



CLASSITA HOLDINGS BERHAD

(Formerly known as Caely Holdings Bhd.)

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

(Incorporated in Malaysia)

Interim Financial Statements

For the Quarter Ended 30 June 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 30 JUNE 2023

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Quarter 30.06.2023 RM'000	Corresponding Quarter 30.06.2022 RM'000	Current Period To Date 30.06.2023 RM'000	Corresponding Year To Date** 30.06.2022 RM'000
Revenue	7,277	15,747	41,807	-
Operating expenses	(19,918)	(16,164)	(59,800)	-
Other operating income	3,060	684	9,257	-
(Loss)/profit from operations	(9,581)	267	(8,736)	-
Finance costs	(148)	(232)	(786)	-
Share of results in jointly control company, net of tax	166	-	-	-
(Loss)/profit before taxation	(9,563)	35	(9,522)	-
Taxation	383	(387)	143	-
Loss after taxation	(9,180)	(352)	(9,379)	-
Other comprehensive income				
Items that Will Be Reclassified Subsequently to Profit or Loss				
Foreign currency exchange	257	-	255	-
Amortisation of revaluation reserve	105	-	105	-
Total comprehensive expenses for the period	(8,818)	(352)	(9,019)	-
Loss after taxation attributable to:				
Owners of the Company	(8,947)	(352)	(9,146)	-
Non-controlling interest	(233)	-	(233)	-
	(9,180)	(352)	(9,379)	-
Total comprehensive expenses attributable to:				
Owners of the Company	(8,687)	(352)	(8,888)	-
Non-controlling interest	(131)	-	(131)	-
	(8,818)	(352)	(9,019)	-
Loss per share attributable to equity holders of the Company (sen)				
- Basic	(2.57)	(0.14)	(2.93)	-
- Diluted	(2.57)	(0.09)	(2.93)	-

Notes:

** - 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 12 months, made up from 1 July 2022 to 30 June 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 30 JUNE 2023

	Unaudited as at <u>30.06.2023</u> RM'000	Audited as at <u>30.06.2022</u> RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	27,074	23,767
Right-of-use assets	278	364
Investment properties	9,094	4,100
Goodwill	2,255	-
	<u>38,701</u>	<u>28,231</u>
Current Assets		
Inventories	73,869	56,597
Receivables, deposits and prepayments	10,134	10,354
Tax recoverable	1,263	298
Fixed deposits with licensed banks	-	9,197
Cash and bank balances	81,105	16,115
	<u>166,371</u>	<u>92,561</u>
TOTAL ASSETS	<u><u>205,072</u></u>	<u><u>120,792</u></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 30 JUNE 2023 (CONTINUED)

	Unaudited as at <u>30.06.2023</u> RM'000	Audited as at <u>30.06.2022</u> RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	104,668	71,779
Other reserves	13,097	10,545
Accumulated losses	(12,551)	(3,510)
Equity attributable to equity holders of the Company	<u>105,214</u>	<u>78,814</u>
Non-controlling interests	1,465	-
Total equity	<u>106,679</u>	<u>78,814</u>
Non-current Liabilities		
Lease liabilities	193	260
Term loans	6,838	8,189
Deferred tax liabilities	5,442	1,443
	<u>12,473</u>	<u>9,892</u>
Current Liabilities		
Payables and accrued liabilities	83,793	22,615
Provisions	258	258
Contract liabilities	374	393
Tax payable	-	359
Lease liabilities	70	70
Term loans	1,271	1,758
Short term bank borrowings:		
Bank overdrafts	154	4,753
Others	-	1,880
	<u>85,920</u>	<u>32,086</u>
TOTAL LIABILITIES	<u>98,393</u>	<u>41,978</u>
TOTAL EQUITY AND LIABILITIES	<u>205,072</u>	<u>120,792</u>
Net assets per share (RM)	<u>0.30</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 30 JUNE 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	32,889	-	-	-	-	32,889	-	32,889
Other comprehensive income recognised for the financial year:								
- foreign currency translation differences	-	153	-	-	-	153	102	255
Revaluation surplus	-	-	-	2,504	-	2,504	-	2,504
Transfer of reserve	-	-	-	(105)	105	-	-	-
Loss for the financial period	-	-	-	-	(9,146)	(9,146)	(233)	(9,379)
Acquisition of a subsidiary	-	-	-	-	-	-	1,596	1,596
At 30 June 2023	104,668	153	80	12,864	(12,551)	105,214	1,465	106,679

Notes:

** 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 12 months, made up from 1 July 2022 to 30 June 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.)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

	Unaudited For the Financial Period Ended <u>30.06.2023</u> RM'000	Unaudited For the Financial Period Ended** <u>30.06.2022</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(9,522)	-
Adjustments for:		
Property, plant and equipment		
- depreciation	881	-
- gain on disposal	(5)	-
Depreciation of right-of-use assets	86	-
Depreciation of investment properties	56	-
Fair value gain on valuation on investment properties	(150)	-
Allowance for impairment losses of receivables:		
- charge for the financial year	529	-
- reversal	(8,143)	-
Allowance for slow moving inventories		
- provided for	8,049	-
- reversal	(622)	-
Reversal of provision for liquidated ascertained damages	(19)	-
Interest expense	786	-
Interest income	(84)	-
Net unrealised foreign exchange gain	(394)	-
Operating loss before working capital changes	(8,552)	-
Increase in inventories	(5,054)	-
Decrease in Housing Development Accounts	(2)	-
Decrease in receivables	8,986	-
Increase in payables	55,863	-
CASH GENERATED FROM OPERATIONS	51,241	-
Interest paid	(197)	-
Net income tax paid	(1,451)	-
Net cash from operating activities	49,593	-

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

	Unaudited For the Financial Period Ended <u>30.06.2023</u> RM'000	Unaudited For the Financial Period Ended** <u>30.06.2022</u> RM'000
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,468)	-
Acquisition of subsidiaries, net of cash and cash equivalent acquired	(16,967)	-
Interest income received	84	-
Proceeds from disposal of property, plant and equipment	5	-
Net cash used in investing activities	(18,346)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Deposits released under lien for credit facilities with licensed banks	3,197	-
Repayments of short term bank borrowings	(1,892)	-
Repayments of lease liabilities	(67)	-
Repayments of term loans	(1,838)	-
Interest paid	(577)	-
Proceeds from exercise of warrants	32,889	-
Net cash from financing activities	31,712	-
NET CHANGES IN CASH AND CASH EQUIVALENT	62,959	-
FOREIGN EXCHANGE TRANSLATION DIFFERENCES	526	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	17,047	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	80,532	-

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

Unaudited For the Financial Period Ended <u>30.06.2023</u> RM'000	Unaudited For the Financial Period Ended** <u>30.06.2022</u> RM'000
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Notes :

Cash and cash equivalent at the end of the financial period comprise the following:

Deposit, cash and bank balance	81,105	-
Less: Bank overdrafts	(154)	-
Less: Bank balances held under Housing Development Account	(419)	-
	<hr/>	<hr/>
	80,532	-

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 12 months, made up from 1 July 2022 to 30 June 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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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
17 April 2023	5,202,400
16 May 2023	6,447,200
Total	11,649,600

As at 30 June 2023, the outstanding Warrants B of the Company is 33,947,702. 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
30 June 2023					
Revenue					
Total revenue	3,007	(5,313)	45,311	-	43,005
Inter-segment revenue	(36)	-	(1,162)		(1,198)
External sales	<u>2,971</u>	<u>(5,313)</u>	<u>44,149</u>	-	<u>41,807</u>
Results					
Loss from operations	(1,432)	(4,528)	(1,443)	(1,333)	(8,736)
Finance costs	(3)	(242)	(541)	-	(786)
Loss before taxation	<u>(1,435)</u>	<u>(4,770)</u>	<u>(1,984)</u>	<u>(1,333)</u>	<u>(9,522)</u>
Taxation					143
Loss for the financial period					<u>(9,379)</u>
 Segment assets	 <u>3,422</u>	 <u>75,353</u>	 <u>43,142</u>	 <u>83,155</u>	 <u>205,072</u>
 Segment liabilities	 <u>357</u>	 <u>15,309</u>	 <u>8,056</u>	 <u>74,671</u>	 <u>98,393</u>

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7. Segmental Information (continued)

For the financial period ended 30 June 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 12 months, made up from 1 July 2022 to 30 June 2023.

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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 30 June 2022.

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 23 August 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.

10. Material Event During the Interim Period

The following was the material event during the current quarter ended 30 June 2023:-

- 10.1 Reference is made to the announcements dated 6 January 2023, 17 January 2023, 24 February 2023 and 10 March 2023 in relation to the rights issue.

On behalf of the Board, TA Securities Holdings Berhad (“TA Securities”) wishes to announce that the Board had on 15 May 2023 executed the following:

(i) a deed poll constituting the Warrants C (“Deed Poll C”) pursuant to the Rights Issue; and

(ii) 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 (“Rights Issue”) 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.

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10. Material Event During the Interim Period (continued)

On 26 May 2023, the Company announced the revised important date for the Rights Issue.

Date for	Date
Despatch Date	16 June 2023
Commencement of trading of the Rights Issue	15 June 2023
Cessation of trading of the Rights Issue	22 June 2023
Announcement of final subscription result and basis of allotment of excess Rights Issue	5 July 2023
Listing date of the Rights Issue	14 July 2023

Last date and time for	Date	Time
Sale of provisional allotment of Rights Issue	21 June 2023	5.00 p.m.
Transfer of provisional allotment of Rights Issue	23 June 2023	4.30 p.m.
Acceptance and payment	30 June 2023	5.00 p.m.
Excess share application and payment	30 June 2023	5.00 p.m.

On 14 June 2023, on behalf of the Board, TA Securities announced that the abridged prospectus in relation to the Rights Issue, together with the notice of provisional allotments and rights subscription form have been duly registered by Securities Commission Malaysia and lodged with the Registrar of Companies.

The Rights Issue has been completed following the listing and quotation of 880,529,260 Rights Shares together with 528,317,555 Warrants C on the Main Market of Bursa Securities on 14 July 2023.

11. Changes in Composition of the Group

Save as disclosed below, there were no changes in the composition of the Group during the current financial period under review.

On 15 June 2023, the Company completed its acquisition of the entire issued and paid-up share capital of Longhorn Capital Sdn Bhd (“LCSB”). LCSB is a direct wholly-owned subsidiary of the Company.

12. 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 23 August 2023 (being the latest practicable date not earlier than seven (7) days from the date of this report).

13. Capital Commitments

There were no material capital commitments at the end of the current quarter under review.

14. Dividend

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

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

15. Review of Performance

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

	Individual Period		Variance		Cumulative Period		Variance	
	Current Quarter 30.06.2023 RM'000	Corresponding Quarter 30.06.2022 RM'000	Amount RM'000	%	Current Period to Date 30.06.2023 RM'000	Corresponding Period to Date** 30.06.2022 RM'000	Amount RM'000	%
Revenue	7,277	15,747	(8,470)	(53.79)	41,807	-	NA	-
Other operating income	3,060	684	2,376	347.37	9,257	-	NA	-
Operating expenses	(19,918)	(16,164)	3,754	23.22	(59,800)	-	NA	-
(Loss)/Profit from operation	(9,581)	267	(9,848)	(3,688.39)	(8,736)	-	NA	-
Finance costs	(148)	(232)	(84)	(36.21)	(786)	-	NA	-
Share of results in jointly controlled company, net of tax	166	-	166	100.00	-	-	NA	-
(Loss)/profit before taxation	(9,563)	35	(9,598)	(27,422.86)	(9,522)	-	NA	-
Taxation	383	(387)	770	198.97	143	-	NA	-
Loss after taxation	(9,180)	(352)	8,828	2,507.95	(9,379)	-	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 12 months, made up from 1 July 2022 to 30 June 2023.

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15. Review of Performance (continued)

15.1 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 RM8.34 million as compared to the corresponding quarter ended 30 June 2022, mainly due to decreased in revenue in property development and construction segment and manufacturing sales segment.

Manufacturing sales segment recorded a lower revenue as compared to the preceding year corresponding quarter mainly due to lower market demands.

During the current year quarter under review, the revocation of property units by a purchaser had led to the reversal of revenue and resulted a negative revenue of RM1.14 million in property development and construction segment.

Loss Before Taxation

The Group has recorded loss before taxation of RM8.82 million in the current quarter under review as compared to a loss of RM0.35 million in the preceding year quarter mainly due to the followings:

- (i) lower sales achieved in the current quarter under review as mentioned above;
- (ii) allowance for impairment losses provided for property development cost of RM7.82 million in property development and construction segment; and
- (iii) written down of inventories of RM0.23 million in manufacturing segment.

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15. Review of Performance (continued)

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

	Individual Period		Variance	
	Current Quarter 30.06.2023 RM'000	Immediate Preceding Quarter 31.03.2023 RM'000	Amount RM'000	%
	Revenue	7,277	8,268	(991)
Other operating income	3,060	5,731	(2,671)	(46.61)
Operating expenses	(19,918)	(12,020)	(7,898)	65.71
(Loss)/profit from operation	(9,581)	1,979	(11,560)	(584.13)
Share of results in jointly controlled company, net of tax	166	(166)	332	200.00
Finance costs	(148)	(158)	(10)	(6.33)
(Loss)/profit before taxation	(9,563)	1,655	(11,218)	(677.82)
Taxation	383	(99)	482	486.87
(Loss)/profit after taxation	(9,180)	1,556	(10,736)	(689.97)

Revenue

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

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

Profit/(Loss) before taxation

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

- (i) decreased in other income mainly due to the decreased in reversal of provision for impairment losses of receivables of approximately RM4.33 million;
- (ii) allowance for impairment losses provided for property development cost of RM7.82 million in property development and construction segment; and
- (iv) written down of inventories of RM0.23 million in manufacturing segment.

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16. 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 business cooperation to set up a manufacturing plant in Indonesia to increase its production capacity and distribution line. 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. Furthermore, the Board will also closely monitor developments in the property market by remaining vigilant about customer’s preferences as well as supply and demand conditions.

17. 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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18. Taxation

	Individual Period		Cumulative Period	
	Current Quarter 30.06.2023 RM'000	Corresponding Quarter 30.06.2022 RM'000	Current Period to Date 30.06.2023 RM'000	Corresponding Period to Date** 30.06.2022 RM'000
Taxation				
- current period	(127)	387	121	-
Deferred taxation:				
- current period	(401)	-	(409)	
- under provision in previous period	145	-	145	-
	(383)	387	(143)	-

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

	Individual Period		Cumulative Period	
	Current Quarter 30.06.2023 RM'000	Corresponding Quarter 30.06.2022 RM'000	Current Period to Date 30.06.2023 RM'000	Corresponding Period to Date** 30.06.2022 RM'000
Property, plant and equipment				
- depreciation	284	200	881	-
- gain on disposal	(5)	-	(5)	-
Depreciation of right-of-use assets	21	22	86	-
Depreciation of investment properties	56	-	56	-
Fair value gain on valuation of investment properties	(150)	-	(150)	-
Allowance for impairment losses of receivables:				
- charge for the financial year	529	-	529	-
- reversal	(2,496)	411	(8,143)	-
Allowance for slow moving inventories:				
- provided for	8,049	-	8,049	-
- reversal	-	-	(622)	-

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19. Notes to the Statements of Profit or Loss and Other Comprehensive Income (continued)

	Individual Period		Cumulative Period	
	Current Quarter 30.06.2023 RM'000	Corresponding Quarter 30.06.2022 RM'000	Current Period to Date 30.06.2023 RM'000	Corresponding Period to Date 30.06.2023 RM'000
Reversal of provision for liquidated ascertained damages	-	-	(19)	-
Interest expenses	149	232	786	-
Interest income	(1)	(47)	(84)	-
Foreign exchange loss/(gain):				
- realised	291	-	719	-
- unrealised	(152)	-	(394)	-

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 12 months, made up from 1 July 2022 to 30 June 2023.

20. Status of Corporate Proposals

There were no corporate proposals as at 23 August 2023 (being the latest practicable date not earlier than seven (7) days from the date of issue of this report) pending for completion.

21. Borrowings and Debts Securities

	As at 30.06.2023			As at 30.06.2022		
	Long Term RM'000	Short Term RM'000	Total RM'000	Long Term RM'000	Short Term RM'000	Total RM'000
Secured:						
- Lease liabilities	193	70	263	260	70	330
- Term loans	6,838	1,271	8,109	8,189	1,758	9,947
- Bank overdrafts	-	56	56	-	3,332	3,332
- Others	-	-	-	-	1,880	1,880
Unsecured:						
- Bank overdrafts	-	98	98	-	1,421	1,421
	7,031	1,495	8,526	8,449	8,461	16,910

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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;

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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).

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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.

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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”)

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.

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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 defense and counter-claim.

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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.

On 11 July 2023, High Court (ii) has given direction on the filing of submission and fixed the hearing of Enclosure 49 on 15 September 2023.

On 15 August 2023, Suit 78 has been transferred to High Court (ii) and currently registered under Suit No. BA23NCvC-32-08/2023 (“Suit 32”).

In light of the transfer of Suit 78, Suit 133 was fixed for case management on 18 August 2023. Suit 32 was also fixed for case management on 18 August 2023 together with Suit 133

On 18 August 2023, the case management for both Suit 133 and Suit 32 was vacated and adjourned to 10 October 2023.

The Plaintiffs (ii)’s solicitors are of the opinion that Plaintiffs (ii) has put forth good grounds in support of Suit 133 and Suit 32.

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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”)

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.

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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 Khoo 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).

On 17 July 2023, High Court (iii) has directed parties to file pre-trial documents for the main action and fixed a case management on 31 July 2023 for parties to update on the action.

On 28 July 2023, Suit 78 was fixed for hearing of Enclosure 22 and the Defendants’ stay of proceedings application filed on 3 July 2023 (“Enclosure 25”). After hearing from the respective counsels, the Court allowed Enclosure 22 and struck out Enclosure 25 both with no order as to costs.

On 31 July 2023, the High Court (iii) has revoked all the pre-trial directions given previously pending the transfer of this proceeding to the High Court (ii).

On 15 August 2023, Suit 78 has been transferred to High Court (ii) and currently registered under Suit No. BA23NCvC-32-08/2023 (“Suit 32”), and was fixed for case management on 18 August 2023 together with Suit 133. Please refer to Note 22.2 for further update of the Suit 78 (Suit 32).

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22. Material Litigation (continued)

22.4 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 Khaw 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)

22.4 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 Kepayang 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 Kepayang 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)

22.4 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.

On 15 June 2023, the High Court (iv) has dismissed Enclosure 1 with costs of RM15,000.00 awarded to Defendant (iv).

On 14 July 2023, Plaintiffs (iv) have lodged an appeal to the Court of Appeal against the decision of the High Court (iv) granted on 15 June 2023 vide W-02(NCC)(A)-1120-07/2023 (“Appeal 1120”). Appeal 1120 has been fixed for case management on 11 October 2023.

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

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23. Loss Per Share

23.1 Basic loss per share

The basis loss per share is calculated by dividing the 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 30.06.2023	Corresponding Quarter 30.06.2022	Current Period to Date 30.06.2023	Corresponding Period to Date ** 30.06.2022
Loss attributable to equity holders of the Company (RM'000)	(8,947)	(352)	(9,146)	-
Weighted average number of ordinary shares in issue (Unit'000)	348,351	257,440	312,397	-
Basic (loss per share (sen))	<u>(2.57)</u>	<u>(0.14)</u>	<u>(2.93)</u>	<u>-</u>

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23. Loss Per Share (continued)

23.2 Diluted loss per share

The diluted loss per share is calculated by dividing the 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 30.06.2023	Corresponding Quarter 30.06.2022	Current Period to Date 30.06.2023	Corresponding Year to Date ** 30.06.2022
Loss attributable to equity holders of the Company (RM'000)	(8,947)	(352)	(9,146)	-
Weighted average number of ordinary shares in issue (Unit'000)	348,351	257,440	312,397	-
Effects of dilution*:				
Effect of outstanding warrants	-	127,917	-	-
Adjusted weighted average number of ordinary shares in issue (Unit'000)	348,351	385,357	348,267	-
Diluted loss per share (sen)	(2.57)	(0.09)	(2.93)	-

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 loss per share. As a result, the dilutive loss per share is the same as basic 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 12 months, made up from 1 July 2022 to 30 June 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 30 August 2023.