



CLASSITA HOLDINGS BERHAD

(Formerly known as Caely Holdings Bhd.)
[Company No.: 199601036023 (408376-U)]
(Incorporated in Malaysia)

Interim Financial Statements

For the Quarter Ended 31 March 2023

Classita Holdings Berhad (Formerly known as Caely Holdings Bhd.)

[Company No.: 199601036023 (408376-U)]

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Quarter 31.03.2023 RM'000	Corresponding Quarter 31.03.2022 RM'000	Current Period To Date 31.03.2023 RM'000	Corresponding Year To Date** 31.03.2022 RM'000
Revenue	8,268	10,657	34,530	-
Operating expenses	(12,020)	(16,266)	(39,882)	-
Other operating income	5,731	533	6,197	-
Profit/(loss) from operations	1,979	(5,076)	845	-
Finance costs	(158)	(248)	(638)	-
Share of results in jointly control company, net of tax	(166)	-	(166)	-
Profit/(loss) before taxation	1,655	(5,324)	41	-
Taxation	(99)	(3,967)	(240)	-
Profit/(loss) after taxation	1,556	(9,291)	(199)	-
Other comprehensive income				
Items that Will Be Reclassified Subsequently to Profit or Loss				
Foreign currency translation difference	(2)	-	(2)	-
Total comprehensive income/(expenses) for the period	1,554	(9,291)	(201)	-
Profit/(loss) after taxation attributable to:				
Owners of the Company	1,556	(9,291)	(199)	-
Non-controlling interest	-*	-	-*	-
	1,556	(9,291)	(199)	-
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	1,554	(9,291)	(201)	-
Non-controlling interest	-*	-	-*	-
	1,554	(9,291)	(201)	-
Earnings/(loss) per share attributable to equity holders of the Company (sen)				
- Basic	0.46	(3.61)	(0.07)	-
- Diluted	0.46	(2.41)	(0.07)	-

Notes:

* - Amount less than RM1,000.

** - In view of the changed of financial year end from 12 months ended 31 March 2022 to 15 months ended 30 June 2022, there is no comparative figures for the preceding year-to-date. The current reporting financial period is for a period of 9 months, made up from 1 July 2022 to 31 March 2023.

The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2022 and the accompanying explanatory notes attached to the Interim Financial Statements.

Classita Holdings Berhad (Formerly known as Caely Holdings Bhd.)

[Company No.: 199601036023 (408376-U)]

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Unaudited as at <u>31.03.2023</u> RM'000	Audited as at <u>30.06.2022</u> RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	23,225	23,767
Right-of-use assets	299	364
Investment properties	4,100	4,100
Investment in a jointly controlled company	1,531	-
Goodwill	2,203	-
	<u>31,358</u>	<u>28,231</u>
Current Assets		
Inventories	73,672	56,597
Receivables, deposits and prepayments	11,667	10,354
Tax recoverable	1,140	298
Fixed deposits with licensed banks	-	9,197
Cash and bank balances	19,315	16,115
	<u>105,794</u>	<u>92,561</u>
TOTAL ASSETS	<u>137,152</u>	<u>120,792</u>

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2022 and the accompanying explanatory notes attached to the Interim Financial Statements.

Classita Holdings Berhad (Formerly known as Caely Holdings Bhd.)

[Company No.: 199601036023 (408376-U)]

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023 (CONTINUED)

	Unaudited as at <u>31.03.2023</u> RM'000	Audited as at <u>30.06.2022</u> RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	100,591	71,779
Other reserves	10,543	10,545
Accumulated losses	(3,709)	(3,510)
Equity attributable to equity holders of the Company	<u>107,425</u>	<u>78,814</u>
Non-controlling interests	462	-
Total equity	<u>107,887</u>	<u>78,814</u>
Non-current Liabilities		
Lease liabilities	207	260
Term loans	7,155	8,189
Deferred tax liabilities	5,518	1,443
	<u>12,880</u>	<u>9,892</u>
Current Liabilities		
Payables and accrued liabilities	14,169	22,615
Provisions	258	258
Contract liabilities	374	393
Tax payable	-	359
Lease liabilities	70	70
Term loans	1,404	1,758
Short term bank borrowings:		
- Bank overdrafts	110	4,753
- Others	-	1,880
	<u>16,385</u>	<u>32,086</u>
TOTAL LIABILITIES	<u>29,265</u>	<u>41,978</u>
TOTAL EQUITY AND LIABILITIES	<u>137,152</u>	<u>120,792</u>
Net assets per share (RM)	<u>0.32</u>	<u>0.31</u>

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2022 and the accompany explanatory notes attached to the Interim Financial Statements.

Classita Holdings Berhad (Formerly known as Caely Holdings Bhd.)

[Company No.: 199601036023 (408376-U)]

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	Share capital	Foreign currency translation reserve	Reserve on consolidation	Revaluation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2022	71,779	-	80	10,465	(3,510)	78,814	-	78,814
Exercise of warrants	28,812	-	-	-	-	28,812	-	28,812
Other comprehensive income recognised for the financial year:								
- foreign currency translation differences	-	(2)	-	-	-	(2)	-	(2)
Loss for the financial period	-	-	-	-	(199)	(199)	-*	(199)
Acquisition of a subsidiary	-	-	-	-	-	-	462	462
At 31 March 2023	100,591	(2)	80	10,465	(3,709)	107,425	462	107,887

Notes:

* Amount less than RM1,000.

** In view of the changed of financial year end from 12 months ended 31 March 2022 to 15 months ended 30 June 2022, there is no comparative figures for the proceeding year-to-date. The current reporting financial period is for a period of 9 months, made up from 1 July 2022 to 31 March 2023.

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2022 and the accompanying explanatory notes attached to the Interim Financial Statements.

Classita Holdings Berhad (Formerly known as Caely Holdings Bhd.)

[Company No.: 199601036023 (408376-U)]

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	Unaudited For the Financial Period Ended <u>31.03.2023</u> RM'000	Unaudited For the Financial Period Ended** <u>31.03.2022</u> RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit before taxation	41	-
Adjustments for:		
Depreciation of property, plant and equipment	597	-
Depreciation of right-of-use assets	65	-
Reversal of impairment losses of receivables	(5,647)	-
Reversal of allowance for slow moving inventories	(622)	-
Reversal of provision for liquidated ascertained damages	(19)	-
Interest expense	637	-
Share of results in a jointly controlled company, net of tax	166	-
Interest income	(83)	-
Net unrealised foreign exchange gain	(242)	-
	<hr/>	<hr/>
Operating loss before working capital changes	(5,107)	-
Increase in inventories	3,191	-
Increase in Housing Development Accounts	(2)	-
Increase in receivables	4,334	-
Increase in payables	(8,776)	-
	<hr/>	<hr/>
CASH GENERATED FOR OPERATIONS	(6,360)	-
Interest paid	(235)	-
Net income tax paid	(1,449)	-
	<hr/>	<hr/>
Net cash used in operating activities	(8,044)	-
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition for property, plant and equipment	(28)	-
Acquisition of a subsidiary, net of cash and cash equivalents acquired	(17,000)	-
Investment in a jointly controlled company	(1,699)	-
Interest income received	83	-
	<hr/>	<hr/>
Net cash used in investing activities	(18,644)	-

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[Company No.: 199601036023 (408376-U)]

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023 (CONTINUED)

	Unaudited For the Financial Period Ended 31.03.2023 RM'000	Unaudited For the Financial Period Ended** 31.03.2022 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Fixed deposit with licensed banks	3,197	-
Repayment of short term bank borrowings	(1,880)	-
Repayments of term loans	(1,388)	-
Proceeds from exercise of warrants	28,812	-
Repayment of lease liabilities	(53)	-
Interest paid	(402)	-
Net cash from financing activities	28,286	-
NET CHANGES IN CASH AND CASH EQUIVALENT	1,598	-
EFFECTS ON EXCHANGE RATE DIFFERENCES	242	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	16,945	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	18,785	-
Analysis of cash and cash equivalents		
Cash and bank balances	19,315	-
Fixed deposits with licensed bank	-	-
Less: Bank overdrafts	(110)	-
Less: Bank balances held under Housing Development Accounts	(420)	-
	18,785	-

Note:-

** - In view of the changed of financial year end from 12 months ended 31 March 2022 to 15 months ended 30 June 2022, there is no comparative figures for the preceding year-to-date. The current reporting financial period is for a period of 9 months, made up from 1 July 2022 to 31 March 2023.

The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2022 and the accompany explanatory notes attached to the Interim Financial Statements.

Classita Holdings Berhad (“Classita” or “the Company”)

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[Company No.: 199601036023 (408376-U)]

PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134 INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting*, International Accounting Standards 134 *Interim Financial Reporting*, and Paragraph 9.22 of Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“Listing Requirements”).

The interim financial statements should be read in conjunction with the audited financial statements of the Company and its subsidiaries (“the Group”) for the financial period ended 30 June 2022. The explanatory notes attached to the unaudited condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial positions and performance of the Group since the financial period ended 30 June 2022.

The financial statements are presented in the Ringgit Malaysia (“RM”), which is the Group’s and the Company’s functional and presentation currency.

(a) Standards issued and effective

On 1 July 2021, the Group and the Company have also adopted the following accounting standards, amendments and interpretations which are mandatory for annual financial periods beginning on or after 1 January 2022.

Description

- Amendments to MFRS 3, *Business Combinations*: Reference to the Conceptual Framework
- Amendments to MFRS 116, *Property, Plant and Equipment*: Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets*: *Onerous Contracts* - Cost of Fulfilling a Contract
- Annual improvements to MFRSs 2018 - 2020 cycle
 - Amendments to MFRS 1, *First Time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 16, *Leases*
 - Amendments to MFRS 141, *Agriculture*

The directors expect that the adoption of the new and amended MFRS above have no impact on the financial statements of the Group and of the Company.

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1. Basis of Preparation (continued)

(b) Standards 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

- Amendments to MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17 *Insurance Contracts* : Initial Application of MFRS 17 and MFRS 9 - Comparative Information
- Amendments to MFRS 101, *Presentations of Financial Statements* : Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101, *Presentation of Financial Statements* : Disclosures of Accounting Policies
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* : Definition of Accounting Estimates
- Amendments to MFRS 112, *Income Tax* : Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128 *Investment in Associate and Joint Ventures*: Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture

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

2. Auditors’ Report on Preceding Annual Financial Statements

The preceding year’ audited financial statements for the financial period ended 30 June 2022 was not qualified.

3. Seasonality or Cyclicity of Operations

The Group’s business operations were not materially affected by any seasonal or cyclical factors.

4. 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 current financial period under review.

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5. Issuances, Repurchases, and Repayments of Debts and Equity Securities

Pursuant to the bonus issue of 128,719,802 warrants on the basis of 1 warrant for every 2 existing ordinary shares held on the entitlement date, the Company has issued 128,719,802 warrants (“Warrants B”). The Warrants B have been listed on the Main Market of Bursa Securities on 29 December 2021.

During the quarter under review, the following shares have been issued and listed on the Main Market of Bursa Securities on the following date as a result of the Warrants B exercised during the current quarter under review.

	No. of shares issued resulting from
Listing Date	Exercise of Warrants B
24 March 2023	1,531,000
Total	1,531,000

As at 31 March 2023, the outstanding Warrants B of the Company is 45,597,302. The Company does not have any other existing convertible securities.

Save as disclosed above, there were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period under review.

6. Changes in Estimates

There were no material changes in estimates during the current financial period under review.

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7. Segmental Information

The Group is principally involved in Manufacturing and Sales of undergarments, Direct Selling and Retails Business, Property Development and Construction and Investment Holding. The segmental analysis of the Group for the financial period under review are as follows:-

For the financial period ended	Direct selling/retail RM'000	Property development and construction RM'000	Manufacturing sales RM'000	Investment holding RM'000	Total RM'000
31 March 2023					
Revenue					
Total revenue	2,552	(4,171)	37,087	-	35,468
Inter-segment revenue	-	-	(938)	-	(938)
External sales	2,552	(4,171)	36,149	-	34,530
Results					
(Loss)/profit from operations	(1,076)	2,993	596	(1,834)	679
Finance costs	(2)	(176)	(460)	-	(638)
(Loss)/profit before taxation	(1,078)	2,817	136	(1,834)	41
Taxation					(240)
Loss for the financial period					(199)
Segment assets	3,684	73,102	44,869	15,497	137,152
Segment liabilities	509	15,852	10,515	2,389	29,265

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[Company No.: 199601036023 (408376-U)]

7. Segmental Information (continued)

For the financial period ended 31 March 2022**	Direct selling/retail RM'000	Property development and construction RM'000	Manufacturing sales RM'000	Investment holding RM'000	Total RM'000
Revenue					
Total revenue	-	-	-	-	-
Inter-segment revenue	-	-	-	-	-
External sales	-	-	-	-	-
Results					
Profit from operations	-	-	-	-	-
Finance costs	-	-	-	-	-
Profit before taxation	-	-	-	-	-
Taxation					-
Profit for the financial period					-
Segment assets	-	-	-	-	-
Segment liabilities	-	-	-	-	-

Note:

** - In view of the changed of financial year end from 12 months ended 31 March 2022 to 15 months ended 30 June 2022, there is no comparative figures for the preceding year-to-date. The current reporting financial period is for a period of 9 months, made up from 1 July 2022 to 31 March 2023.

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8. Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment during the quarter under review.

9. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the current quarter up to 24 March 2023, being the latest practicable date not earlier than seven (7) days from the date of the issue of this report that are expected to have an operational or financial impact on the Group except Corporate Proposal as disclose in Note 19.

10. Changes in Composition of the Group

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

11. Contingent Liabilities and Contingent Assets

Since the last annual balance sheet date, there were no material changes in contingent liabilities and contingent assets for the Group as at 24 May 2023 (being the latest practicable date not earlier than seven (7) days from the date of this report).

12. Capital Commitments

Other than disclosed below, there were no material capital commitments at the end of the current quarter under review:-

	As at 31.03.2023
	RM'000
Authorised and contracted for:-	
Acquisition of lands	8,100
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13. Dividend

There were no dividends paid during the current financial period under review.

Classita Holdings Berhad (“Classita” or “the Company”)

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PART B - EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

14. Review of Performance

14.1 Financial review for the current quarter and financial period-to-date

	Individual Period		Variance		Cumulative Period		Variance	
	Current Quarter 31.03.2023 RM'000	Corresponding Quarter 31.03.2022 RM'000	Amount RM'000	%	Current Period to Date 31.03.2023 RM'000	Corresponding Period to Date** 31.03.2022 RM'000	Amount RM'000	%
Revenue	8,268	10,657	(2,389)	(22.42)	34,530	-	NA	-
Other operating income	5,731	533	5,198	975.23	6,197	-	NA	-
Operating expenses	(12,020)	(16,266)	(4,246)	(26.10)	(39,882)	-	NA	-
Profit/(loss) from operation	1,979	(5,076)	7,055	138.99	845	-	NA	-
Finance costs	(158)	(248)	(90)	(36.29)	(638)	-	NA	-
Share of results in jointly controlled company, net of tax	(166)	-	166	100	(166)	-	NA	-
Profit/(loss) before taxation	1,655	(5,324)	6,979	131.09	41	-	NA	-
Taxation	(99)	(3,967)	(3,868)	(97.50)	(240)	-	NA	-
Profit/(loss) after taxation	1,556	(9,291)	10,847	116.75	(199)	-	NA	-

Notes:-

NA - Not applicable.

** - In view of the changed of financial year end from 12 months ended 31 March 2022 to 30 June 2022, there is no comparative figures for the preceding year-to-date. The current reporting financial period is for a period of 9 months, made up from 1 July 2022 to 31 March 2023.

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14. Review of Performance (continued)

14.1 Financial review for the current quarter and financial period-to-date (continued)

Current year quarter vs preceding year quarter

Revenue

Overall, the Group’s revenue for the current quarter under review was decreased by RM2.39 million as compared to the corresponding quarter ended 31 March 2022, mainly due to decreased in revenue in manufacturing sales. However, the decreased in revenue was partially offset by higher revenue generated from direct selling/retail segment.

Manufacturing sales segment recorded a lower revenue as compared to the preceding year quarter mainly due to lower demand from customers to the undergarment’s products.

During the current year quarter, the revocation of property units by a purchaser had led to the reversal of revenue and resulted a negative revenue of RM4.17 million in property development and construction segment.

Profit/(Loss) Before Taxation

The Group has recorded profit before taxation of RM1.66 million in the current quarter under review as compared to a loss of RM5.32 million in the preceding year quarter mainly due to the followings:

- (i) reversal of provision for impairment losses of receivables of approximately RM5.65 million; and
- (ii) lesser professional fee and staff cost incurred in the current quarter under review as compared to the preceding year quarter.

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14. Review of Performance (continued)

14.2 Financial review for the current quarter with the immediate preceding quarter

	Individual Period		Variance	
	Current Quarter 31.03.2023 RM'000	Immediate Preceding Quarter 31.12.2022 RM'000	Amount RM'000	%
Revenue	8,268	12,349	(4,081)	(33.05)
Other operating income	5,731	160	5,571	3,481.88
Operating expenses	(12,020)	(13,468)	(1,448)	(10.75)
Profit/(loss) from operation	1,979	(959)	2,938	306.36
Share of results in jointly controlled company, net of tax	(166)	-	166	100
Finance costs	(158)	(193)	(35)	(18.13)
Profit/(loss) before taxation	1,655	(1,152)	2,807	243.66
Taxation	(99)	(35)	64	182.86
Profit/(loss) after taxation	1,556	(1,187)	2,743	231.09

Revenue

Decreased in revenue during current quarter under review as compared to immediate preceding quarter mainly due to the followings:-

- (i) lower revenue from manufacturing sales segment mainly due to the lower demand from customers from export market;
- (ii) reversal of revenue in property development and construction segment due to revocation of sold units by a purchaser; and
- (iii) however, the decreased in revenue in manufacturing sales and property development and construction segments has partially offset by the increased in revenue in direct selling/retail segment.

Profit/(Loss) before taxation

The Group recorded a profit before taxation during current quarter under review as compared to a loss from immediate preceding quarter mainly due to the followings:-

- (i) increased in other operating income mainly due to the reversal of provision for impairment losses of receivables of approximately RM5.65 million; and
- (ii) however, the recovery of debt from receivables above has partially offset by the defective works expenses incurred for the development project.

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15. Commentary on Prospects

The Group has been continuously seeking to increase its revenue in manufacturing sales by expanding its market into other countries such as Turkey, Korea, France and Australia. During the financial period, the Group has also entered into a joint-venture partnership to set up a manufacturing plant in Indonesia to increase its production capacity. The Group reviews its market position continuously to meet market trends and consumer demand.

The Group has recently acquired 2 development lands which located in Bentong (via acquisition of a subsidiary) and Kinta, respectively. The acquisition of the 2 development lands is in line with the Group’s intention to expand its property development and construction business via various other initiatives such as acquisition of companies that involved in the property development and construction business as well as acquisition of investment properties in strategic locations or acquire land banks for potential development in strategic locations with high development value.

Moving forward, in light of the prevailing challenges in the manufacturing and property development industry, the Board will continue to manage the business with diligence, remain cautious and pennywise in our approach and ventures.

16. Variance on Profit Forecast or Profit Guarantee

The Group has not issued any profit forecast or profit guarantee in any public documents.

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17. Taxation

	Individual Period		Cumulative Period	
	Current Quarter	Corresponding Quarter	Current Period to Date	Corresponding Period to Date**
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Taxation				
- current period	99	316	248	-
Deferred taxation				
- current period	-	3,651	(8)	-
	<u>99</u>	<u>3,967</u>	<u>240</u>	<u>-</u>

18. Notes to the Statements of Profit or Loss and Other Comprehensive Income

	Individual Period		Cumulative Period	
	Current Quarter	Corresponding Quarter	Current Period to Date	Corresponding Period to Date**
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	200	204	597	-
Depreciation of right-of-use assets	22	22	65	-
Reversal of impairment loss of receivables	(5,647)	(235)	(5,647)	-
Gain on disposal of property, plant and equipment	-	(3)	-	-
(Reversal of)/allowance for slow moving inventories	(327)	123	(622)	-
Reversal of provision for liquidated ascertained damages	(19)	-	(19)	-
Interest expenses	157	248	637	-
Interest income	(2)	(41)	(83)	-
Foreign exchange loss/(gain):				
- realised	73	(305)	428	-
- unrealised	(2)	154	(242)	-
	<u></u>	<u></u>	<u></u>	<u></u>

Note:-

** - In view of the changed of financial year end from 12 months ended 31 March 2022 to 15 months ended 30 June 2022, there is no comparative figures for the preceding year-to-date. The current reporting financial period is for a period of 9 months, made up from 1 July 2022 to 31 March 2023.

Classita Holdings Berhad (“Classita” or “the Company”)

(Formerly known as Caely Holdings Bhd.)

[Company No.: 199601036023 (408376-U)]

19. Status of Corporate Proposals

There were no corporate proposals as at 24 May 2023 (being the latest practicable date not earlier than seven (7) days from the date of issue of this report) pending for completion save as follows:-

On behalf of the Board, TA Securities Holdings Berhad (“TA Securities”) has on 6 January 2023 announced that the Company undertake the renounceable rights issue of up to 965,398,515 new ordinary shares (“Classita Share”) in the Company (“Rights Shares”) on the basis of 5 Rights Shares for every 2 Classita Shares held on an entitlement date to be determined later, together with up to 579,239,109 free detachable warrants C (“Warrant(s) C”) on the basis of 3 Warrants C for every 5 Rights Shares subscribed for (“Rights Issue”).

On 17 January 2023, the Company has submitted the additional listing application in relation to the Rights Issue to Bursa Securities.

On 24 February 2023, TA Securities announced that Bursa Securities had, vide its letter dated 24 February 2023, resolved to approve the following:

- (a) listing and quotation of up to 965,398,515 Rights Shares to be issued pursuant to the Rights Issue;
- (b) admission to the Official List and listing and quotation of up to 579,239,109 Warrants to be issued pursuant to the Rights Issue;
- (c) listing and quotation of up to 53,737,982 additional Warrants B to be issued pursuant to the adjustment arising from the Rights Issue;
- (d) listing and quotation of up to 579,239,109 new Shares to be issued arising from the exercise of Warrants C; and
- (e) listing and quotation of up to 53,737,982 new Shares to be issued arising from the exercise of additional Warrants B.

The approval by Bursa Securities for the above is subject to, amongst others, the following conditions:

- (a) Classita and TA Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue;
- (b) Classita and TA Securities are required to inform Bursa Securities upon completion of the Rights Issue; and
- (c) Classita is required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities’ approval once the Rights Issue is completed.

Classita Holdings Berhad (“Classita” or “the Company”)

(Formerly known as Caely Holdings Bhd.)

[Company No.: 199601036023 (408376-U)]

19. Status of Corporate Proposals (continued)

The shareholders had via an Extraordinary General Meeting held by the Company on 27 March 2023, approved the renounceable rights issue of up to 965,398,515 new Classita shares on the basis of 5 rights shares for every 2 existing shares held on an entitlement date to be determined, together with up to 579,239,109 free Warrants C on the basis of 3 Warrants C for every 5 Rights Shares subscribed for.

On behalf of the Board, TA Securities announced that the Board had on 15 May 2023 executed the following:

- (a) a deed poll constituting the Warrants C (“Deed Poll C”) pursuant to the Rights Issue; and
- (b) an underwriting agreement with TA Securities and Malacca Securities Sdn Bhd (“Malacca Securities”), (collectively, the “Joint Underwriters”), to underwrite 200,000,000 Rights Shares based on the issue price of RM0.10 each to arrive at RM20.00 million pursuant to the Rights Issue (“Underwriting Agreement”).

On 15 May 2023, the Company announced the important relevant dates for renounceable rights issue of up to 965,398,515 new Classita shares on the basis of 5 rights shares for every 2 existing shares held as at 5.00 p.m. on 31 May 2023, together with up to 579,239,109 free Warrants C on the basis of 3 Warrants C for every 5 Rights Shares subscribed for, at an issue price of RM0.10 per rights share.

Date for	Date
Despatch Date	2 June 2023
Commencement of trading of the Rights Issue	1 June 2023
Cessation of trading of the Rights Issue	9 June 2023
Announcement of final subscription result and basis of allotment of excess Rights Issue	21 June 2023
Listing date of the Rights Issue	3 July 2023

Last date and time for	Date	Time
Sale of provisional allotment of Rights Issue	8 June 2023	5.00 p.m.
Transfer of provisional allotment of Rights Issue	12 June 2023	4.30 p.m.
Acceptance and payment	16 June 2023	5.00 p.m.
Excess share application and payment	16 June 2023	5.00 p.m.

Classita Holdings Berhad (“Classita” or “the Company”)

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[Company No.: 199601036023 (408376-U)]

20. Utilisation of Proceeds

Private Placement

On 19 May 2021, the Company has completed a private placement of 23,000,000 new Classita Shares at an issue price of RM0.345 each following the listing of 23,000,000 new Classita Shares in the Main Market of Bursa Securities.

At 31 March 2023, the status of the utilisation of proceeds raised from Private Placement taking into consideration the variation announced on 29 November is as follows:-

Purpose	Revised utilisation of proceeds after variation	Amount utilised at 31 March 2023	Balance unutilised	Revised timeframe for utilisation of proceeds
	(A)	(B)	(A-B)	
	RM'000	RM'000	RM'000	
Property development project	560	(560)	-	-
General working capital	7,140 [#]	(7,140)	-	Within 12 months*
Expenses for private placement exercise	235 [#]	(235)	-	-
	7,935	(7,935)	-	

Notes:

* - From 29 November 2022 (i.e. the date of Board's approval for the variation) to the utilisation of proceeds.

- As the actual expenses for the corporate exercise was lower than the estimates expenses for the said corporate exercise, hence, the surplus amount (i.e. approximately RM15,000) has been re-allocated the general working capital of the Group.

21. Borrowings and Debts Securities

	As at 31.03.2023			As at 31.03.2022		
	Long Term	Short Term	Total	Long Term	Short Term	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Secured:						
- Lease liabilities	207	70	277	268	70	338
- Term loans	7,155	1,404	8,559	8,154	2,202	10,356
- Bank overdrafts	-	57	57	-	548	548
- Others	-	-	-	-	1,794	1,794
Unsecured:						
- Bank overdrafts	-	53	53	-	281	281
	7,362	1,584	8,946	8,422	4,895	13,317

Classita Holdings Berhad (“Classita” or “the Company”)

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[Company No.: 199601036023 (408376-U)]

22. Material Litigation

22.1 Leong Seng Wui, Kok Kwang Lim, Valhalla Capital Sdn. Bhd. (“Plaintiffs (i)”) v Classita (“Defendant (i)”) – Case No.: WA-24NCC-732-06/2022 (“Suit 732”)

The Plaintiffs (i) requisitioned an Extraordinary General Meeting (“EGM”) which was purportedly held on 15 June 2022. The Defendant (i) had on the same day made an announcement stating that the said EGM was adjourned on the various grounds stipulated therein.

The Plaintiffs (i) applied for the following orders pursuant to Suit 732:-

- (a) A declaration that the adjournment of the EGM is invalid;
- (b) that any minutes of any records filed with any authorities based on the invalid adjournment be struck out under Section 602 of the Act;
- (c) A declaration that the EGM had continued (after the invalid adjournment) with all the Resolutions approved at the continued EGM on 15 June 2022 are valid save and except for Resolution No.1 (withdrawn) and Resolution No.2 (not carried out);
- (d) A declaration that the Resolutions approved at the continued EGM on 15 June 2022 as per I above shall take effect on 15 June 2022;
- (e) An order to compel the Defendant (i) and/or its agents and/or employees, including but not limited to the Company Secretary of the Defendant (i) to do all necessary to give effect to the Resolutions approved at the continued EGM on 15 June 2022, including but not limited to lodging all the necessary forms and documents with the Companies Commission of Malaysia and making all necessary announcements as mandated by Bursa Securities with immediate effect;

Classita Holdings Berhad (“Classita” or “the Company”)

(Formerly known as Caely Holdings Bhd.)

[Company No.: 199601036023 (408376-U)]

22. Material Litigation (continued)

22.1 Leong Seng Wui, Kok Kwang Lim, Valhalla Capital Sdn. Bhd. (“Plaintiffs (i)”) v Classita (“Defendant (i)”) – Case No.: WA-24NCC-732-06/2022 (“Suit 732”) (continued)

- (f) An injunction restraining the Defendant (i) and/or its agents (including but not limited to its Company Secretary) and/or employees and/or its Board of Directors, namely person who have been removed as director as per Resolutions No. 3 to 12 of the Notice for the EGM, from acting and/or holding themselves as directors of the Defendant (i), including but not limited to appointing any additional directors to fill any casual vacancies, approving and/or executing any private sales, private placements or any other methods and means to dispose of the shares of the Defendant (i) aside from the open market pending the conclusion of Suit 732; and
- (g) Any omission, defect, error, irregularity and/or deficiency of notice or time in connection with the EGM, including but not limited to the Notice for the EGM and the Special Notice, if any shall be validated and cured.

On 18 August 2022, the Defendant (i) filed an application to transfer Suit 732 to be heard with Suit 171 pertaining to the calling of the EGM (“**Transfer Application**”). On 23 August 2022, the Transfer Application was dismissed. On 24 August 2022, the Defendant (i) appealed against the decision of the Transfer Application (“**Transfer Appeal**”).

On 29 August 2022, the High Court of Malaya in Kuala Lumpur (“**High Court**”) granted an order (“**Order**”) allowing items (a) to (f) of the Plaintiffs (i)’s application in Suit 732 above, with costs of RM30,000.00 subject to allocator.

As a result of the Order, a new board of directors of the Defendant (i) has been appointed.

Between 20 September 2022 and 21 September 2022, Messrs. Bachan & Kartar filed a Notice of Change of Solicitors, an application to stay the Order (“**Stay Application**”) and a notice of appeal to appeal against the Order (“**EGM Regularity Appeal**”) purportedly for and on behalf of the Defendant (i) and Proposed Contemnors (as defined hereunder).

On 14 October 2022, the Defendant (i) filed a striking out application to, amongst others, strike out the Stay Application and all other cause papers filed by Messrs. Bachan & Kartar purportedly for and on behalf of the Defendant (i) and for a declaration that Messrs. Bachan & Kartar has no authority, mandate and warrant to act for and on behalf of the Defendant (i) and to hold out itself as the solicitors of the Defendant (i) (“**Striking Out Application**”).

On 14 October 2022 and 17 October 2022, Messrs. Ahmad Deniel, Ruben & Co. filed Notices of Change of Solicitors in the suit and in the EGM Regularity Appeal to take over conduct from Messrs. Bachan & Kartar.

On 20 October 2022, the Defendant (i) filed a Notice of Motion in EGM Regularity Appeal (“**Striking Out Motion**”) for, amongst others, to strike out the Notice of Appeal and all other cause papers filed by Messrs. Bachan & Kartar or Messrs. Ahmad Deniel, Ruben & Co purportedly for and on behalf of the Defendant (i) and for declarations that Messrs. Bachan & Kartar and Messrs. Ahmad Deniel, Ruben & Co has no authority, mandate and warrant to act for and on behalf of the Defendant (i) and to hold itself as the solicitors of the Defendant (i).

Classita Holdings Berhad (“Classita” or “the Company”)

(Formerly known as Caely Holdings Bhd.)

[Company No.: 199601036023 (408376-U)]

22. Material Litigation (continue)

22.1 Leong Seng Wui, Kok Kwang Lim, Valhalla Capital Sdn. Bhd. (“Plaintiffs (i)”) v Classita (“Defendant (i)”) – Case No.: WA-24NCC-732-06/2022 (“Suit 732”) (continued)

On 25 October 2022, it was clarified to the Court in Suit 732 that Messrs. Bachan & Kartar and Messrs. Ahmad Deniel, Ruben & Co do not act for the Defendant (i) after the Order. After hearing the parties, the High Court ordered the following:

- (a) upon the application of Messrs. Ahmad Deniel, Ruben & Co to withdraw the Stay Application, the High Court struck out the Stay Application with costs of RM5,000.00 to be paid by the Proposed Contemnors (as defined hereunder) to the Plaintiffs (i);
- (b) order in terms of the Striking Out Application, except for prayer (b) above with the costs of RM5,000.00 to be paid by the Proposed Contemnors (as defined hereunder) to the Defendant (i); and
- (c) allowed the oral amendments to delete reference to the Defendant (i) in the Notices of Change of Solicitors dated 14 October 2022 filed by Messrs. Ahmad Deniel, Ruben & Co.

On 8 November 2022, the Defendant (i) has filed the Notices of Withdrawal of Appeal for the Transfer Appeal and the EGM Regularity Appeal.

On 5 December 2022, leave of the High Court has been granted to the Defendant (i) to commence committal proceedings against Loh Ming Choon, Wong Siaw Puie, Sin Hock Min, Mohamad Hanafiah bin Zakaria and Koo Chen Yeng (“Proposed Contemnors”) in respect of breaches of the Order. The Defendant (i) had on 14 December 2022 filed the Notice of Application to commence committal proceedings against the Proposed Contemnors in respect of breaches of the Order (“**Enclosure 129**”).

The service of the relevant cause papers unto the Proposed Contemnors have been fulfilled on 22 February 2023. Accordingly, the High Court has set the date of 2 February 2023 for case management in relation to the aforementioned committal proceedings to update the High Court on the status of service unto the Proposed Contemnors. During the case management on 2 February 2023, the High Court has set the date of 1 March 2023 for case management.

During the case management on 1 March 2023, the High Court gave the following directions:

- (a) The Proposed Contemnors shall file their affidavits in reply in relation to Enclosure 129 on or before 21 March 2023;
- (b) The Defendant (i) shall file their affidavit in reply within twenty one (21) days from the date of service of the Proposed Contemnors’ affidavits in reply; and
- (c) Fixed the next case management date in relation to Enclosure 129 on 17 April 2023.

During the case management on 17 April 2023, the High Court has fixed 30 November 2023 for the hearing date in relation to Enclosure 129.

The Defendant (i)’s solicitors are of the opinion that Defendant (i) has put forth good grounds in support of Enclosure 129.

Classita Holdings Berhad (“Classita” or “the Company”)

(Formerly known as Caely Holdings Bhd.)

[Company No.: 199601036023 (408376-U)]

22. Material Litigation (continued)

22.2 Classita, Caely (M) Sdn Bhd, a wholly-owned subsidiary of Classita (“Plaintiffs (ii)”) v Datin Fong Nyok Yoon, Dato’ Chuah Chin Lai, Siow Hock Lee, Ooi Say Teik, Hem Kan @ Chan Hong Kee, Ng Boon Kang, Tan Loon Cheang, Dato’ Wira Ng Chun Hau, Lim Chee Pang, Lim Say Yeong, Beh Hong Shien, Gok Ching Hee (“Defendants (ii)”) – Case No.: BA-22NCC-133-10/2022 (“Suit 133”)

On 19 October 2022, the Plaintiffs (ii) has filed Suit 133 against the Defendants (ii) relating to the misappropriation of funds of not less than RM30,552,000 from Caely (M) Sdn Bhd (“**Misappropriation**”), conducts of non-disclosure of the Misappropriation, fraudulent concealment, conspiracy, fraud and deception, breach of directors’ duties arising from or related to the Misappropriation.

The Defendants (ii), amongst other, seek for:-

- (a) general damages to be assessed by the Court (“**General Damages**”);
- (b) special damages in the sum of RM30,552,000 (“**Special Damages**”);
- (c) exemplary damages to be assessed and awarded together with the General Damages by the Court (“**Exemplary Damages**”);
- (d) interest at the rate of 5% per annum on General, Special and Exemplary Damages from the filing date until the date of full settlement; and
- (e) costs.

The Defendants (ii) have filed their memorandum of appearance respectively.

On 15 December 2022, Siow Hock Lee and Hem Kan @ Chan Hong Kee filed their defences and a notice to seek contribution or indemnity against Datin Fong Nyok Yoon and Dato’ Chuah Chin Lai.

On 21 December 2022, Datin Fong Nyok Yoon and Dato’ Chuah Chin Lai filed their defence and counter-claim against the Plaintiffs (ii); Ooi Say Teik filed his defence; Dato’ Wira Ng Chun Hau, Lim Chee Pang and Beh Hong Shien filed their defence and counter claim against the Plaintiffs (ii) and the present directors of Classita; and Lim Say Yeong filed his defence.

Ng Boon Kang, Tan Loon Cheang and Gok Ching Hee have sought for an extension of time to file their respective defences, to which the Plaintiffs (ii) have no objection for them to file their respective defences on or before 18 January 2023.

During the case management on 30 November 2022, the Plaintiffs (ii) have indicated that they intend to file a composite reply to the Defendants (ii)’s defences.

The High Court of Malaya in Shah Alam (“High Court (ii)”) has set the date of 19 January 2023 for the next case management to update the High Court (ii) on the latest status of Suit 133.

During the case management on 19 January 2023, the High Court (ii) has set the next case management date on 3 February 2023.

Classita Holdings Berhad (“Classita” or “the Company”)

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22. Material Litigation (continued)

22.2 Classita, Caely (M) Sdn Bhd, a wholly-owned subsidiary of Classita (“Plaintiffs (ii)”) v Datin Fong Nyok Yoon, Dato’ Chuah Chin Lai, Siow Hock Lee, Ooi Say Teik, Hem Kan @ Chan Hong Kee, Ng Boon Kang, Tan Loon Cheang, Dato’ Wira Ng Chun Hau, Lim Chee Pang, Lim Say Yeong, Beh Hong Shien, Gok Ching Hee (“Defendants (ii)”) – Case No.: BA-22NCC-133-10/2022 (“Suit 133”) (continued)

During the case management on 3 February 2023, the High Court (ii) gave the following directions:-

- (i) in respect of the main action, Plaintiffs (ii) to file Reply (to the Defendants (ii)’s defences) on or before 8 February 2023;
- (ii) in respect of Datin Fong Nyok Yoon and Dato’ Chuah Chin Lai’s counter-claim, the Plaintiffs (ii) are to file their Defence to Datin Fong Nyok Yoon and Dato’ Chuah Chin Lai’s counter-claim on or before 8 February 2023;
- (iii) in respect of Dato’ Wira Ng Chun Hau, Lim Chee Pang and Beh Hong Shien’s counter-claim, the Plaintiffs (ii) are to file their Defence to Dato’ Wira Ng Chun Hau, Lim Chee Pang and Beh Hong Shien’s counter-claim on or before 8 February 2023;
- (iv) in respect of Siow Hock Lee and Hem Kan @ Chan Hong Kee’s application for further and better particulars, Siow Hock Lee and Hem Kan @ Chan Hong Kee are to file their affidavit in reply on or before 17 February 2023 to the Plaintiff (ii)’s affidavit in reply dated 2 February 2023;
- (v) in respect of Ooi Say Teik’s striking out application, the Plaintiffs (ii) are to file their affidavit in reply on or before 17 February 2023, and Ooi Say Teik is to file his affidavit in reply on or before 3 March 2023; and
- (vi) The High Court (ii) has directed that the next case management shall be fixed on 27 March 2023.

On 8 February 2023, the Plaintiffs (ii) filed their reply to the Defendants (ii)’s defences and defence to Datin Fong Nyok Yoon and Dato’ Chuah Chin Lai’s counter-claim.

On 13 February 2023, the Plaintiffs (ii)’s solicitors have received Siow Hock Lee and Hem Kan @ Chan Hong Kee’s affidavit in reply in respect of Siow Hock Lee and Hem Kan @ Chan Hong Kee’s application for further and better particulars.

On 17 February 2023, the Plaintiffs (ii) filed their affidavit in reply in respect of Ooi Say Teik’s striking out application.

On 21 February 2023, the Plaintiffs (ii)’s solicitors have received Dato’ Wira Ng Chun Hau, Lim Chee Pang and Beh Hong Shien’s amended defence and counter-claim.

Classita Holdings Berhad (“Classita” or “the Company”)

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22. Material Litigation (continued)

22.2 Classita, Caely (M) Sdn Bhd, a wholly-owned subsidiary of Classita (“Plaintiffs (ii)”) v Datin Fong Nyok Yoon, Dato’ Chuah Chin Lai, Siow Hock Lee, Ooi Say Teik, Hem Kan @ Chan Hong Kee, Ng Boon Kang, Tan Loon Cheang, Dato’ Wira Ng Chun Hau, Lim Chee Pang, Lim Say Yeong, Beh Hong Shien, Gok Ching Hee (“Defendants (ii)”) – Case No.: BA-22NCC-133-10/2022 (“Suit 133”) (continued)

During the case management on 27 March 2023, the High Court (ii) has directed the exchange of written submissions for further and better particulars application filed by Siow Hock Lee and Hem Kan @ Chan Hong Kee (“Enclosure 23”) and the striking out application filed by Ooi Say Teik (“Enclosure 30”). Subsequently, the hearing date for Enclosure 23, Enclosure 30 and Suit 133 are fixed on 24 May 2023.

On 26 March 2023, Dato’ Wira Ng Chun Hau, Lim Chee Pang and Beh Hong Shien have filed a further and better particulars application (“Enclosure 42”) and Classita has filed a transfer and stay of proceedings application on 26 April 2023 (“Enclosure 49”). Both Enclosure 42 and Enclosure 49 were fixed for case management before the judge on 24 May 2023.

On 24 May 2023, the High Court (ii) has directed that Enclosure 49 be disposed of first and fixed the next case management on 11 July 2023 to monitor the filing of affidavits for the purpose of Enclosure 49 and to fix a hearing date. Accordingly, Enclosure 23, Enclosure 30, Enclosure 42 and Suit 133 have also been fixed for case management on 11 July 2023.

The Plaintiffs (ii)’s solicitors are of the opinion that Plaintiffs (ii) has put forth good grounds in support of Suit 133 and Enclosure 49.

Classita Holdings Berhad (“Classita” or “the Company”)

(Formerly known as Caely Holdings Bhd.)

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22.3 Dato’ Wira Ng Chun Hau (“Plaintiff (iii)”) v Classita, Dato’ Kang Chez Chiang, Ng Keok Chai, Leong Seng Wui, Krishnan A/L Dorairaju, Dato’ Mior Faridalathrash Bin Wahid, Chong Seng Ming, Kenny Khaw Chuan Wah (“Defendants (iii)”) – Case No.: WA-23NCvC-78-10/2022 (“Suit 78”)

The Plaintiff (iii) had referred to Classita’s published or caused to be published a press release entitled – “Caely Lodges Police Report to investigate RM30.55 million Misappropriated Funds by Its Former Board” (“**Press Release**”) and asserts that the Press Release contains statements which are defamatory of him.

The Plaintiff (iii) seeks against the Defendants (iii) the following:

- (a) Damages for libel, including aggravated damages and exemplary damages;
- (b) An injunction restraining Classita, whether by itself, its servant, or agents or otherwise and Dato’ Kang Chez Chiang, Ng Keok Chai, Leong Seng Wui, Krishnan A/L Dorairaju, Dato’ Mior Faridalathrash Bin Wahid, Chong Seng Ming, Kenny Khaw Chuan Wah from publishing or cause to be published the said or similar statements defamatory of the Plaintiff (iii);
- (c) interests;
- (d) costs; and
- (e) further and/or other relief that the Court deems fit.

During the previous case management on 28 December 2022, the High Court of Malaya in Kuala Lumpur (“**High Court (iii)**”) has directed the parties to Suit 78 to file interlocutory applications (if any) before the next case management date. If there are no interlocutory applications, pre-trial directions will be given during the next case management on 17 January 2023.

During the case management on 3 February 2023, the High Court (iii) has directed that:-

- (i) in respect of Defendants (iii)’s application to disqualify the Plaintiff (iii)’s solicitors from acting for the Plaintiff (iii), a hearing is fixed on 30 March 2023 (“**Disqualification Application**”);
- (ii) the Plaintiff (iii) to file affidavit in Reply in respect of the Disqualification Application on/before 20 February 2023;
- (iii) the Defendants (iii) are to file their affidavit in reply in respect of the Disqualification Application on or before 6 March 2023;and
- (iv) in respect of the main action of Suit 78, a case management is fixed on 30 March 2023 after the hearing of the Disqualification Application.

Classita Holdings Berhad (“Classita” or “the Company”)

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22. Material Litigation (continued)

22.3 Dato’ Wira Ng Chun Hau (“Plaintiff (iii)”) v Classita, Dato’ Kang Chez Chiang, Ng Keok Chai, Leong Seng Wui, Krishnan A/L Dorairaju, Dato’ Mior Faridalathrash Bin Wahid, Chong Seng Ming, Kenny Khaw Chuan Wah (“Defendants (iii)”) – Case No.: WA-23NCvC-78-10/2022 (“Suit 78”) (continued)

The determination on quantum and liability arising from Suit 78 will correspondingly depend on whether the High Court (iii) finds that there has been any defamatory remarks made by the Defendants (iii) against the Plaintiff (iii).

On 20 February 2023, Classita’s solicitors received the Plaintiff (iii)’s affidavit in reply in respect of the Disqualification Application.

On 30 March 2023, the High Court (iii) dismissed the Disqualification Application and fixed a further case management on 7 April 2023 for the parties to file any interlocutory applications.

During the case management on 7 April 2023, the High Court (iii) suggested an application to transfer this proceeding to the court hearing Suit 133 to be filed and fixed a further case management on 20 April 2023 to update the status.

On 20 April 2023, the High Court (iii) has directed that:

- (i) an application to transfer Suit 133 to be filed at the court of Suit 133 to be heard on an urgent basis and to obtain the order to transfer Suit 133 to High Court (iii) (which hears Suit 78) before the next case management date; and
- (ii) next case management is fixed on 24 May 2023 for the court to give pre-trial directions for both Suit 133 and Suit 78.

On 24 May 2023, the High Court (iii) had given pre-trial directions and fixed the next case management date on 17 July 2023 for the parties to provide an update on the compliance of the High Court (iii)’s pre-trial directions and the status of the application to transfer Suit 133 to the High Court (iii) (which hears Suit 78).

Classita’s solicitors are of the opinion that Classita has put forth a strong defence to resist Suit 78.

Classita Holdings Berhad (“Classita” or “the Company”)

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[Company No.: 199601036023 (408376-U)]

22. Material Litigation (continued)

22.4 Dato’ Sri Tee Yam, Wong Siaw Puie (“Plaintiffs (iv)”) v Classita (“Defendant (iv)”) – Case No.: WA-22NCC-567-11/2022 (“Suit 567”)

The Plaintiffs (iv) had allegedly advanced to the Defendant (iv) the total sum of RM3,959,365.49 for day-to-day operation and/or management costs.

The Plaintiffs (iv) seek against the Defendant (iv) for the following:-

- (a) the sum of RM3,959,365.49;
- (b) interest of 5% per annum calculated daily on RM3,959,365.49 from the date of filing of the writ until the date of judgement;
- (c) costs of this action with interest of 5% per annum from the date of judgement; and
- (d) other reliefs as the High Court of Malaya in Kuala Lumpur (“**High Court (iv)**”) deems fit and proper to grant.

On 7 December 2022, the Defendant (iv) issued to the Plaintiffs (iv) a letter to seek further and better particulars in respect of the amended statement of claim dated 7 November 2022 and a notice to produce documents pursuant to the pleadings dated 7 November 2022.

On 13 December 2022, the Plaintiffs (iv) replied with a letter providing further and better particulars.

On 20 December 2022, the Plaintiffs (iv) served an affidavit which was affirmed on the same day exhibiting copies of the documents requested by the Defendant (iv).

On 5 January 2023, the Plaintiffs (iv) served their amended writ and re-amended statement of claim, which were both dated 4 January 2023.

On 16 January 2023, the Plaintiffs (iv) filed a Notice of Application dated 16 January 2023 to enter summary judgment against the Defendants on the Plaintiff’s claims or any part thereof (“**Summary Judgment Application**”).

The Defendant (iv) has sought an extension of time to file their amended defence on or before 2 February 2023, to which the Plaintiffs (iv) have no objection to.

During the case management on 25 January 2023, the High Court (iv) has directed the Defendant (iv) to file and serve their amended defence and counter-claim on or before 9 February 2023 and have set the date of 5 April 2023 for the hearing of the Plaintiffs (iv)’s summary judgment application in relation to Suit 567 against the Defendant (iv).

On 9 February 2023, the Defendant (iv) filed and served its Amended Defence and Counter Claim re-dated 9 February 2023.

Classita Holdings Berhad (“Classita” or “the Company”)

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22. Material Litigation (continued)

22.4 Dato’ Sri Tee Yam, Wong Siaw Puie (“Plaintiffs (iv)”) v Classita (“Defendant (iv)”) – Case No.: WA-22NCC-567-11/2022 (“Suit 567”) (continued)

On 3 March 2023, the Plaintiffs (iv) has filed their ex-parte notice of application, affidavits verifying statements/facts, and statement pursuant to Order 52 Rule 3(2) of the Rules of Court 2012 to obtain leave from court to commit the Defendant (iv), Leong Seng Wui, Kuan Poh Huat, Ng Keok Chai, Wilson Lim Mao Shen and Huam Wan Ying for alleged intimidation of one witness named Ting Yi En (“Ting”). (hereafter referred as “committal proceedings”).

On 17 March 2023, the Defendant (iv) has filed and served the Notice of Application to cross-examine Ting together with its affidavit in support affirmed on 16 January 2023 to the Plaintiffs (iv). The case management for this application was fixed on 28 March 2023.

On 20 March 2023, the hearing of the committal proceedings was held on an opposed ex-parte basis, whereby the court dismissed the committal proceedings with no order as to costs.

During the case management on 28 March 2023, the High Court (iv) has directed that:

- (i) The cross-examination of Ting will take place on 15 June 2023 at 10.00 am; and
- (ii) The hearing of summary judgment application which is fixed on 5 April 2023 will be vacated and adjourned to 23 June 2023 after the cross-examination of Ting has taken place.

On 5 April 2023, parties in Suit 567 entered into a consent judgment, which was recorded before the High Court (iv) for full and final settlement of Suit 567.

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22. Material Litigation (continued)

22.5 Classita, Loh Ming Choon, Wong Siaw Puie, Sin Hock Min, Mohamad Hanafiah bin Zakaria, Koo Chen Yeng (“Appellants”) v Leong Seng Wui, Kok Kwang Lim and Valhalla Capital Sdn Bhd (“Respondents”) – Court of Appeal Civil Appeal No.: W-02(NCC)(A)-1792-09/2022 (“Suit 1792”)

Suit 1792 is the EGM Regularity Appeal, i.e. the appeal against the Order as stipulated in 22.1 above, allowing Suit 732 (“**Enclosure 1**”).

On 8 November 2022, Classita filed a Notice of Withdrawal of Appeal (“**Notice**”) to withdraw the appeal against the Respondents. Loh Ming Choon, Wong Siaw Puie, Sin Hock Min, Mohamad Hanafiah bin Zakaria and Koo Chen Yeng who are the purported 2nd to 6th Appellants strenuously objected to Classita’s withdrawal of the Appeal against the Respondents.

On 19 December 2022 during the case management and in view of the Notice, the Court of Appeal has:

- (a) fixed Enclosure 1 for disposal in respect of the 1st Appellant therein, i.e. Classita on 12 May 2023;
- (b) fixed Classita’s striking out application dated 20 October 2022 (“**Enclosure 4**”) and the Respondents’ striking out application both dated 25 October 2022 (“**Enclosures 8 and 10**”) for hearing on 12 May 2023;
- (c) fixed Enclosure 1, Enclosure 4 and Enclosures 8 and 10 for further case management on 27 April 2023 to ensure compliance with directions given pertaining to the filing of written submission; and
- (d) fixed Enclosure 1, Enclosure 4 and Enclosures 8 and 10 for further case management on 16 May 2023 to update the Court of Appeal on the status of Suit 1972.

On 26 April 2023, Messrs Ahmad Deniel, Ruben & Co filed a Notice of Withdrawal of Appeal to withdraw the appeal against the Respondents.

During the case management on 27 April 2023, the Court of Appeal took note of the Notices of Discontinuance to discontinue Suit 1792. As such, the hearing date on 12 May 2023 is vacated.

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22. Material Litigation (continued)

22.6 Wong Siaw Puie, Dato’ JP Low Kok Chuan, Dato’ Sri Tee Yam, Zhang Jia and Leow Boon Kin (“Plaintiffs (iv)”) v Classita (“Defendant (iv)”) – Case No.: WA-24NCC-136-03/2023 (“Suit 136”)

Suit 136 was commenced against the Defendant (iv) whereby the Plaintiffs (iv) are seeking for, amongst others, the following reliefs:

- (a) The Plaintiffs (iv) be granted leave to act on behalf of the Defendant (iv) and/or take control of the conduct of the Defendant (iv) in relation to Ipoh High Court Civil Suit No.: AA-22NCvC-66-08/2022 (“Suit 66”), including but not limited to appointing new solicitors and/or giving instructions to the Defendant (iv)’s solicitors to, inter alia, reinstate and/or file afresh Suit 66 against the defendants therein and to conduct Suit 66 and/or any appeals arising from any orders made therein;
- (b) Alternatively, that the Plaintiffs (iv) be granted leave to act on behalf of the Defendant (iv) and/or take control of the conduct of the Defendant (iv) in relation to Suit 133, including but not limited to appointing new solicitors and/or giving instructions to the Defendant (iv)’s solicitors, to conduct Suit 133 and to, inter alia, join the following parties as defendants:
 - (i) Leong Seng Wui;
 - (ii) Goh Choon Kim;
 - (iii) Chin Boon Long;
 - (iv) Chong Loong Men;
 - (v) Kok Kwang Lim;
 - (vi) Valhalla Capital Sdn Bhd;
 - (vii) Hong Seng Capital Sdn Bhd;
 - (viii) Goh Choon Heng;
 - (ix) Luhur Sejahtera Sdn Bhd; and
 - (x) Zaidi Bin Zainudin

and/or any appeals arising from any orders made therein;

- (c) The Plaintiffs (iv) be granted leave to act on behalf of the Defendant (iv) and/or take control of the conduct of the Defendant (iv) in relation to the Court of Appeal, Civil Appeal No.: W-02(NCC)(A)-1792-09/2022 (“Appeal 1792”), including but not limited to appointing new solicitors and/or giving instructions to the Defendant (iv)’s solicitors to conduct Appeal 1792 and/or any appeals or leave to appeal arising from any orders made therein;
- (d) The Plaintiffs (iv) be granted leave to initiate a legal action on behalf of the Defendant (iv) against Leong Seng Wui, Kang Chez Chiang, Ng Keok Chai, Krishnan A/L Dorairaju, Chong Seng Ming, Datuk Mior Faridalathrash Bin Wahid, Kenny Khow Chuan Wah, Chin Boon Long, Kepayang Heights Sdn Bhd, Harvest Miracle Capital Berhad for breach of fiduciary duties and/or fraud and/or unjust enrichment and/or conspiracy to injure the Defendant (iv) (“Kepayang Suit”) in relation to the Defendant (iv)’s acquisition of the shares in Kepayang Heights Sdn Bhd and all other related transactions arising therefrom;

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22. Material Litigation (continued)

22.6 Wong Siaw Puie, Dato’ JP Low Kok Chuan, Dato’ Sri Tee Yam, Zhang Jia and Leow Boon Kin (“Plaintiffs (iv)”) v Classita (“Defendant (iv)”) – Case No.: WA-24NCC-136-03/2023 (“Suit 136”) (continued)

- (e) The Plaintiffs (iv) be granted leave to require the Defendant (iv), its agents, directors, representatives, auditors, consultants, company secretary, employees and/or officers to provide or cause to be provided full cooperation to the Plaintiffs (iv), including but not limited to producing any records, documents and/or information of the Defendant (iv) to the Plaintiffs (iv), and to refrain from destroying, withholding, concealing any records, documents, information and/or evidence that may be relevant to Suit 66, Suit 133, Appeal 1792 and the Kepyang Suit on behalf of the Defendant (iv);
- (f) The Plaintiffs (iv) be granted leave to require the Defendant (iv), its agents, directors, representatives, auditors, consultants, company secretary, employees and/or officers to do all acts necessary to authorise the Plaintiffs (iv) to act on behalf of the Defendant (iv) and to take all steps in order to conduct Suit 66, Suit 133, Appeal 1792 and the Kepyang Suit on behalf of the Defendant (iv); and
- (g) That Dato' IR Lim Siang Chai, Dato' JP Low Kok Chuan and Tony @ Hoo Swee Seang Mun be appointed as interim directors of the Defendant (iv) and to take control of the Defendant (iv)'s conduct in respect of the said proceedings and/or actions abovementioned, until full and final disposal of the same.

On 21 March 2023, the Defendant (iv) was served with the Plaintiffs (iv)'s application (“Enclosure 4”) seeking, amongst others:

- (a) An injunction be granted to restrain and/or prevent the Defendant (iv), either personally and/or its directors and/or its agents and/or its officers and/or its employees and/or its representatives and/or its shareholders and/or its proxies (and/or any of them), from continue and/or convene the EGM which has been fixed on 27 March 2023 at 10.00a.m. (“the said EGM”) virtually through online platform and any other EGM of the Defendant (iv), pending full and final disposal of the suit and/or until any further order granted by the High Court of Malaya in Kuala Lumpur (“High Court (iv)”);

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22. Material Litigation (continued)

22.6 Wong Siaw Puie, Dato’ JP Low Kok Chuan, Dato’ Sri Tee Yam, Zhang Jia and Leow Boon Kin (“Plaintiffs (iv)”) v Classita (“Defendant (iv)”) – Case No.: WA-24NCC-136-03/2023 (“Suit 136”) (continued)

- (b) Alternatively, an injunction be granted to restrain and/or prevent the Defendant (iv), either personally and/or its directors and/or its agents and/or its officers and/or its employees and/or its representatives and/or its shareholders and/or its proxies (and/or any of them), to conduct any voting and/or vote on any resolution related to the Proposed Rights Issue (as defined below) in respect of:
- (i) Renounceable rights issue of up to 965,398,515 new ordinary shares (“Rights Shares”), on the basis of 5 Rights Shares for every 2 existing shares; together with
 - (ii) Issuance up to 579,239,109 free detachable Warrants C on the basis of 3 Warrants C for every 5 Rights Shares subscribed for; and/or
 - (iii) any combination and/or variation of the resolution in relation to the Proposed Rights Issue mentioned above.

(the above will be referred to as “Proposed Rights Issue”)

to be voted on by the members, either by vote by show of hands, poll and/or virtually, at the said EGM and any other EGM of the Defendant (iv), pending the full and final disposal of the suit and/or until any further order is granted by the High Court (iv); and/or

- (c) An injunction be granted to restrain and/or prevent the Defendant (iv), either personally and/or its directors and/or its agents and/or its officers and/or its employees and/or its representatives and/or its shareholders and/or or its proxies (and/or any of them), from holding any other EGM either physically and/or online, which contains any resolution that disposes and/or changes and/or dilute the composition of interests and/or shares and/or any securities of the Defendant (iv)'s shareholders and/or Proposed Rights Issue, pending the full and final disposal of the suit and/or until any further order is granted by the High Court (iv).

On 24 March 2023, the High Court (iv) has dismissed Enclosure 4 with costs of RM10,000.00 awarded to the Defendant (iv). Upon dismissal of Enclosure 4, the Plaintiffs (iv)'s counsel had orally applied for an Erinford Injunction, but the same was dismissed by the High Court (iv).

On 28 March 2023, the High Court (iv) has fixed the hearing date in relation to Suit 136 on 11 May 2023. Subsequently, the hearing date of 11 May 2023 has been vacated and adjourned to 15 June 2023.

Classita’s solicitors are of the opinion that Classita has put forth a strong defence to resist Suit 136.

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23. Earnings/(Loss) Per Share

23.1 Basic earnings/(loss) per share

The basis earnings/(loss) per share is calculated by dividing the profit/(loss) after taxation attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the financial period.

	Individual Period		Cumulative Period	
	Current Quarter 31.03.2023	Corresponding Quarter 31.03.2022	Current Period to Date 31.03.2023	Corresponding Period to Date ** 31.03.2022
Profit/(loss) attributable to equity holders of the Company (RM'000)	1,581	(9,291)	(199)	-
Weighted average number of ordinary shares in issue (Unit'000)	339,184	257,480	300,456	-
Basic earnings/(loss) per share (sen)	<u>0.47</u>	<u>(3.61)</u>	<u>(0.07)</u>	<u>-</u>

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23. Earnings/(Loss) Per Share (continued)

23.2 Diluted earnings/(loss) per share

The diluted earnings/(loss) per share is calculated by dividing the profit/(loss) after taxation attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares that would have been issued upon the full exercise of the remaining Warrants B.

	Individual Period		Cumulative Period	
	Current Quarter 31.03.2023	Corresponding Quarter 31.03.2022	Current Period to Date 31.03.2023	Corresponding Year to Date ** 31.03.2022
Profit/(loss) attributable to equity holders of the Company (RM'000)	1,556	(9,291)	(199)	-
Weighted average number of ordinary shares in issue (Unit'000)	339,184	386,160	300,456	-
Effects of dilution*:				
Effect of outstanding warrants	-	-	-	-
Adjusted weighted average number of ordinary shares in issue (Unit'000)	339,184	386,160	300,456	-
Diluted earnings/(loss) per share (sen)	0.46	(2.41)	(0.07)	-

Notes:-

* - The effects of potential ordinary shares arising from the exercise of warrants are anti-dilutive and accordingly, they have been ignored in the calculation of dilutive earnings/(loss) per share. As a result, the dilutive (loss)/earnings per share is the same as basic earnings/(loss) per share.

** - In view of the changed of financial year end from 12 months ended 31 March 2022 to 15 months ended 30 June 2022, there is no comparative figures for the preceding year-to-date. The current reporting financial period is for a period of 9 months, made up from 1 July 2022 to 31 March 2023.

24. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the directors on 31 May 2023.