>31 March<br/>2021<br/>RM'000</b> | <b>Cumulative<br/>Period<br/>Ended<br/>31 March<br/>2022<br/>RM'000</b> | <b>Corresponding<br/>Preceding<br/>Period Ended<br/>31 March<br/>2021<br/>RM'000</b> |
|---|---|---|---|--|
| Tax based on results for the financial period:- |   |   |   |  |
| Malaysian income tax                            | (55)  | (834)   | (201)   | (1,165)  |
| Deferred tax                                    | (169)   | 93  | 332   | 172  |
|   | <u>(224)</u>  | <u>(741)</u>  | <u>131</u>  | <u>(993)</u>   |

The positive income tax position of RM131,000 for the cumulative period ended 31 March 2022 relates mainly to recognition of the deferred tax assets of the Manufacturing Divisions.

**NOTES TO THE INTERIM FINANCIAL REPORT**

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**19. Corporate Proposals**

There was no corporate proposal announced but not completed as at 20 May 2022, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

**20. Loans and Borrowings**

The Group's borrowings as at 31 March 2022 are as follows:

|  | <u>RM'000</u> |
|--|---------------|
| <b><u>Long term borrowings (secured)</u></b> |               |
| Term Loans                                   | 1,485         |

All borrowings are denominated in Ringgit Malaysia.

**21. Changes in Material Litigation**

As at the date of this interim financial report, there is no litigation or arbitration against the Group, which has a material effect on the financial position of the Group, and the Board is not aware of any material proceedings pending or of any fact likely to give rise to any proceedings.

**22. Dividend Declared/Recommended**

There was no declaration/recommendation of dividend during the interim period under review.

**23. (Loss)/Profit per Share**

(a) Basic (loss)/profit per share

The basic (loss)/profit per share is calculated by dividing the net (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares in issued excluding treasury shares as follows:-

|   | <b>Current<br/>Quarter<br/>Ended<br/>31 March<br/>2022</b> | <b>Corresponding<br/>Preceding<br/>Quarter<br/>Ended<br/>31 March<br/>2021</b> | <b>Cumulative<br/>Period<br/>Ended<br/>31 March<br/>2022</b> | <b>Corresponding<br/>Preceding<br/>Period Ended<br/>31 March<br/>2021</b> |
|---|--|--|--|---|
| Net (loss)/profit for the financial period attributable to owners of the Company (RM'000) | (664)  | 2,061  | (2,590)  | 2,580   |
| Weighted average number of ordinary shares ('000)   | 314,407  | 272,549  | 314,407  | 272,549   |
| Basic (loss)/profit per share (sen)   | <u>(0.21)</u>  | <u>0.76</u>  | <u>(0.82)</u>  | <u>0.95</u>   |

**NOTES TO THE INTERIM FINANCIAL REPORT**

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**23. (Loss)/Profit per Share (Cont'd)**

(b) Diluted (loss)/profit per share

The diluted (loss)/profit per share is calculated by dividing the net (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares in issued excluding treasury shares after adjustment for all dilutive potential ordinary shares as follows:-

|   | <b>Current<br/>Quarter<br/>Ended<br/>31 March<br/>2022</b> | <b>Corresponding<br/>Preceding<br/>Quarter<br/>Ended<br/>31 March<br/>2021</b> | <b>Cumulative<br/>Period<br/>Ended<br/>31 March<br/>2022</b> | <b>Corresponding<br/>Preceding<br/>Period Ended<br/>31 March<br/>2021</b> |
|---|--|--|--|---|
| Net (loss)/profit for the financial period attributable to owners of the Company (RM'000) | (664)  | 2,061  | (2,590)  | 2,580   |
| Weighted average number of ordinary shares ('000)   | 314,407  | 272,549  | 314,407  | 272,549   |
| Effect of warrants  | 5,580  | 13,621   | 5,580  | 13,621  |
| Basic (loss)/profit per share (sen)   | (0.21)   | 0.72   | (0.81)   | 0.72  |

**24. Audit Qualification**

The audit report on the Group's annual financial statements for the preceding financial year was not subject to any qualification.

**BY THE ORDER OF THE BOARD**

**LIM SHIOU GHAY**  
**INDEPENDENT NON-EXECUTIVE CHAIRMAN**  
 27 May 2022