

Caely Holdings Bhd (Company No. 19960103603)

**Interim Report For The Financial Year Ended 31 March 2022**



CAELY

# Caely Holdings Bhd (Company No. 19960103603)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Quarter <u>31.03.2022</u> RM'000	Corresponding Quarter <u>31.03.2021</u> RM'000	Current Year To Date <u>31.03.2022</u> RM'000	Corresponding Year To Date <u>31.03.2021</u> RM'000
Revenue	10,657	12,853	55,891	57,486
Provision for and write (off) / back of inventories	(123)	(61)	(427)	144
Cost of sales	<u>(10,051)</u>	<u>(10,539)</u>	<u>(46,033)</u>	<u>(47,676)</u>
Gross profit	483	2,253	9,431	9,954
Interest Income	41	15	149	66
Other operating income	533	3,341	4,123	4,009
Operating expenses	(6,294)	(2,249)	(16,011)	(8,763)
Depreciation and amortization	(225)	(219)	(807)	(879)
Foreign exchange gain or (loss)	151	(138)	2	115
Provision for and write (off) / back of receivables	235	-	2,631	(211)
Net loss on impairment of financial assets	<u>-</u>	<u>(16,791)</u>	<u>(146)</u>	<u>(16,791)</u>
Loss from operation	(5,076)	(13,788)	(628)	(12,500)
Finance costs	<u>(248)</u>	<u>(279)</u>	<u>(873)</u>	<u>(1,201)</u>
Loss before taxation	(5,324)	(14,067)	(1,501)	(13,701)
Taxation	<u>(3,967)</u>	<u>736</u>	<u>(5,131)</u>	<u>373</u>
Loss after taxation	<u>(9,291)</u>	<u>(13,331)</u>	<u>(6,632)</u>	<u>(13,328)</u>
Other comprehensive income Items that will be reclassified subsequently to profit or loss :				
Currency translation differences	-	-	-	-
Total comprehensive expenses	<u>(9,291)</u>	<u>(13,331)</u>	<u>(6,632)</u>	<u>(13,328)</u>
Loss after taxation attributable to :				
Owners of the Company	(9,291)	(23,458)	(6,632)	(12,379)
Non-controlling Interest		<u>(10,127)</u>		949
	<u>(9,291)</u>	<u>(13,331)</u>	<u>(6,632)</u>	<u>(13,328)</u>
Total comprehensive (expenses) attributable to :				
Owners of the Company	(9,291)	(14,349)	(6,632)	(12,379)
Non-controlling Interest		<u>(1,018)</u>		949
	<u>(9,291)</u>	<u>(13,331)</u>	<u>(6,632)</u>	<u>(13,328)</u>
Loss per share (sen)				
- Basic	(3.61)	(5.57)	(2.58)	(4.81)
- diluted	(2.41)	(5.13)	(1.72)	(4.42)

(The Condensed Consolidated Statement of Comprehensive income should be read in conjunction with the audited financial statement for the year ended 31 March 2021 and the accompanying notes attached to the interim financial statements)

# Caely Holdings Bhd (Company No. 19960103603)

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

	Unaudited as at <u>31.03.2022</u> RM'000	Audited as at <u>31.03.2021</u> RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	23,941	23,715
Right-of-use assets	386	192
Investment properties	4,100	4,100
Deferred tax assets	-	3,782
	<hr/> 28,427	<hr/> 31,789
<b>Current Assets</b>		
Inventories	59,359	54,928
Receivable, deposits and prepayments	10,579	15,069
Tax recoverable	27	184
Deposits with licensed banks	9,183	3,129
Deposits, bank and cash balances	2,879	2,802
	<hr/> 82,027	<hr/> 76,112
Assets held for sales	-	581
	<hr/> 82,027	<hr/> 76,693
<b>TOTAL ASSETS</b>	<hr/> 110,454	<hr/> 108,482

# Caely Holdings Bhd (Company No. 19960103603)

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

	Unaudited as at <u>31.03.2022</u> RM'000	Audited as at <u>31.03.2021</u> RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the company</b>		
Share capital	71,512	59,559
Other reserves	10,651	10,651
Retained profit / (loss)	(797)	7,123
	<u>81,366</u>	<u>77,333</u>
Non-controlling Interests	-	(219)
	<u>81,366</u>	<u>77,114</u>
<b>Total equity</b>		
<b>Non-current liabilities</b>		
Lease liabilities	268	108
Term loans	8,154	10,413
Deferred tax liabilities	1,242	1,270
	<u>9,664</u>	<u>11,791</u>
<b>Current Liabilities</b>		
Payable and accrued liabilities	12,172	11,337
Provisions	258	258
Contract liabilities	1,893	360
Tax payable	206	558
Lease liabilities	70	77
Term loans	2,202	1,577
Short term borrowings	1,794	1,777
Bank overdrafts	829	2,606
	<u>19,424</u>	<u>18,550</u>
Liabilities held for sales	-	1,027
	<u>19,424</u>	<u>19,577</u>
Total liabilities	<u>29,088</u>	<u>31,368</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>110,454</u>	<u>108,482</u>
<b>Net assets per share (RM)</b>	0.32	0.36

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompany explanatory notes attached to the Interim financial statements)

# Caely Holdings Bhd (Company No. 19960103603)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Share capital	Reserve on consolidation	Revaluation reserve	Retain profit / (loss)	Attributable to Owner of the Company	Non-controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 April 2021	59,559	80	10,571	7,122	77,332	(219)	77,113
Dividend to owner of the company First Interim 2022	-	-	-	(1,287)	(1,287)	-	(1,287)
Loss for the financial period				(6,632)	(6,632)		(6,632)
Total Comprehensive loss	-	-	-	(6,632)	(6,632)	-	(6,632)
Disposal of a subsidiary	-	-	-	-	-	219	219
Exercise of Warrants	4,018	-	-	-	4,018	-	4,018
Private Placement Exercise	7,935	-	-	-	7,935	-	7,935
At 31 March 2022	71,512	80	10,571	(797)	81,366	-	81,366

(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 and the accompanying explanatory notes attached to the interim financial statements)

# Caely Holdings Bhd (Company No. 19960103603)

## UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Share capital	Reserve on consolidation	Revaluation reserve	Retain profit / (loss)	Attributable to Owner of the Company	Non-controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 April 2020	50,266	80	10,656	21,316	82,318	(1,168)	81,150
Loss for the financial period				(14,278)	(14,278)	949	(13,329)
Total Comprehensive income / (loss)	-	-	-	(14,278)	(14,278)	949	(13,329)
Exercise of Warrants	9,293	-	-	-	9,293	-	9,293
Transfer of reserve	-	-	(85)	85	-	-	-
At 31 March 2021	59,559	80	10,571	7,123	77,333	(219)	77,114

(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 and the accompanying explanatory notes attached to the interim financial statements)

# Caely Holdings Bhd (Company No. 19960103603)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Unaudited	Audited
	For the Financial	For the Financial
	Year Ended	Year Ended
	<u>31.03.2022</u>	<u>31.03.2021</u>
	RM'000	RM'000
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
Loss before taxation	(1,501)	(13,701)
Adjustments for :		
Depreciation of property, plant and equipment	759	691
Depreciation of right-of-use assets	48	188
Allowance for impairment losses on :		
- provision	146	16,791
- write back	(2,631)	(2,014)
Allowance for slow moving inventories		
- provision for	427	267
- reversal	-	(123)
Amortization of government grant	(461)	(1,091)
Liquidated ascertained damages		
- provision for liquidated ascertained damages	1,533	-
- write back liquidated ascertained damages	-	(771)
Interest expense	873	1,159
Interest income	(149)	(66)
Fair value (gain) / loss on:		
- marketable securities	-	(9)
- derivatives financial instruments	-	(12)
Gain on disposal of property, plant and equipment	(139)	(10)
Gain on disposal of a subsidiary	(228)	-
Gain on disposal of marketable securities	-	(2)
Net unrealized foreign exchange (gain) / loss	357	(425)
Operating profit / (loss) before working capital changes	<u>(966)</u>	<u>872</u>
Increase in inventories	(5,199)	(2,306)
Decrease in Housing Development Accounts	341	-
Decrease in receivables	6,971	7,101
(Decrease) / Increase in payable	1,471	(3,338)
<b>CASH GENERATED FROM FOR OPERATIONS</b>	<u>2,618</u>	<u>2,329</u>
Liquidated ascertained damages and compensation paid	-	(1,231)
Interest paid	(188)	(475)
Income tax refund	-	1
Income tax paid	(1,565)	(119)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES CARRIED FORWARD</b>	<u>865</u>	<u>505</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying notes to the quarterly financial statements)

# Caely Holdings Bhd (Company No. 19960103603)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Unaudited For the Financial Year Ended <u>31.03.2022</u> RM'000	Audited For the Financial Year Ended <u>31.03.2021</u> RM'000
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES BROUGHT FORWARD</b>	865	505
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Property , plant and equipment		
- purchase	(829)	(108)
- disposal	383	10
Acquisition for subsidiary	(400)	-
Interest income received	149	66
Fixed deposit pledged with bank	(7,400)	-
Marketable securities disposed	47	14
Net cash used in investing activities	<u>(8,050)</u>	<u>(18)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Deposits released under lien for credit facilities with licensed banks	-	(67)
Withdrawal / (Repayments) of short term bank borrowings	18	(332)
Repayments of advances to a director	(635)	(826)
Repayments of lease liabilities	(234)	(128)
Repayments of term loan	(1,635)	(565)
Government grant received	461	1,091
Withdrawal of fixed deposits pledged as security	1,400	-
Dividend paid	(1,287)	-
Interest paid	(685)	(685)
Warrants exercised	4,018	9,293
Private placement exercised	7,935	-
<b>Net cash generated from financing activities</b>	<u>9,356</u>	<u>7,781</u>
Net change in cash and cash equivalents	2,171	8,268
Foreign exchange translation differences	(357)	-
Cash and cash equivalent at beginning of the year	(183)	(8,451)
Cash and cash equivalent at end of the year	<u>1,631</u>	<u>(183)</u>
Notes :		
Cash and cash equivalent at the end of the financial year comprise the following:		
	RM'000	RM'000
Deposit, cash and bank balance	2,879	2,802
Less : Bank overdraft	(829)	(2,606)
Less :Bank balances held under Housing Development Account	(415)	(415)
Add : Transfer to assets classified as held for sales	-	36
	<u>1,635</u>	<u>(183)</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying notes to the quarterly financial statements)



## PART A - EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (MFRS 134)

### 1. Basis of Accounting and Accounting Policies

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2021. The explanatory notes attached to the financial statements provided an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2022.

### 2. Changes of Accounting Policies

#### (a) Standards issued and effective

On 1 April 2020, the Group and the Company have also adopted the following new and amended MFRS which are mandatory for annual financial periods beginning on or after 1 January 2020.

#### Description

- Amendments to MFRS 3, *Business Combinations*: Definition of Business
- Amendments to MFRS 4, *Insurance Contracts*: Extension of the Temporary Exemption from Applying MFRS9
- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurements* and MFRS 7, *Financial Instruments: Disclosures*: Interest Rate Benchmark Reform
- Amendments to MFRS 101, *Presentation of Financial Statements* and MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Material
- Amendments to MFRS 101, *Presentation of Financial Statements*: Classification of Liabilities as Current or Non-current-Deferral of Effective Date
- Amendments from other Standards:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 2, *Share-Based Payment*
  - Amendments to MFRS 3, *Business Combination*
  - Amendments to MFRS 5, *Non-current Assets Held for Sales and Discontinued Operations*
  - Amendments to MFRS 6, *Exploration for and evaluation of Mineral Resources*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 14, *Regulatory Deferral Accounts*
  - Amendments to MFRS 15, *Revenue from Contracts with Customers*
  - Amendments to MFRS 101, *Presentation of Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
  - Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors*
  - Amendments to MFRS 110, *Events after the Reporting Period*
  - Amendments to MFRS 116, *Property, Plant and Equipment*
  - Amendments to MFRS 119, *Employee Benefits*
  - Amendments to MFRS 128, *Investments in Associates and Joint Ventures*
  - Amendments to MFRS 132, *Financial Instruments: Presentation*
  - Amendments to MFRS 134, *Interim Financial Reporting*
  - Amendments to MFRS 136, *Impairment of Assets*
  - Amendments to MFRS 137, *Provision, Contingent Liabilities and Contingent Assets*
  - Amendments to MFRS 138, *Intangible Assets*
  - Amendments to MFRS 140, *Investment Property*
  - Amendments to IC Interpretation 12, *Service Concession Arrangements*
  - Amendments to IC Interpretation 19, *Extinguishing Financial Liabilities with Equity Instruments*

# Caely Holdings Bhd (Company No. 19960103603)

- Amendments from other Standards (Continued)

- Amendments to IC Interpretation 20, *Stripping Costs in Production Phase*

- Amendments to IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*

- Amendments to IC Interpretation 132, *Intangible Assets - Web Site Costs*

Adoption of above amended MFRS did not have any material impact to the financial performances or positions of the Group and of the Company.

## (b) Standard issued but not yet effective

The Group and the Company have not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for the Financial period beginning on or after
<ul style="list-style-type: none"> <li>• Amendments to MFRS 3, <i>Business Combinations</i>: Reference to the Conceptual Framework</li> </ul>	1 January 2022
<ul style="list-style-type: none"> <li>• Amendments to MFRS 116, <i>Property, Plant and Equipment</i>: Property, Plant and Equipment - Proceeds before Intended Use</li> </ul>	1 January 2022
<ul style="list-style-type: none"> <li>• Amendments to MFRS 137, <i>Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts</i> - Cost of Fulfilling a Contract</li> </ul>	1 January 2022
<ul style="list-style-type: none"> <li>• Annual improvements to MFRSs 2018-2020 cycle               <ul style="list-style-type: none"> <li>- Amendments to MFRS 1, <i>First Time Adoption of Malaysian Financial Reporting Standards</i></li> <li>- Amendments to MFRS 9, <i>Financial Instruments</i></li> <li>- Amendments to MFRS 16, <i>Leases</i></li> <li>- Amendments to MFRS 141, <i>Agriculture</i></li> </ul> </li> </ul>	1 January 2022
<ul style="list-style-type: none"> <li>• MFRS 17, <i>Insurance Contracts</i></li> </ul>	1 January 2023
<ul style="list-style-type: none"> <li>• Amendments to MFRS 17, <i>Insurance Contracts</i></li> </ul>	1 January 2023
<ul style="list-style-type: none"> <li>• Amendments to MFRS 101, <i>Presentations of Financial Statements</i>: Classification of Liabilities as Current or Non-current</li> </ul>	1 January 2023
<ul style="list-style-type: none"> <li>• Amendments to MFRS 101, <i>Presentation of Financial Statement</i> : Disclosures of Accounting Policies</li> </ul>	1 January 2023
<ul style="list-style-type: none"> <li>• Amendments to MFRS 108, <i>Accounting Policies Changes in Accounting Estimates and Errors</i> : Definition of Accounting Estimates</li> </ul>	1 January 2023
<ul style="list-style-type: none"> <li>• Amendments to MFRS 10, <i>Consolidated Financial Statements</i> and <i>MFRS 128 Investment in Associate and Joint Ventures</i>: Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture</li> </ul>	Deferred

The initial application of the accounting standards, amendments or interpretations are not expected to have material impact to the financial statements of the Group and of the Company

### 3. Declaration of Audit Qualification

The audited financial statements of the Group for the financial year ended 31 March 2021 was not subject to any audit qualification.

### 4. Seasonal or Cyclical Factors

The Group's business operations for the year ended 31 March 2021 were not materially affected by significant seasonal or cyclical fluctuations.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year ended 31 March 2021.

**6. Changes in Estimates**

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

**7. Segmental Information**

	REVENUE		PROFIT BEFORE TAX	
	3 months ended <u>31.03.2022</u> RM'000	12 months ended <u>31.03.2022</u> RM'000	3 months ended <u>31.03.2022</u> RM'000	12 months ended <u>31.03.2022</u> RM'000
OPERATING SEGMENTS				
Direct Selling / Retail	948	4,085	291	(37)
Property Development & construction	(4,483)	(4,108)	(5,188)	(4,573)
Manufacturing	14,116	55,562	648	5,096
Investment Holdings	-	-	(552)	(1,791)
Others	76	353	(523)	(196)
Group	10,657	55,892	(5,324)	(1,501)

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

The valuations of property, plant and equipment have been revalued and amended from financial statements for the financial year ended 31 March 2019.

**9. Subsequent Events**

**a. Forensic Investigation - Caely (M) Sdn Bhd (“CMSB”)**

On 7 April 2022, the Board of Directors of Caely had announced that VirDOS Lima Consultancy (M) Sdn Bhd., forensic auditor has been appointed to carry out an independent forensic audit on allegations of suspicious and irregular transactions at CMSB with target completion by 31 May 2022.

As at date of this Interim report, the Company is unable to ascertain the financial and operational impact at this juncture until the forensic audit investigation is completed. The Company shall update accordingly on the forensic audit investigation progress. Upon receipt of the forensic audit report, the Company will take all necessary recourse available under the law upon taking further legal advice.

**b. Exercise of warrants B:**

Date of exercise	No. Of warrants exercised	Consideration received (RM)
01 April 2022	69,000	24,150
01 April 2022	40,000	14,000
06 April 2022	300,000	105,000
06 April 2022	220,000	77,000
07 April 2022	50,000	17,500
08 April 2022	84,000	29,400

## 10. Changes in Composition of the Group

### Disposed of 51% stake in Omni Green Sdn Bhd

CHB has on 30 April 2021 disposed of its entire interest in the shares of Omni Green Sdn Bhd (“Omni Green”), representing 51% shareholdings, to Mr. Ng Choo Beng at a consideration of RM1.00. Omni Green has been a non-core business and loss making company. The disposal will enable the Group to be more focus on its core business and better utilization of its resources.

## 11. Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities since the last annual reporting date and there were no contingent assets as at end of the current review.

## 12. Capital Commitments

As at 31 March 2022, there was no material capital commitment for the purchase of property, plant and equipment not provided for in the interim financial statements.

## 13. Dividend

The company had announced on 23<sup>rd</sup> February 2022, proposed 1<sup>st</sup> single tier interim dividend of RM0.005 per share amounting to RM1,287,198.02 on 257,439,604 ordinary shares for the financial year ending 31 March 2022, was paid on 31 March 2022 to the shareholders of Caely whose names appear in the Register of Depositors of Caely on 16 March 2022.

# Caely Holdings Bhd (Company No. 19960103603)

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APP'X 9B OF THE MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

## 14. Analysis of Unaudited Performance of the Group by Operating Segment

Operating Segments	Quarter Ended		Variance		Year-to-Date Ended		Variance	
	31.03.2022	31.03.2021			31.03.2022	31.03.2021		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
<b>Revenue</b>								
Direct Selling / Retail	948	895	53	5.92	4,085	4,792	(707)	(14.75)
Property development & construction	(4,483)	(130)	(4,353)	(3,348.46)	(4,108)	(596)	(3,512)	(589.26)
Manufacturing	14,116	11,948	2,168	18.15	55,562	52,753	2,809	5.32
Others	76	140	(64)	(42.71)	353	537	(184)	(34.26)
<b>Group</b>	<b>10,657</b>	<b>12,853</b>	<b>(2,196)</b>	<b>(17.09)</b>	<b>55,892</b>	<b>57,486</b>	<b>(1,594)</b>	<b>(2.77)</b>
<b>Profit / (loss) Before tax</b>								
Direct Selling / Retail	291	56	235	419.64	(37)	433	(470)	(108.55)
Property development & construction	(5,188)	(15,360)	10,172	66.22	(4,573)	(18,229)	13,656	74.91
Manufacturing	648	1,328	(680)	(51.20)	5,096	4,733	363	7.67
Others	(1,075)	(91)	(984)	( 1,081.32)	(1,987)	(638)	(1,349)	(211.44)
<b>Group</b>	<b>(5,324)</b>	<b>(14,067)</b>	<b>8,743</b>	<b>62.15</b>	<b>(1,501)</b>	<b>(13,701)</b>	<b>12,200</b>	<b>89.04</b>
<b>Profit / (loss) after tax</b>								
Direct Selling / Retail	291	70	221	315.71	(37)	433	(470)	(108.55)
Property development & construction	(8,877)	(16,077)	7,200	44.78	(8,355)	(18,228)	9,873	54.16
Manufacturing	384	2,585	(2,201)	(85.15)	3,761	5,105	(1,344)	(26.33)
Others	(1,089)	91	(1,180)	(1,296.70)	(2,002)	(638)	(1,364)	(213.79)
<b>Group</b>	<b>(9,291)</b>	<b>(13,331)</b>	<b>4,040</b>	<b>30.31</b>	<b>(6,633)</b>	<b>(13,328)</b>	<b>6,695</b>	<b>50.23</b>

## (a) Current Quarter

### i) Revenue

#### Group

The revenue decrease by RM2.2 million or 17.1%, compare to previous quarter due to:

- A) Property Development Cost  
Buyers cancellation of sold 2 and 3 storeys shophot amounting to reduction in revenue of RM4.2 million, and
- B) Manufacturing  
Partially off set, by increase in manufacturing sales of RM2.2 million or 18.1%, following the gradual opening of economy arising from post Covid-19 endemic recovery by various countries in line to increase in sales

### ii) Loss before tax

#### Group

Loss before tax improved by RM8.7 million or 62.2%, compare to previous quarter due to previous recognition of impairment of receivables of RM14.4 million, but partly off-set by :

- A) Property Development Cost
  - I) Write back of profit of RM2.0 million due to buyer cancellation on sale of 2 and 3 storeys shophot, and
  - II) Provision of liability of RM2.2 million incurred in 2017, which was not previously provided
- B) Manufacturing  
Also offset by lower sales of face cloth by RM0.7 million or 51.2% following the change in consumer spending behaviour
- C) Others  
Increase in other segment expenses of RM1.0 million due to
  - I) Reclassification of salary of RM0.5 million,
  - II) Professional fees in respect of exercise of warrant B and legal fees amounting to RM0.5 million

### iii) Loss after tax

#### Group

Loss after tax improved by RM4.0 million or 30.3%, compared to previous quarter due to :

- A) Property Development Cost  
Property development cost improved due to lower provision for impairment of RM7.2 million or 44.8%, but was partially offset by:
  - I) Buyer cancellation of sold 2 and 3 storeys shophot amounting to RM2.0 million,
  - II) Write back of defer tax assets amounting to RM3.8 million previously recognized are as followings:
    - A) Year ended 2019 of RM1.0 million;
    - B) Year ended 2020 of RM1.5 million; and
    - C) Year ended 2021 of RM1.3 million.

# Caely Holdings Bhd (Company No. 19960103603)

## (a) Current Quarter (continued)

- B) Manufacturing  
Partially offset by decrease in Manufacturing sales of RM2.2 million arising from delay in Production due to various movement control order 3.0 lasted till March 2022.
- C) Others  
Increase in others segment loss after tax of RM1.2 million mainly due to reclassification of salary of RM0.5 million and professional fees incurred in respect of exercise of warrant B and legal fee amounting to RM0.5 million

## (b) Year-to-Date

### I) Revenue

#### Group

The revenue decrease by RM1.6 million or 2.8%, compared to previous year to date due to:

- (A) Property Development Cost  
Buyer cancellation of sold 2 and 3 storeys shoptlot amounting to reduction in revenue of RM4.2 million.
- (B) Manufacturing  
Partially offset by increased in manufacturing sales by RM2.8 million or 5.3%, following the gradual opening of economy arising from post Covid-19 endemic recovery by various countries in line to increase in sales

### II) Loss before tax

#### Group

The loss before tax improved by RM12.2 million or 89.0% compare to previous year to date due to:

- (A) Property Development Cost  
Reduction of impairment of receivables of RM14.4 million previously recognized, however was partially offset by:
- I) Write back of profit of RM2.0 million on cancellation of sold 2 and 3 storeys shoptlot;
  - II) Provision of liability payable of RM2.2 million incurred in 2017 which was not previously provided
- (B) Others  
Increase in other segment expenses of RM1.3 million due to :
- I) Reclassification of salary of RM0.7 million,
  - II) Professional fee in respect of exercise of warrants B and legal fees amounting to RM0.5 million

### III) Loss after tax

#### Group

Loss after tax improved by RM6.7 million or 50.2% compared to previous year to date due to previous recognition of impairment of receivables of RM14.4 million, but was partially offset by:

- (A) Property Development Cost  
Property development cost improved by RM9.9 million or 54.2% due to lower provision of impairment, but was offset by:
- I) Buyer cancellation of sold 2 and 3 storeys shoptlot amounting to RM2.0 million,

**III) Loss after tax (continue)**

- II) Write back defer tax assets amounting to RM3.8 million previously recognized are as follows:
- A) Year ended 2019 of RM1.0 million;
- B) Year ended 2020 of RM1.5 million; and
- C) Year ended 2021 of RM1.3 million.
- III) Provision of liability of RM2.2 million incurred in 2017, which was not previously provided

**15. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

Operating Segments	Quarter Ended		RM'000	Variance %
	31.03.2022	31.12.2021		
	RM'000	RM'000	RM'000	
<b>Revenue</b>				
Direct Selling / Retail	948	1,206	(258)	(21.39)
Property development & construction	(4,483)	375	(4,858)	(1,295.47)
Manufacturing	14,116	14,219	(103)	(0.72)
Others	76	153	(77)	(50.33)
Group	10,657	15,953	(5,296)	(33.20)
<b>Profit / (loss) Before tax</b>				
Direct Selling / Retail	291	(143)	434	303.50
Property development & construction	(5,188)	41	(5,229)	(12,753.66)
Manufacturing	648	2,130	(1,482)	(69.58)
Others	(1,075)	(421)	(654)	(155.34)
Group	(5,324)	1,607	(6,931)	(431.30)
<b>Profit / (loss) after tax</b>				
Direct Selling / Retail	291	(143)	434	303.50
Property development & construction	(8,877)	41	(8,918)	(21,751.22)
Manufacturing	384	1,610	(1,226)	(76.15)
Others	(1,089)	(421)	(668)	(158.67)
Group	(9,291)	1,087	(10,378)	(954.74)

**Quarter vs Quarter**
**Revenue**

The Group revenue decrease by RM5.29 million from RM16.0 million to RM10.7 million in comparison to preceding quarter main due to buyer cancellation of 2 and 3 storeys amounting to RM4.2 million

**Loss before tax**

The Group loss before tax increase by RM6.9 million from profit of RM1.6 million to a loss of RM5.3 million due to:



**15. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter (continue)**

**Quarter vs Quarter (continue)**

- (a) Property Development & Construction
  - (I) Write back of profit of RM2.0 million due to buyers cancellation on sales of shoptlot, and
  - (II) Provision of liability of RM2.2 million committed in 2017, which was not previously provided.
  
- (b) Manufacturing  
Lower sales of face cloth by RM0.7 million and reduce in manufacturing sale of RM0.7 million

Loss after tax

**Group**

The Group loss after tax increase by RM10.4 million from profit of RM1.1 million to a loss of RM9.3 million mainly due to:

- (a) Property Development Cost
  - (I) Write back of profit of RM2.0 million due to buyers cancellation on sales of shoptlot
  - (II) Provision of liability of RM2.2 million committed in 2017, which was not previously provided
  - (III) Write back of defer tax assets amounting to RM3.8 million, which was previously recognized as follows :
    - (a) Year ended 2019 RM1.0 million;
    - (b) Year ended 2020 RM1.5 million; and
    - (c) Year ended 2021 RM1.3 million.

**16. Commentary on Prospects**

The current war between Ukraine and Russia has created uncertainty on the recovery of the world economy despite many countries, including Malaysia are moving toward endemicity stage of the Covid-19.

The manufacturing sector is expected to improve in line with the higher level of economic activities. However, moving forward with geo-political tension, higher inflation and raising interest rate may impact the performance of the manufacturing activity.

**17. Profit Forecast or Profit Guarantee**

Not applicable.

**18. Taxation**

Taxation represents current year provision

The effective tax rate for the current year was higher than the statutory tax rate was mainly due to write back of defer tax assets amounting to RM3.8 million, which was previously recognized as follows:

- (a) Year ended 2019 RM1.0 million;
- (b) Year ended 2020 RM1.5 million; and
- (c) Year ended 2021 RM1.3 million.

**19. Profit before Taxation**

Profit before taxation for the financial year is arrived at after charging / (crediting) the following (income) / expenses:

	Current Year to Date 31.03.2022 RM'000	Current Year to Date 31.03.2022 RM'000
Depreciation of property, plant & equipment	759	629
Depreciation of right-of-use Assets	48	247
Impairments losses on receivables	146	16,791
Reversal of impairment losses on receivables	(2,631)	(2,013)
Gain on disposal of PPE	139	(10)
Interest expense	873	1,173
Interest income	(149)	(66)

**20. Corporate Proposals**

There was no corporate proposal announced but not completed in the current year up to 20 May 2022, being the last practicable date from the date of the issue of this report.

**21. Borrowings and Debts Securities**

	As at 31.03.2022 RM'000	As at 31.03.2021 RM'000
Secured :		
- Short term borrowings	4,543	5,430
- Long term borrowings	8,153	10,336
Unsecured :		
- Short term borrowings	281	605
Total borrowings	12,977	16,371

## 22. Material Litigation

Other than stated below, there were no change in material litigation since the last annual balance sheet date:

- (i) The Plaintiff has filed an Originating Summon with reference no. WA-24NCC-171-03/2022 in the High Court of Malaya Kuala Lumpur on 16 March 2022 to the following as Defendants:-

Leong Seng Wui -1st Defendant

Kok Kwang Lim – 2nd Defendant

Valhalla Capital Sdn Bhd – 3rd Defendant

Island Synergy Sdn Bhd, - 4th Defendant

Goh Choon Heng – 5th Defendant

Goh Choon Kim – 6th Defendant

Alliancegroup Nominees (Tempatan) Sdn Bhd – 7th Defendant

Hong Seng Capital Sdn Bhd – 8th Defendant

The Originating Summons was filed pursuant to the Capital Markets Services Act 2007, the Securities Industry (Central Depositories) Act 1991 and the Rules of Take-Overs, Mergers and Compulsory Acquisitions to seek the court's determination on the following matters:-

- (a) whether the Plaintiff and/or its present directors have to provide the Plaintiff's Register of Depositors to the 1st to 3rd Defendants in order to facilitate the despatch of the notice of the Plaintiff's extraordinary general meeting currently indicated to be on 15.4.2022 that the 1st to 3rd Defendants intend to call ("**the Intended 15.4.2022 EGM**");
- (b) whether the Defendants are entitled to exercise their voting rights in respect of the Intended 15.4.2022 EGM or any other general meeting of the Plaintiff; and
- (c) whether the Defendants are entitled to nominate themselves or their nominees namely the 1st Defendant, Ng Keok Chai, Kang Chez Chiang and Krishnan a/l Dorairaju as the directors of the Plaintiff.

The next case management for OS 178 and the Expungement Application is fixed on 20.05.2022

- (ii) Mr. Leong Seng Wui, Kok Kwang Lim, Valhalla Capital Sdn Bhd (collectively referred as "the Plaintiffs") has filed an Originating Summons with reference no. WA-24NCC-178-03/2022 in the High Court of Malaya Kuala Lumpur on 18 March 2022 to the following Defendants:-

Caely -1st Defendant

Mega Corporate Services Sdn Bhd – 2nd Defendant

Lim Chee Pang – 3rd Defendant

Lim Say Leong - 4th Defendant

Dato' Wira Ng Chun Hau – 5th Defendant

Beh Hong Shien – 6th Defendant

Datin Fong Nyok Yoon – 7th Defendant

(collectively referred as "the Defendants")

**22. Material Litigation (Continue)**

The Originating Summons was filed pursuant to the Companies Act 2016, Securities Industry (Central Depositories) Act 1991, Specific Relief Act 1950, Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Rules of Court 2012 pertaining to the proposed Notice of Extraordinary General Meeting (“EGM”) dated 31.03.2022 from the Plaintiffs to the Defendants, proposed EGM of the Company by the Plaintiffs to be held on 15.04.2022 and proposed resolutions to remove and to appoint directors during the EGM to seek the court’s jurisdiction on the following matters:

- (a) A declaration that the Plaintiffs are entitled to the Record of Depositors of the 1st Defendant as at 15.03.2022 (“the 1st ROD”) and Record of Depositors of the 1st Defendant as at 07.04.2022 (“the 2nd ROD”) on the basis of meeting timeline to comply with all the requirements of the Notice of EGM dated 31.03.2022 and for the purposes of convening the proposed EGM on 15.04.2022 (“the Proposed EGM”);
- (b) An order to compel the 1st and/or the 2nd Defendants, jointly and/or severally to provide the Plaintiffs with the 1st ROD immediately or at any date determined by this Honourable Court in hardcopy and soft copy (in the format of Microsoft Word and/or Microsoft Excel) as furnished by Bursa Malaysia Depository Sdn Bhd (“Bursa Malaysia Depository”) including the mailing labels to facilitate the dispatch of the Notice of EGM dated 31.03.2022;
- (c) Alternatively, an order to compel the 3rd to 7th Defendants to cause the 1st Defendant to provide the Plaintiffs with the 1st ROD immediately or at any date determined by this Honourable Court in hardcopy and soft copy (in format of Microsoft Word and/or Microsoft Excel) as furnished by Bursa Malaysia Depository including the mailing labels to facilitate the dispatch of the Notice of EGM dated 31.03.2022;
- (d) An order to compel the 1st and/or the 2nd Defendants, jointly and/or severally to provide the Plaintiffs with the 2nd ROD on or before 4:00 p.m. on 08.04.2022 in hardcopy and softcopy (in the format of Microsoft Word and/or Microsoft Excel) as furnished by Bursa Malaysia Depository including the mailing labels whereby the 2nd ROD is a record prepared not less than 3 markets days before the Proposed EGM;
- (e) Alternatively, an order to compel the 3rd to 7th Defendants to cause the 1st Defendant to provide the Plaintiffs with the 2nd ROD on or before 4:00 p.m. on 08.04.2022 in hardcopy and softcopy (in the format of Microsoft Word and/or Microsoft Excel) as furnished by Bursa Malaysia Depository including the mailing labels whereby the 2nd ROD is a record prepared not less than 3 markets days before the Proposed EGM;
- (f) An order that the Plaintiffs are entitled to call and hold the Proposed EGM subject to any protocols or requirements as determined by this Honourable Court to ensure a fair and smooth running of the Proposed EGM;
- (g) An order that any defects or irregularities in the short notice calling for the Proposed EGM be rectified pursuant to Section 582 of the Companies Act 2016 in the event the 1st ROD and/or the 2nd ROD are not provided within time;
- (h) Cost; and
- (i) Any order and/or other reliefs deems fit and just by this Honourable Court.

The Originating Summons is currently fixed for hearing on 15.7.2022 in respect of OS 171 and all interlocutory applications filed therein.

**22. Material Litigation (Continue)**

(iii) The Company had on 26 April 2022 received an Originating Summons no. BA-24NCC-38-04/2022 filed in the Shah Alam High Court from Datin Fong Nyok Yoon (“Plaintiff”) naming following Defendants:-

Lim Chee Pang – 1st Defendant

Lim Say Leong – 2nd Defendant

Beh Hong Shien – 3rd Defendant

Dato’ Wira Ng Chun Hau – 4th Defendant

Noor Azri Bin Dato’ Sri Noor Azerai – 5th Defendant

Datuk Seri Mazlan Bin Lazim – 6th Defendant

Caely Holdings Bhd – 7th Defendant

**DETAILS OR CIRCUMSTANCES LEADING TO THE ORIGINATING SUMMONS (“OS”)**

The Plaintiff applied for the following order in the OS:-

1. that the 1st to 6th Defendants be prohibited from allotting and issuing new ordinary shares in the 7th Defendant through a private placement exercise or in any manner whatsoever pursuant to the resolution passed at Caely’s Annual General Meeting (“AGM”) held on 22 September 2021 (“General Mandate”) and if any new ordinary share is allotted and issued, such new ordinary share be cancelled;
2. further or alternatively, the power to allot and issue new ordinary share pursuant to the General Mandate shall only be exercisable provided that prior approval by way of resolution validly passed at a meeting of members of Caely has been obtained;
3. the resolution appointing the 5th Defendant as a director of Caely on 23 March 2022 be cancelled;
4. the resolution appointing the 6th Defendant as a director of Caely on 29 March 2022 be cancelled;
5. the resolution re-designating the Plaintiff from Executive Director to Non-Independent Non-Executive Director of Caely be cancelled;
6. the special notices issued by the 4th Defendant for and on behalf of Caely to the directors of Classita (M) Sdn Bhd, Caely Development Sdn Bhd and Marway Industries (M) Sdn Bhd and all dated 5 April 2022 to convene Extraordinary General Meeting (“EGM”) be cancelled;
7. further or alternatively, such order as this Honourable Court thinks fit under Section 346(2) of the Companies Act 2016 with the view of bringing to an end or remedying the matters complained of herein;
8. that costs of this application and all other consequential and incidental costs be paid by 1st to 6th Defendants jointly and severally to the Plaintiff;
9. that interest at the rate of 5% per annum on the costs awarded from the date of awards of costs until full payment of costs; and
10. any further or other relief that the Court may think just and expedient.

**STEPS TO BE TAKEN**

The Company is seeking legal advice and will make further announcement on any material development on this matter.

The Originating Summons is currently fixed for case management on 19 May 2022.

**23. Status of The Utilization of Proceeds From Corporate Proposals**

As at 31 March 2022, the status of the utilization of proceeds from the private placement exercise which was completed on 19 May 2021, amounting to RM7,935million is as follows:

	Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Utilisation RM'000	Intended Time frame for Utilisation from the date of Receipts of Proceeds	Remarks
i)	Development project	6,923	560	6,363	24 months	
ii)	General Work capital	762	334	428	24 months	
iii)	Expenses for private placement exercise	250	235	15	1 month	Unutilised amount to be used for general working capital
	Total	7,935	1,129	6,806		

**24. Loss Per Share**

The basic loss per share of the Group is calculated by dividing the profit attributable to the owners of the Company over the weighted average number of ordinary shares in issue.

	3 months ended 31.03.2022 RM'000	12 months ended 31.03.2022 RM'000
Net loss for the financial quarter / year-to-date	(9,291)	(6,632)
Weighted average number of ordinary shares in issue	257,480	257,480
Adjustment for assumed exercise of warrants	128,680	128,680
Adjusted weighted average number of ordinary shares issued and issuable	386,160	386,160
Basic loss per share (sen)	(3.61)	(2.58)
Fully diluted loss per share (sen)	(2.41)	(1.72)

**25. Authorization for Issue**

The interim financial statements were authorized for issue by the Board of Directors in accordance with the resolution of the directors on 20 May 2022.