

# Niche Capital Emas

**NICHE CAPITAL EMAS HOLDINGS BERHAD**

Registration No.: 200001024664 (527272-V)  
(Incorporated in Malaysia)

## **Interim Financial Report**

For the First Quarter ended 30 September 2022



**NICHE CAPITAL EMAS HOLDINGS BERHAD** *Reg. No. 200001024664 (527272-V)*  
**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022**  
**Condensed Consolidated Statement of Profit or Loss (Unaudited)**

	<u>Individual Quarter</u>			<u>Cumulative Quarter</u>		
	<u>3 months ended</u>			<u>3 months ended</u>		
	<u>30 Sep</u>			<u>30 Sep</u>		
	<b>2022</b>	<b>2021</b>	<b>+ / (-)</b>	<b>2022</b>	<b>2021</b>	<b>+ / (-)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	2,147	2,014	6.6	2,147	2,014	6.6
Cost of goods sold	(2,069)	(1,818)	13.8	(2,069)	(1,818)	13.8
Gross profit	78	196	-60.2	78	196	-60.2
Administrative expenses	(2,340)	(898)	160.6	(2,340)	(898)	160.6
Other expenses	-	-		-	-	
Other income	6,142	25	24468.0	6,142	25	24468.0
<b>Operating profit/(loss)</b>	<b>3,880</b>	<b>(677)</b>	<b>-673.1</b>	<b>3,880</b>	<b>(677)</b>	<b>-673.1</b>
Finance costs	(18)	(16)	12.5	(18)	(16)	12.5
<b>Profit/(Loss) before tax</b>	<b>3,862</b>	<b>(693)</b>	<b>-657.3</b>	<b>3,862</b>	<b>(693)</b>	<b>-657.3</b>
Taxation	-	-		-	-	
<b>Profit/(Loss) for the period</b>	<b>3,862</b>	<b>(693)</b>	<b>-657.3</b>	<b>3,862</b>	<b>(693)</b>	<b>-657.3</b>
<b>Profit/(Loss) attributable to Equity holders of the Company</b>	<b>3,862</b>	<b>(693)</b>	<b>-657.3</b>	<b>3,862</b>	<b>(693)</b>	<b>-657.3</b>
Profit/(Loss) per share (sen)						
- basic	0.44	(0.09)		0.44	(0.09)	
- diluted	0.39	(0.07)		0.39	(0.07)	

*The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Annual Report for the financial year ended 30 June 2022. The accompanying Explanatory Notes form an integral part of this Statement of Profit or Loss.*

**NICHE CAPITAL EMAS HOLDINGS BERHAD** *Reg. No. 200001024664 (527272-V)*  
**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022**  
**Condensed Consolidated Statement of Other Comprehensive Income (Unaudited)**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>3 months ended</u>		<u>3 months ended</u>	
	<u>30 Sep</u>		<u>30 Sep</u>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit/(Loss) for the period	3,862	(693)	3,862	(693)
Other comprehensive income:				
Currency translation differences	(6)	(5)	(6)	(5)
Total comprehensive profit/(loss) for the period	<u>3,856</u>	<u>(698)</u>	<u>3,856</u>	<u>(698)</u>
Total comprehensive profit/(loss) attributable to:				
Equity holders of the Company	<u>3,856</u>	<u>(698)</u>	<u>3,856</u>	<u>(698)</u>

*The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Annual Report for the financial year ended 30 June 2022. The accompanying Explanatory Notes form an integral part of this Statement of Profit or Loss.*

**NICHE CAPITAL EMAS HOLDINGS BERHAD** *Reg. No. 200001024664 (527272-V)*  
**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022**  
**Condensed Consolidated Statement of Financial Position**

	<b>Unaudited As at 30 Sep 2022 RM'000</b>	<b>Audited As at 30 Jun 2022 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant & Equipment	17,635	16,137
Right-of-use Assets	1,833	1,699
Goodwill on Consolidation	13	13
<b>Current Assets</b>		
Inventories	13,253	14,556
Work in Progress	53	-
Trade Receivables	14,718	13,761
Contract Asset	-	188
Other Receivables, Deposits and Prepayments	3,072	2,868
Tax Prepayment	89	75
Deposits, Cash and Bank Balances	5,877	4,169
<b>Total Current Assets</b>	<b>37,062</b>	<b>35,617</b>
<b>Total Assets</b>	<b>56,543</b>	<b>53,466</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to the shareholders of the Company</b>		
Share Capital	80,984	80,984
Reserves		
Warrant Reserve	4,433	4,433
Foreign Currency Translation Reserve	(363)	(357)
Accumulated Losses	(32,876)	(36,738)
Total Reserves	(28,806)	(32,662)
<b>Total Equity</b>	<b>52,178</b>	<b>48,322</b>
<b>Non-Current Liabilities</b>		
Finance Lease Liabilities	885	860
<b>Total Non-Current Liabilities</b>	<b>885</b>	<b>860</b>
<b>Current Liabilities</b>		
Trade Payables	1,358	1,977
Other Payables & Accruals	1,489	1,719
Provision for taxation	9	9
Finance Lease Liability	624	579
<b>Total Current Liabilities</b>	<b>3,480</b>	<b>4,284</b>
<b>Total Liabilities</b>	<b>4,365</b>	<b>5,144</b>
<b>Total Equity and Liabilities</b>	<b>56,543</b>	<b>53,466</b>
<b>Net Assets per Share attributable to the equity holders of the Company (RM)</b>	<b>0.06</b>	<b>0.05</b>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Report for the financial year ended 30 June 2022. The accompanying Explanatory Notes form an integral part of this Statement of Financial Position.*

**NICHE CAPITAL EMAS HOLDINGS BERHAD** *Reg. No. 200001024664 (527272-V)*  
**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022**  
**Condensed Consolidated Statement of Changes in Equity (Unaudited)**

	<b>Attributable to shareholders of the Company</b>				<b>Total Equity</b>
	<b>Non-Distributable</b>			<b>Distributable</b>	
	<b>Share Capital</b>	<b>Warrant Reserve</b>	<b>Foreign Currency Translation Reserve</b>	<b>Accumulated Losses</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Balance as at 1 Jul 2022</b>	80,984	4,433	(357)	(36,738)	48,322
Profit for the period	-	-	-	3,862	3,862
Other Comprehensive Loss	-	-	(6)	-	(6)
Total Comprehensive Income for the period	-	-	(6)	3,862	3,856
<b>Balance as at 30 Sep 2022</b>	<b>80,984</b>	<b>4,433</b>	<b>(363)</b>	<b>(32,876)</b>	<b>52,178</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the financial year ended 30 June 2022. The accompanying Explanatory Notes form an integral part of this statement.*

**NICHE CAPITAL EMAS HOLDINGS BERHAD** *Reg. No. 200001024664 (527272-V)*  
**INTERIM FINANCIAL REPORT FOR FIRST QUARTER ENDED 30 SEPTEMBER 2021**  
**Condensed Consolidated Statement of Changes in Equity (Continued)**

	<b>Attributable to shareholders of the Company</b>				<b>Total Equity</b>
	<b>Non-Distributable</b>		<b>Distributable</b>		
	<b>Share Capital</b>	<b>Warrant Reserve</b>	<b>Foreign Currency Translation Reserve</b>		<b>Accumulated Losses</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Balance as at 1 Jul 2021</b>	64,537	4,433	(340)	(27,702)	40,928
Loss for the period	-	-	-	(693)	(693)
Other Comprehensive Loss	-	-	(5)	-	(5)
Total Comprehensive Loss for the period	-	-	(5)	(693)	(698)
<b>Transactions with owners</b>					
Private Placement Share Issuance	4,134	-	-	-	4,134
Private Placement Corporate Exercise Expenses	(41)	-	-	-	(41)
<b>Balance as at 30 Sep 2021</b>	<b>68,630</b>	<b>4,433</b>	<b>(345)</b>	<b>(28,395)</b>	<b>44,323</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the financial year ended 30 June 2022. The accompanying Explanatory Notes form an integral part of this statement.*

# NICHE CAPITAL EMAS HOLDINGS BERHAD

Reg. No. 200001024664 (527272-V)

## INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022

### Condensed Consolidated Statement of Cash Flows (Unaudited)

	<b>Cumulative Quarter</b>	
	<b>3 months ended</b>	
	<b>30 Sep</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) Before Tax	3,862	(693)
Adjustments for:		
Depreciation on Property, Plant and Equipment ("PPE")	141	91
Depreciation on Right-of-use ("ROU") Assets	146	71
PPE written off	8	-
Unrealised loss on foreign exchange	(1)	(1)
Impairment of receivables	28	-
Finance Costs	18	16
Interest Income	(9)	(20)
Operating profit/(loss) before working capital changes	4,193	(536)
Changes in working capital		
Inventories	1,304	174
Receivables	(1,641)	(1,939)
Payables	(847)	12
Cash generated from/(used in) operating activities	3,009	(2,289)
Interest paid	(18)	(16)
Tax refund	-	12
Tax paid	(14)	(14)
<b>Net cash generated from/(used in) operating activities</b>	<b>2,977</b>	<b>(2,307)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of PPE	(1,062)	(2,351)
Acquisition of ROU asset	(65)	-
Interest received	9	20
<b>Net cash used in investing activities</b>	<b>(1,118)</b>	<b>(2,331)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of lease liabilities	(151)	(80)
Proceed from share issuance	-	4,134
Share issuance expenses	-	(41)
<b>Net cash (used in)/generated from financing activities</b>	<b>(151)</b>	<b>4,013</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,708</b>	<b>(625)</b>
<b>Cash and cash equivalents at 1 Jul</b>	<b>4,169</b>	<b>5,355</b>
Exchange difference in Translation	-	-
<b>Cash and cash equivalents at 30 Sep</b>	<b>5,877</b>	<b>4,730</b>
Cash and cash equivalents comprises:		
Cash and bank balances	5,877	4,730

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Report for the financial year ended 30 June 2022. The accompanying Explanatory Notes form an integral part of this statement.*

**NICHE CAPITAL EMAS HOLDINGS BERHAD** *Reg. No. 200001024664 (527272-V)*  
**INTERIM FINANCE REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022**

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (“MFRS”) 134**

**1. Basis of Preparation**

This Interim Financial Report is unaudited and has been prepared in accordance with the requirements of MFRS 134: *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirement of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying Explanatory Notes attached to the interim financial statements.

**Accounting Policies**

The accounting policies and methods of the computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2022.

**(i) Adoption of new and amended standards**

During the financial year, the Group and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial year:

Amendments to MFRS 3	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	
• Amendments to MFRS 1	
• Amendments to MFRS 9	
• Amendments to Illustrative Examples accompanying MFRS 16	
• Amendments to MFRS 141	

The adoption of the above amendments to MFRSs did not have any significant impact on the financial statements of the Group and the Company.

## 1. Basis of Preparations (Continued)

### Changes in Accounting Policies (Continued)

#### (ii) Standards issued but not yet effective

The Group and the Company have not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company:

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
Amendments 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 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above new standards and amendments to standards when they become effective.

The initial applications of the above-mentioned new MFRSs and amendments to MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

**2. Audit Report of Preceding Annual Financial Statements**

The audited financial statements of the Group for the financial year ended 30 June 2022 were not subject to any audit qualification.

**3. Seasonal or Cyclical Factors**

The Group's mining operations are affected by the weather conditions while the Trading operations are affected by the festive seasons.

**4. Unusual Items Due to their Nature, Size or Incidence**

There were no items affecting assets, liabilities, equity, net income or cash flow for the current quarter and financial period-to-date that are unusual due to their nature, size or incidence.

**5. Changes in Estimates**

There was no material change in estimates of amounts reported in prior financial years that have an effect in the current interim period.

**6. Issuances and Repayment of Debt and Equity Securities**

There were no issuance and repayment of debt or equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period under review.

**7. Dividend Paid**

No dividend has been paid during the current quarter and financial period-to-date.

## 8. Segment Information

	Trading		Construction and Services		Mining		Others		Group	
	Cumulative Quarter		Cumulative Quarter		Cumulative Quarter		Cumulative Quarter		Cumulative Quarter	
	3 months ended		3 months ended		3 months ended		3 months ended		3 months ended	
	30 Sep		30 Sep		30 Sep		30 Sep		30 Sep	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>										
Total Revenue	1,483	224	664	1,790	-	-	-	-	2,147	2,014
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-
<b>External Sales</b>	<b>1,483</b>	<b>224</b>	<b>664</b>	<b>1,790</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,147</b>	<b>2,014</b>
<b>Segment Result</b>	(102)	(249)	(170)	145	(1,225)	-	5,655	(431)	4,158	(535)
Interest Income	-	-	-	-	-	-	9	20	9	20
Finance Costs	(3)	(2)	-	(1)	(10)	(13)	(5)	-	(18)	(16)
Depreciation on PPE	(3)	(24)	-	-	(125)	(67)	(13)	-	(141)	(91)
Depreciation on ROU Assets	(17)	(8)	-	(7)	(65)	(48)	(64)	(8)	(146)	(71)
<b>Profit/(loss) before tax</b>	<b>(125)</b>	<b>(283)</b>	<b>(170)</b>	<b>137</b>	<b>(1,425)</b>	<b>(128)</b>	<b>5,582</b>	<b>(419)</b>	<b>3,862</b>	<b>(693)</b>
Taxation	-	-	-	-	-	-	-	-	-	-
<b>Profit/(loss) after tax</b>	<b>(125)</b>	<b>(283)</b>	<b>(170)</b>	<b>137</b>	<b>(1,425)</b>	<b>(128)</b>	<b>5,582</b>	<b>(419)</b>	<b>3,862</b>	<b>(693)</b>
<b>Assets</b>										
Segment Assets	18,653	27,404	12,227	8,110	19,233	11,141	6,430	4,091	56,543	50,746
Unallocated Assets	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>18,653</b>	<b>27,404</b>	<b>12,227</b>	<b>8,110</b>	<b>19,233</b>	<b>11,141</b>	<b>6,430</b>	<b>4,091</b>	<b>56,543</b>	<b>50,746</b>
<b>Liabilities</b>										
Segment Liabilities	889	1,993	983	891	903	2,080	1,590	1,459	4,365	6,423
Unallocated Liabilities	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>889</b>	<b>1,993</b>	<b>983</b>	<b>891</b>	<b>903</b>	<b>2,080</b>	<b>1,590</b>	<b>1,459</b>	<b>4,365</b>	<b>6,423</b>

## **9. Material Subsequent Events**

There was no material event subsequent to the current quarter under review.

## **10. Changes in the Composition of the Group**

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

## **11. Significant Related Party Transactions**

There was no significant related party transaction in the financial period under review.

## **12. Contingent Assets**

The Company had granted corporate guarantees in favour of AmBank (M) Berhad, CIMB Bank Berhad, RHB Bank Berhad and United Overseas Bank (Malaysia) Berhad (“Creditor Banks”) for banking facilities taken by Yikon Jewellery Industry Sdn. Bhd. (“YJI”), a former subsidiary of the Company. YJI had defaulted in the repayment of the Creditor Banks’ borrowings amounting to some RM16.6 million as at December 2012, leading to a Debt Settlement Agreement between the Creditor Banks, the Company and YJI, whereby the Company allotted 115,130,000 new ordinary shares to the Creditor Banks at RM0.10 per share, as full and final settlement sum for YJI’s defaulted bank borrowings and the discharge of the corporate guarantees previously granted by the Company in favour of the Creditor Banks.

In return for the Company’s settlement on behalf of YJI to the Creditor Banks, YJI had, entered into a Suit Assignment Agreement (“SAA”), to assign all its rights to receive compensation under a legal suit against, amongst others, Bank Negara Malaysia (“BNM”) for inter alia, the recovery of all the cupro-nickel material (“Stocks”) which are held by BNM, to the Company. Pursuant to the SAA, the Company is entitled to YJI’s portion of 40% of the sale proceeds of the Stocks. Any compensation received under this assignment will be utilised to settle all YJI’s liabilities to the Company. Any excess after settling legal expenses payable and relevant expenses under the legal suit and YJI’s liabilities to the Company, shall be refunded to YJI.

In 2014, YJI and BNM have reached a settlement and entered into a consent judgement where it is recorded that amongst others, the proceeds from the sales of the Stocks through the aforesaid open public tender shall be split between YJI and BNM at the ratio of 40:60.

In September 2021, BNM has successfully awarded the tender for the sale and meltdown of the Stocks as scrap and delivered the Stocks to the successful bidder in April 2022. BNM had subsequently paid out YJI’s 40% portion of the sale proceeds to YJI’s solicitors, and after deducting all legal costs and other relevant expenses, NICE had received the sum of some RM5.9 million from YJI’s solicitors as full and final payment pursuant to the SAA. As the amount received by NICE under the SAA is less than YJI’s indebtedness to the Company, there shall be no surplus to be refunded to YJI.

**B. Explanatory Notes Pursuant to Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**13. Detailed Analysis of Group Performance for the Current Quarter and Financial Year**

	<b>Individual/Cumulative Quarter</b>		
	<b>3 months ended 30 Sep</b>		
	<b>2022</b>	<b>2021</b>	<b>+ / (-)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>Revenue</b>	2,147	2,014	6.6
<b>Segments results:</b>			
Trading	(125)	(283)	-55.8
Construction and Services	(170)	137	-224.1
Mining	(1,425)	(128)	1,013.3
Others	5,582	(419)	-1,432.2
<b>Profit/(Loss) before tax</b>	<b>3,862</b>	<b>(693)</b>	<b>-657.3</b>

The Group recorded a RM2.1 million revenue for the current quarter and financial period-to-date, 6.6% increase compared with the corresponding financial quarter in the preceding financial year of RM2.0 million. During the current reporting quarter, the Group's Trading segment and Construction and Services segment contributed RM1.5 million (2022 – RM204,000) and RM664,000 (2022 - RM1.8 million) respectively.

No revenue was recognised in the Mining segment as the mining operations is still at exploration stage.

The Group recorded a RM3.9 million profit before taxation for the current quarter and financial period-to-date, as compared to a RM693,000 loss before taxation for the corresponding quarter in previous financial year.

Included in the current reporting period, there was a RM5.9 million for reversal of prior year's provision of liabilities written off for the Company's obligation under the corporate guarantees on former subsidiary, Yikon Jewellery Industry Sdn Bhd's ("YJI") bank borrowings.

**14. Comment on Material Change in the Profit before Taxation for the Current Quarter Compared with the Immediate Preceding Quarter**

	<b>Individual Quarter</b>		+ / (-) %
	<b>3 months ended</b>		
	<b>30 Sep</b>	<b>30 Jun</b>	
	<b>2022</b>	<b>2022</b>	
	<b>RM'000</b>	<b>RM'000</b>	
<b>Revenue</b>	2,147	6,536	-67.2
<b>Segments results:</b>			
Trading	(125)	(5,172)	-97.6
Construction and Services	(170)	(1,057)	-83.9
Mining	(1,425)	(172)	728.5
Others	5,582	(656)	-950.9
<b>Profit/(Loss) before tax</b>	<b>3,862</b>	<b>(7,057)</b>	<b>-154.7</b>

The Group recorded a RM3.9 million profit before taxation in the current quarter compared to a loss before taxation of RM7.1 million in the immediate preceding quarter mainly benefited by the RM5.9 million reversal of prior year's provision of liabilities written off. In the immediate preceding quarter, Trading segment's result was impacted by a RM5.5 million impairment on inventory, RM575,000 impairment on property, plant and equipment and RM329,000 impairment on trade receivable.

Revenue decreased by 67.2% to RM2.1 million from RM6.5 million in the immediate preceding quarter in the current reporting quarter with contributions from Trading segment and Construction and Services segment amounting to RM1.5 million (2022 - RM3.8 million) and RM664,000 (2022 - RM2.7 million).

No revenue was recognised in the Mining segment as the mining operations is still at exploration stage.

**15. Current Year Prospects**

Having obtained all the necessary authorities' approval in November 2022, the Group is expected to commence alluvial gold mining operation at Sokor North area in the first quarter of calendar year 2023. Meanwhile, exploration works is being carried out at Sokor North area to identify new mineralisation.

The Group's Trading segment prospect continues to be weak due to lower consumer demand. In view of this, the Group is building up the precious metal trading over the weak precious stone and jewellery products.

The Construction and Services segment, is expected to continue to contribute to the Group from its current construction and infrastructure works activities and will identify new prospective contracts in the future.

**16. Profit Forecast**

The Group did not issue any profit forecast during the current financial year.

## 17. Taxation

There is no taxation provision for the current financial period-to-date and comparative financial period.

## 18. Status of Utilisation of Proceeds Raised from Corporate Proposal

During the period from 21 June 2021 until 18 February 2022, the Company raised RM21.4 million from the issuance of 146.0 million ordinary shares through Special Share Issuance at issue prices from RM0.120 to RM0.206 per share.

The utilisation of the proceeds are as follows:

Category	Proposed	Raised	Utilised	Balance	Intended Timeframe for Utilisation
	Utilisation				
	RM'000	RM'000	RM'000	RM'000	
Construction and Property Related	4,000	4,000	4,000	-	
Mining Business	4,000	4,000	4,000	-	
Trading Business	10,000	10,000	6,177	3,823	Within 18 months
Working Capital	8,349	2,907	2,998	(91) *	
Proposal Expenses	500	500	409	91 *	
<b>Total</b>	<b>26,849</b>	<b>21,407</b>	<b>17,584</b>	<b>3,823</b>	

\* The surplus from the proceeds for defrayment of estimated expenses in relation to the Shares Issuance had been allocated and utilised for working capital purposes.

## 19. Status of Corporate Proposals Announced

There were no corporate proposals that have been announced by the Company but not completed at the date of this report except for the Proposed Private Placement announced on 7 November 2022 for the issuance of up to 369,233,500 new ordinary shares, which is expected to be completed by first quarter of calendar year 2023.

## 20. Group Borrowings and Debt Securities

The Group borrowing is as follows:

	30 Sep	
	2022	2021
	RM'000	RM'000
Amount payable within 12 months	624	297
Amount payable after 12 months	885	729
Total	1,509 <sup>a</sup>	1,026 <sup>b</sup>

The bank borrowing of the Group is in Ringgit Malaysia.

Remark:    *a*    RM473,000 is secured by a Corporate Guarantee of the Company and RM257,000 by personal guarantee of a director of the Company  
              *b*    RM733,000 is secured by a Corporate Guarantee of the Company and RM293,000 by a personal guarantee of a director of the Company

## 21. Derivative Financial Instrument

There was no derivative financial instrument issued by the Company as the date of this report.

## 22. Fair Value Changes of Financial Liabilities

There were no fair value changes of financial liabilities during the financial period under review.

## 23. Material Litigation

There was no pending material litigation as at the date of this report.

## 24. Dividend

No dividend has been proposed for the current quarter and financial period-to-date.

## 25. Earnings Per Share

### a) Basic earnings per share

The basic loss per share (“Basic LPS”) is calculated based on the consolidated loss for the financial year-to-date attributable to Equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year as follows:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>30 Sep</b>		<b>30 Sep</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Net profit/(loss) attributable to owners of the Company (Basic EPS numerator) (RM'000)</b>	3,862	(693)	3,862	(693)
<b>Weighted average number of ordinary shares in issue (Basic EPS denominator) ('000)</b>	877,514	772,747	877,514	772,747
<b>Basic earnings/(loss) per share (sen)</b>	<b>0.44</b>	<b>(0.09)</b>	<b>0.44</b>	<b>(0.09)</b>

### b) Diluted earnings per share

The diluted loss per share (“Diluted LPS”) is calculated based on the adjusted consolidated loss for the financial year attributable to the Equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares as follows:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>30 Sep</b>		<b>30 Sep</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Net profit/(loss) attributable to owners of the Company (Diluted EPS numerator) (RM'000)</b>	3,862	(693)	3,862	(693)
<b>Weighted average number of ordinary shares in issue ('000)</b>	877,514	772,747	877,514	772,747
<b>Effect of dilution - Warrants B</b>	122,122	153,907	122,122	153,907
<b>Adjusted weighted average number of ordinary shares in issue (Diluted EPS denominator) ('000)</b>	999,636	926,654	999,636	926,654
<b>Diluted earnings/(loss) per share (sen)</b>	<b>0.39</b>	<b>(0.07)</b>	<b>0.39</b>	<b>(0.07)</b>

*Remark:*

*Warrants has a dilutive effect only when the average market price of ordinary shares during the period exceeds the exercise price of the options or warrants.*

**26. Notes to Condensed Consolidated Statement of Profit or Loss**

Profit/(Loss) before taxation is arrived at after (charging)/crediting the following items:

	<b>30 Sep 2022</b>	
	<b>Individual Quarter RM '000</b>	<b>Cumulative Quarter RM '000</b>
(a) Interest Income	9	9
(b) Other Income	6,142	6,142
(c) Finance Costs	(18)	(18)
(d) Depreciation and Amortization	(287)	(287)
(e) Provision/Write-off of Receivables	(28)	(28)
(f) Provision/Write-off of Inventories	-	-
(g) Gain/(Loss) on Disposal of quoted or unquoted investments or properties	-	-
(h) Impairment of Assets	(8)	(8)
(i) Foreign Exchange Gain	1	1
(j) Gain/(Loss) on derivatives	-	-
(k) Exceptional Items	-	-

By Order of the Board

Ong Tze-En (MAICSA 7026537) (SSM PC NO. 202008003397)

Company Secretary