



**CSH ALLIANCE BERHAD**

**(formerly known as KTG BERHAD)**  
**REGISTRATION NO. 200001002113 (504718-U)**

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED  
31 MARCH 2022**

**CSH ALLIANCE BERHAD**  
(formerly known as KTG BERHAD)  
Registration No. 200001002113 (504718-U)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2022**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	UNAUDITED	UNAUDITED	CHANGES	UNAUDITED	UNAUDITED	CHANGES
	CURRENT YEAR	PRECEDING YEAR		CURRENT	PRECEDING	
	QUARTER	CORRESPONDING	YEAR-TO-	YEAR-TO-		
ENDED	QUARTER ENDED	DATE ENDED	DATE ENDED			
	31.03.2022	31.03.2021	%	31.03.2022	31.03.2021	%
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	10,142	2,591	291.4	27,261	8,473	221.7
Cost of sales	(8,992)	(1,979)	(354.4)	(21,046)	(5,423)	(288.1)
Gross profit	1,150	612	87.9	6,215	3,050	103.8
Other income	395	302	30.8	702	694	1.2
Operating expenses	(2,999)	(2,008)	(49.4)	(8,318)	(5,459)	(52.4)
Other operating expenses	(203)	(27)	(651.9)	(211)	(225)	6.2
Finance costs	(4)	(1)	(300.0)	(59)	(3)	(1,866.7)
Loss before taxation	(1,661)	(1,122)	(48.0)	(1,671)	(1,943)	14.0
Taxation	(358)	(97)	(269.1)	(1,007)	(164)	514.0
<b>Loss after taxation</b>	<b>(2,019)</b>	<b>(1,219)</b>	<b>(65.6)</b>	<b>(2,678)</b>	<b>(2,107)</b>	<b>(27.1)</b>
<b>Other comprehensive loss, net of tax:</b>						
- Foreign currency translation	-	(211)	100.0	-	(227)	100.0
<b>Total comprehensive loss</b>	<b>(2,019)</b>	<b>(1,430)</b>	<b>(41.2)</b>	<b>(2,678)</b>	<b>(2,334)</b>	<b>(14.7)</b>
Loss after taxation attributable to Owners of the Company	(2,019)	(1,219)	(65.6)	(2,678)	(2,107)	(27.1)
Total comprehensive loss attributable to Owners of the Company	(2,019)	(1,430)	(41.2)	(2,678)	(2,334)	(14.7)
Loss per share attributable to Owners of the Company (sen):						
Basic	(0.17)	(0.34)		(0.31)	(0.77)	
Diluted	(0.17)	(0.34)		(0.31)	(0.77)	

The condensed consolidated statements of profit and loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

**CSH ALLIANCE BERHAD**  
(formerly known as KTG BERHAD)  
Registration No. 200001002113 (504718-U)

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>31.03.2022</b>	<b>30.6.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	22,399	30,154
Right-of-use assets	176	2,658
Investment properties	22,010	22,187
Intangible asset	23,472	24,722
Goodwill	1,984	1,984
Other investment	22,000	22,000
Financing receivables	16,820	16,820
<b>Total non-current assets</b>	<b>108,861</b>	<b>120,525</b>
<b>Current assets</b>		
Inventories	13,399	13,119
Financing receivables	136,751	65,911
Trade and other receivables	37,308	20,313
Tax recoverable	78	101
Fixed deposits with licensed banks	82,727	55,723
Cash and bank balances	44,498	46,233
<b>Total current assets</b>	<b>314,761</b>	<b>201,400</b>
<b>TOTAL ASSETS</b>	<b>423,622</b>	<b>321,925</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	440,513	336,907
Warrants reserve	37,851	-
Other reserve	(37,851)	-
Accumulated losses	(29,011)	(26,333)
<b>Total equity</b>	<b>411,502</b>	<b>310,574</b>
<b>Non-current liabilities</b>		
Lease liabilities	68	143
Deferred tax liabilities	2,073	2,120
<b>Total non-current liabilities</b>	<b>2,141</b>	<b>2,263</b>
<b>Current liabilities</b>		
Trade and other payables	8,808	6,214
Tax payable	1,026	278
Amount owing to directors	8	4
Lease liabilities	137	2,592
<b>Total current liabilities</b>	<b>9,979</b>	<b>9,088</b>
<b>Total liabilities</b>	<b>12,120</b>	<b>11,351</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>423,622</b>	<b>321,925</b>
<b>Net assets per ordinary share (RM)</b>	<b>0.2979</b>	<b>0.4496</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 MARCH 2022**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY							
	←----- Attributable to Owners of the Company -----→						
	←----- Non-distributable -----→						
	←----- Share capital -----→						
	Ordinary Shares RM'000	Irredeemable Convertible Preference Shares RM'000	Warrants Reserve RM'000	Other Reserve RM'000	Exchange Translation Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
Balance at 1.7.2021	336,907	-	-		-	(26,333)	310,574
Issuance of shares pursuant to right issue of shares with warrants	103,606	-	37,851	(37,851)	-	-	103,606
Total transactions with Owners of the Company	103,606	-	37,851	(37,851)	-	-	103,606
Loss after taxation for the financial period	-	-	-	-	-	(2,678)	(2,678)
Other comprehensive loss for the financial net of tax	-	-	-	-	-	-	-
Total comprehensive loss for the financial period	-	-	-	-	-	(2,678)	(2,678)
Balance at 31.3.2022	440,513	-	37,851	(37,851)	-	(29,011)	411,502

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 MARCH 2022 (CONT'D)**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY						
	←————— Attributable to Owners of the Company —————→					
	←————— Non-distributable —————→					
	←————— Share capital —————→					
	Ordinary Shares RM'000	Irredeemable Convertible Preference Shares RM'000	Warrants Reserve RM'000	Exchange Translation Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
Balance at 1.7.2020	106,500	12,341	1,004	227	(10,700)	109,372
Issuance of shares pursuant to conversion of irredeemable convertible preference shares	130,058	(7,207)	-	-	-	122,851
Issuance of shares pursuant to private placement	17,322	-	-	-	-	17,322
Total transaction with Owners of the Company	147,380	(7,207)	-	-	-	140,173
Loss after taxation for the financial period	-	-	-	-	(2,107)	(2,107)
Other comprehensive loss for the financial period, net of tax	-	-	-	(227)	-	(227)
Total comprehensive loss for the financial period	-	-	-	(227)	(2,107)	(2,334)
Balance at 31.3.2021	253,880	5,134	1,004	-	(12,807)	247,211

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to these interim financial statements.

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	<b>CURRENT YEAR- TO-DATE ENDED 31.03.2022 RM'000</b>	<b>PRECEDING YEAR- TO-DATE ENDED 31.03.2021 RM'000</b>
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
<b>Loss before taxation</b>	(1,671)	(1,943)
Adjustments for:		
Amortisation of intangible asset	1,250	-
Bad debts written off	6	-
Depreciation of investment properties	177	177
Depreciation of property, plant and equipment	816	698
Depreciation of right-of-use assets	1,685	-
Impairment losses on property, plant and equipment	(176)	-
Unwinding of discount on other receivables measured at amortised cost	-	(96)
Interest expense	59	3
Reversal of inventories written down	125	-
Property, plant and equipment written off	-	4
Unrealised gain on foreign exchange	49	(61)
Gain on disposal of plant and equipment	208	(7)
Gain on disposal of subsidiaries	-	(5)
Gain on deregistration of subsidiary	-	(212)
Gain on termination	(46)	-
Interest income	(302)	(3)
Operating income/(loss) before working capital changes	2,180	(1,445)
Net change in inventories	(405)	(1,568)
Net change in financing receivables	(70,840)	(98,489)
Net change in trade and other receivables	(17,050)	(29,429)
Net change in trade and other payables	2,594	21,932
Cash flows utilised in operations	(83,521)	(108,999)
Interest paid	(59)	(3)
Income tax paid	(283)	(89)
<b>Net cash used in operating activities</b>	<b>(83,863)</b>	<b>(109,091)</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	302	3
Acquisition of subsidiaries, net of cash acquired	-	(2,937)
Purchase of property, plant and equipment	(744)	(456)
Proceeds from disposal of plant and equipment	-	7
<b>Net cash used in investing activities</b>	<b>(442)</b>	<b>(3,383)</b>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 31 MARCH 2022 (CONT'D)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (CONT'D)**

	<b>CURRENT YEAR- TO-DATE ENDED 31.03.2022 RM'000</b>	<b>PRECEDING YEAR- TO-DATE ENDED 31.03.2021 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of finance lease payables	(1,688)	(25)
Proceeds from issuance of shares pursuant to right issue of shares with free warrants	103,606	17,322
Proceeds from issuance of shares pursuant to conversion of ICPS	-	122,851
Repayment to directors	7,654	(8)
<b>Net cash from financing activities</b>	<b>109,572</b>	<b>140,140</b>
<b>Net changes in cash and cash equivalents</b>	<b>25,267</b>	<b>27,666</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>101,308</b>	<b>16,035</b>
<b>Effect of foreign exchange translation</b>	<b>-</b>	<b>(16)</b>
<b>Cash and cash equivalents at end of period</b>	<b>126,575</b>	<b>43,685</b>
<b>Cash and cash equivalents at end of financial period comprised:-</b>		
Cash and bank balances	44,498	43,612
Fixed deposits with licensed banks	82,077	73
	<b>126,575</b>	<b>43,685</b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. BASIS OF PREPARATION**

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard 134: *Interim Financial Reporting* (“MFRS 134”), International Accounting Standard 34: *Interim Financial Reporting* (“IAS 34”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of CSH Alliance Berhad (formerly known as KTG Berhad) (“CSH” or the “Company”) and its subsidiary companies (the “Group”) for the financial year ended 30 June 2021. The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2021.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 July 2021.

The initial application of the Amendments to MFRSs, is not expected to have any significant financial impact to the financial statements of the Group upon their first adoption except for the changes in presentation and disclosure of financial information.

**2. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors’ report on the audited financial statements for the financial year ended 30 June 2021 was not qualified.

**3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The ceramic segment of the Group is cyclical in nature as it is affected by the seasonal pattern of the importing countries.

**4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no items affecting assets, liabilities, equity, net income or cash flows during the current financial period under review that were unusual because of their nature, size or incidence.

**5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There were no significant changes in estimates that have any material effect during the current financial quarter under review.

**6. DEBT AND EQUITY SECURITIES**

On 26 January 2022, total of 690,705,280 ordinary shares have been issued pursuant to the Rights Issue on the basis of 1 rights share for every 1 existing CSH share held together with 690,705,280 free detachable warrants.

Other than above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter.

**8. DIVIDENDS**

There was no dividend paid during the current financial period under review.



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**9. SEGMENTAL INFORMATION**

The Group's business segments as follows:-

- (a) Ceramic – involved in the retail, trading, manufacturing, exporting and marketing of pottery, porcelain products and ceramics wares and ornaments.
- (b) Construction and property division – involved in construction and other related businesses, property investment and property development and other related services.
- (c) Financial services – involved in moneylending business and hire purchase business.
- (d) Transportation and logistics – involved in transportation and logistics business and related information technology (“IT”) solutions and services.
- (e) Others – involved in investment holding and general trading.

The Group operates principally in Malaysia.

Segmental information is provided based on business segments, as follows:-

	Ceramic RM'000	Construction and property RM'000	Financial services RM'000	Transportation and logistics RM'000	Others RM'000	Total RM'000
<b>Current year quarter ended</b>						
<b>31.3.2022</b>						
External revenue	3,782	720	1,642	3,998	-	10,142
<b>Results</b>						
Results before following adjustments:	(196)	(283)	1,424	(1,819)	(392)	(1,266)
Interest income	- *	-	15	-	206	221
Realised gain on foreign exchange	(7)	-	-	-	-	(7)
Unrealised loss on foreign exchange	10	-	-	-	-	10
Depreciation of investment properties	-	(59)	-	-	-	(59)
Depreciation of property, plant and equipment	(192)	(13)	(61)	(4)*	(3)	(273)
Depreciation of right-of-use assets	(4)	-	(73)	-	-	(77)
Reversal of inventories written	2	-	-	-	-	2
Segment results	(387)	(355)	1,305	(1,823)	(397)	(1,657)
Finance costs	(1)	-	(3)	-	-	(4)
Taxation	(60)	28	(342)	-	16	(358)
(Loss)/Profit after taxation	(448)	(327)	960	(1,823)	(381)	(2,019)

Note:-

\* - Amount less than RM1,000

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**9. SEGMENTAL INFORMATION (CONT'D)**

Segmental information is provided based on business segments, as follows (Cont'd):-

	Ceramic RM'000	Construction and property RM'000	Financial services RM'000	Transportation and logistics RM'000	Others RM'000	Total RM'000
<b>Current year-to-date ended 31.3.2022</b>						
External revenue	8,671	720	4,274	13,596	-	27,261
<b>Results</b>						
Results before following adjustments:	(85)	(352)	3,088	(465)	(1,456)	730
Interest income	- *	1	59	-	242	302
Gain on termination	-	-	-	46	-	46
Realised gain on foreign exchange	126	-	-	-	-	126
Unrealised loss on foreign exchange	(49)	-	-	-	-	(49)
Bad debts written off	(6)	-	-	-	-	(6)
Depreciation of investment properties	-	(177)	-	-	-	(177)
Depreciation of property, plant and equipment	(582)	(40)	(165)	(10)	(19)	(816)
Depreciation of right-of-use assets	(13)	-	(219)	(1,453)	-	(1,685)
Reversal of inventories written	125	-	-	-	-	125
Segment results	(484)	(568)	2,763	(1,882)	(1,441)	(1,612)
Finance costs	(3)	-	(12)	(44)	-	(59)
Taxation	(64)	10	(816)	(184)	47	(1,007)
(Loss)/Profit after taxation	(551)	(558)	1,935	(2,110)	(1,394)	(2,678)

Note:-

\* - Amount less than RM1,000

**31.03.2022**

**Assets**

Segment assets	29,806	43,130	181,551	41,372	127,685	423,544
Unallocated assets						78
Consolidated total assets						<u>423,622</u>

**Liabilities**

Segment liabilities	4,481	156	237	3,977	171	9,022
Unallocated liabilities						3,098
Consolidated total liabilities						<u>12,120</u>

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**9. SEGMENTAL INFORMATION (CONT'D)**

Segmental information is provided based on business segments, as follows (Cont'd):-

	Ceramic RM'000	Construction and property RM'000	Financial services RM'000	Transportation and logistics RM'000	Others RM'000	Total RM'000
<b>Preceding year corresponding quarter</b>						
<b>ended 31.3.2021</b>						
External revenue	1,834	-	521	236	-	2,591
<b>Results</b>						
Results before following adjustments:	(746)	(27)	270	106	(662)	(1,059)
Interest income	- *	-	-	-	2	2
Gain on deregistration of subsidiary	-	-	-	-	212	212
Unwinding of discount on other receivables carried at amortised cost	-	-	-	-	32	32
Realised (loss)/gain on foreign exchange	(24)	-	-	-	5	(19)
Unrealised gain on foreign exchange	- *	-	-	-	-	- *
Depreciation of investment properties	-	(59)	-	-	-	(59)
Depreciation of property, plant and equipment	(200)	(14)	- *	-	(14)	(228)
Property, plant and equipment written off	-	-	-	-	(2)	(2)
Segment results	(970)	(100)	270	106	(427)	(1,121)
Finance costs	(1)	-	-	-	-	(1)
Taxation	(1)	(20)	(69)	(23)	16	(97)
(Loss)/Profit after taxation	(972)	(120)	201	83	(411)	(1,219)

Note:-

\* - Amount less than RM1,000

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**9. SEGMENTAL INFORMATION (CONT'D)**

Segmental information is provided based on business segments, as follows (Cont'd):-

	Ceramic RM'000	Construction and property RM'000	Financial services RM'000	Transportation and logistics RM'000	Others RM'000	Total RM'000
<b>Preceding year corresponding period</b>						
<b>ended 31.3.2021</b>						
External revenue	6,915	-	1,322	236	-	8,473
<b>Results</b>						
Results before following adjustments:	(325)	(29)	542	106	(1,548)	(1,254)
Interest income	- *	1	-	-	2	3
Gain on disposal of plant and equipment	7	-	-	-	-	7
Gain on disposal of subsidiary	-	-	-	-	5	5
Gain on deregistration of subsidiary	-	-	-	-	212	212
Unwinding of discount on other receivables carried at amortised cost	-	-	-	-	96	96
Realised (loss)/gain on foreign exchange	(195)	-	-	-	4	(191)
Unrealised gain on foreign exchange	61	-	-	-	-	61
Depreciation of investment properties	-	(177)	-	-	-	(177)
Depreciation of property, plant and equipment	(611)	(42)	-	-	(45)	(698)
Property, plant and equipment written off	-	(2)	-	-	(2)	(4)
Segment results	(1,063)	(249)	542	106	(1,276)	(1,940)
Finance costs	(3)	-	-	-	-	(3)
Taxation	(1)	(52)	(136)	(23)	48	(164)
(Loss)/Profit after taxation	(1,067)	(301)	406	83	(1,228)	(2,107)

Note:-

\* - Amount less than RM1,000

**31.03.2021**

**Assets**

Segment assets	30,396	61,097	123,847	2,497	65,265	283,102
Unallocated assets						91
Consolidated total assets						283,193

**Liabilities**

Segment liabilities	10,379	8,561	171	942	13,489	33,542
Unallocated liabilities						2,440
Consolidated total liabilities						35,982

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**9. SEGMENTAL INFORMATION (CONT'D)**

**Geographical information for revenue**

	<b>Current year- quarter ended 31.03.2022 RM'000</b>	<b>Current year- to-date ended 31.03.2022 RM'000</b>
United States	359	740
Europe	268	419
Malaysia	9,473	26,060
Others	42	42
	<b>10,142</b>	<b>27,261</b>

**10. MATERIAL EVENTS DURING THE INTERIM PERIOD**

The following were the material events during the financial period ended 31 March 2022:-

- (a) Reference made to announcement on 26 March 2021, the Company's wholly-owned subsidiary APPI Sdn. Bhd. ("APPI") had entered into a Turnkey Agreement with Howellcare Industries Sdn. Bhd. ("Howellcare"), to appoint Howellcare as a turnkey contractor to plan, design, supply, install and commission 2 Nitrile Butadiene Rubber ("NBR") double former glove dipping production lines together with 4 lines of utilities support system at the Group's existing factories located at Jalan Logam 3, Kawasan Perindustrian Kamunting Raya, 34600 Kamunting, Perak ("Glove Production Plant") as well as to provide services including setting up and providing training to APPI's new operation team to run and manage the day-to-day operation of the Glove Production Plant as well as undertake all marketing and sale of the NBR gloves for the initial stage for a total contract price of RM39.80 million ("Turnkey Agreement").

Pursuant to the Turnkey Agreement, the Board of Directors of CSH wishes to announce that APPI has on 22 March 2022 entered into a Letter of Termination with Howellcare and the Parties have mutually agreed to terminate the Turnkey Agreement; and

- (b) On 22 March 2022, the Board of Directors announced that Alliance EV Sdn. Bhd. ("AEV"), a wholly-owned subsidiary of the Company, had on 21 March 2022 after the business hour, entered into a Memorandum of Understanding ("MOU") with BYD Malaysia Sdn. Bhd. to set forth the initial intention and principles relating to the cooperation in the business of distribution of the fully electric commercial vehicle ("EV") and providing 4S services (i.e. sales, service, spare parts and body and paint services) in Malaysia as well as to explore the possibilities of local assembly of EV subject to the terms and conditions of the MOU.

**11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

Save for the following, there were no other material events subsequent to the end of the current quarter up to 24 March 2021, being the last practicable date from the date of the issue of this report ("LPD") that are expected to have an operational or financial impact on the Group.

- (a) On 12 April 2022, the Board of Directors announced that AEV had on 11 April 2022 after the business hour, received a Letter of Appointment dated 31 March 2022 from BYD to appoint AEV as its distributor for commercial EV in Malaysia with effective from 1 April 2022 until further notice ("Appointment"). Further to the Appointment, BYD had agreed for AEV to act as their distributor to distribute and sell its commercial electric van in Malaysia and the Parties will explore to set up a Completely knocked-down ("CKD") assembly plant or a fully assembly plant in Malaysia;

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**11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD (CONT'D)**

Save for the following, there were no other material events subsequent to the end of the current quarter up to 24 March 2021, being the last practicable date from the date of the issue of this report (“LPD”) that are expected to have an operational or financial impact on the Group (Cont’d).

- (b) On 10 May 2022, the Board of Directors announced that AEV had entered into a Sale and Purchase Agreement (“SPA”) with Medium Visa Sdn Bhd and Harapan Iringan Sdn Bhd, to acquire three (3) adjoining plots of industrial land identified as Lot Nos. PT 17209, PT 17210, and PT 17211 held under Title Nos. HSD 336, HSD 351, and HSD 357, all in Mukim of Hulu Bernam Timor, District of Muallim, Perak, with a total land area of approximately 55.3186 acres for a total cash consideration of RM12 million and subject to the terms and conditions as stipulated in the SPA;
- (c) On 13 May 2022, the Board of Directors announced that AEV and BYD are still in the planning stage for the implementation and execution of the local assembly plant of the EV in Malaysia. Upon further progress, the parties may enter into a separate agreement to set out the detailed arrangements for the local assembly plant; and
- (d) On 20 May 2022, the Board of Directors announced that AEV had entered into a SPA with M Xpress Sdn Bhd, to acquire a plot of industrial land identified as Lot No. 54, held under Title No. Pajakan Negeri 10300, Section 20, Bandar Petaling Jaya, District of Petaling, Selangor, with a total land area of approximately 4,314.9538 square metres (approximately 46,446 square feet) for a total cash consideration of RM10 million and subject to the terms and conditions as stipulated in the SPA.

**12. CHANGES IN COMPOSITION OF THE GROUP**

There were no other changes in the composition of the Group during the current financial period under review except for the following:-

- (a) On 2 August 2021, the Company had incorporated a new wholly-owned subsidiary, namely Omnipack Sdn Bhd (“Omnipack”) with an issued share capital of RM100 divided into 100 ordinary shares. Omnipack is incorporated for the purpose to engage in the business of manufacturing and trading in styrofoam box and other packaging business; and
- (b) On 29 December 2021, the Company had incorporated a new wholly-owned subsidiary, namely AEV with an issued share capital of RM1,000 divided into 1,000 ordinary shares. Alliance EV is incorporated for the purpose to engage in the business of sale of motor vehicles and electrical vehicles, renting and operational leasing of trucks, utility trailers and recreational vehicles.

**13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no material changes in contingent liabilities since the last annual reporting date and there were no contingent assets since the last annual reporting date.

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**14. CAPITAL COMMITMENTS**

Capital commitments as at 31 March 2022 are as follows:-

	<b>Current year- to-date ended 31.03.2022 RM'000</b>
Approved but not yet contracted for:	
Acquisition of freehold land with building	<u>2,813</u>

**15. CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES, TRANSFERS AND CLASSIFICATIONS**

There has been no significant change in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities in the current financial period under review.

**16. FAIR VALUE OF FINANCIAL INSTRUMENTS**

1. The fair value of financing receivables is estimated based on discounted cash flows using prevailing rates of loans of similar credit profile.
2. The fair values of hire purchase payables approximate their carrying amounts.
3. The carrying amount of non-current receivables which is based on principal amounts outstanding representing approximately the cash flow receivables discounted at their effective interest rates, closely approximate their fair values.
4. The carrying amounts of the Group's and of the Company's other financial assets and financial liabilities are reasonable approximation of their fair values, either due to their short-term nature or that they are priced to market interest rates.

There was no transfer in between fair value levels during the current financial period under review.

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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**1. REVIEW OF GROUP PERFORMANCE**

	Individual Period				Cumulative Period			
	Preceding year		Current		Preceding		Current	
	Current year	corresponding	year-to-	year-to-	year-to-	year-to-	year-to-	year-to-
	quarter ended	quarter ended	date ended	date ended	date ended	date ended	date ended	date ended
31.03.2022	31.03.2021	Changes		31.03.2022	31.03.2021	Changes		
RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%	
Revenue								
- Ceramic	3,782	1,834	1,948	106%	8,671	6,915	1,756	25%
- Construction and property division	720	-	720	100%	720	-	720	100%
- Financial services	1,642	521	1,121	215%	4,274	1,322	2,952	223%
- Transportation and logistics	3,998	236	3,762	1594%	13,596	236	13,360	5661%
- Others	-	-	-	0%	-	-	-	0%
	10,142	2,591	7,551	291.4%	27,261	8,473	18,788	221.7%
(Loss)/Profit before taxation								
- Ceramic	(388)	(971)	583	-60%	(487)	(1,066)	579	-54%
- Construction and property division	(355)	(100)	(255)	255%	(568)	(249)	(319)	128%
- Financial services	1,302	270	1,032	382%	2,751	542	2,209	408%
- Transportation and logistics	(1,823)	106	(1,929)	-1820%	(1,926)	106	(2,032)	-1917%
- Others	(397)	(427)	30	-7%	(1,441)	(1,276)	(165)	13%
	(1,661)	(1,122)	(539)	48.0%	(1,671)	(1,943)	272	-14.0%

**Revenue**

The Group's revenue for the current quarter increased by RM7.55 million, representing an increase of 291% as compared to the preceding year corresponding quarter ended 31 March 2021.

The Group's revenue for the financial period ended 31 March 2022 increased by RM18.79 million, representing an increase of 222% as compared to the preceding year corresponding financial period ended 31 March 2021.

The increase was mainly contributed by revenue derived from financial services segment and transportation and logistics segment.

The increase in revenue from financial services segment was mainly due to higher interest income received from loan borrowers as a licensed moneylender in current quarter under review. The transportation and logistics segment also contributed a revenue of RM4.00 million (current quarter) and RM13.60 million (current financial period) respectively, which generated from haulage and hub-to-hub deliveries services and other logistics related business provided to its customer.

**Profit/(Loss) before taxation (PBT/LBT)**

For the current quarter under review, LBT of the Group increased by RM0.54 million or 48% as compared to the preceding year corresponding quarter ended 31 March 2021. The increased in the LBT was mainly due to the increased operating expenses in the transportation and logistics segment under current quarter under review.

For the current financial period under review, LBT of the Group improved by RM0.27 million or 14% as compared to the preceding year corresponding quarter ended 31 March 2021, the improvement was mainly contributed by improved profit generated from the business of ceramic segment and financial services segment.



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**2. MATERIAL CHANGE IN PERFORMANCE AS COMPARED TO PRECEDING QUARTER**

	Current year quarter ended 31.03.2022 RM'000	Immediate preceding quarter ended 31.12.2021 RM'000	Changes	
			RM'000	%
Revenue				
- Ceramic	3,782	2,753	1,029	37%
- Construction and property division	720	-	720	0%
- Financial services	1,642	1,350	292	22%
- Transportation and logistics	3,998	5,430	(1,432)	-26%
- Others	-	-	-	100%
	10,142	9,533	609	6%
(Loss)/Profit before taxation				
- Ceramic	(388)	(35)	(353)	1009%
- Construction and property division	(355)	(108)	(247)	229%
- Financial services	1,302	599	703	117%
- Transportation and logistics	(1,823)	477	(2,300)	-482%
- Others	(397)	(577)	180	-31%
	(1,661)	356	(2,017)	-567%

**Revenue**

The Group's revenue for the current quarter increased by RM0.61 million, representing an increase of 6% as compared to the immediate preceding quarter, mainly due to the growth in revenue from the ceramic segment. The increase in revenue from ceramic segment by RM1.03 million or 37% was mainly contributed by the increase in orders from existing customers as compared to immediate preceding quarter ended.

**LBT/PBT**

The Group recorded a LBT of RM1.66 million as compared to PBT of RM0.36 million in the immediate preceding quarter. This was mainly due increased operating expenses in the transportation and logistics segment in the current quarter under review.

### 3. GROUP'S PROSPECTS

On 22 September 2021, CSH had obtained its shareholders' approval to diversify its business to include the transportation and logistics business to provide middle mile logistics services as well as haulage and hub-to hub deliveries services and other logistics related business to reduce its dependency on the Group's existing businesses of ceramics, construction, property development, property investment and financial services.

On 21 March 2022, CSH had entered into a Memorandum of Understanding ("MOU") with BYD Malaysia Sdn Bhd ("BYD") to set forth the initial intention and principles relating to the cooperation in the business of distribution of the fully electric commercial vehicle ("EV") and providing 4S services (i.e. sales, service, spare parts and body and paint services) in Malaysia as well as to explore the possibilities of local assembly of EV. The MOU is viewed positively as it is expected to provide the Group a timely opportunity to venture into the business of distribution of EV and providing after sales services for EV in the country. The MOU is part of the CSH's initiative to drive its transportation and logistics business forward particularly in the supply of EV for the logistics industry.

Besides the sales and distribution of EV, the Group also intends to involve in the supplying of charging stations, alternative energy infrastructure such as solar panels and EV spare parts provisions to generate multiple revenue streams apart from building the ecosystem which is crucial to ensure the success of the EV Project.

The Board is in the opinion that with the positive outlook of the global electric vehicle market which is anticipated to grow 5-folds from USD 287.36 billion in 2021 to USD 1,318.22 billion in 2028 and the fact that EV industry in Malaysia is still at its infancy, there is a huge potential and prospect for the Group to capture the market especially the logistics service providers which have to embrace advanced technologies and their commitment towards zero emission target.

Moreover, the Group will be able to ride on the expertise and resources of its collaboration with BYD, which is world's leading producer of rechargeable batteries and a leading player in the EV industry.

In addition to the transportation and logistics business, the MOU is also expected to complement the Group's financial services business whereby the Group may offer flexible financing schemes to transportation and logistics entrepreneurs/companies to fund the purchases of EV and/or working capital.

The Board believes that the MOU has potential and would contribute positively to the Group's future earnings and improve the Group's financial position while reducing dependency on the Group's existing businesses, should the EV Project materialises.

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**4. PROFIT FORECAST OR PROFIT GUARANTEE**

There was no profit forecast or guarantee made public for the current financial period under review.

**5. TAXATION**

The tax expense is as follows:-

	<b>Current year quarter ended 31.03.2022 RM'000</b>	<b>Current year- to-date ended 31.03.2022 RM'000</b>
Current tax expense	373	1,054
Deferred tax expense	(15)	(47)
	358	1,007

**6. CORPORATE PROPOSALS**

Save from the following, there were no corporate proposal announced but not completed as at 24 May 2022, being the LPD from the date of the issue of this report.

**Completed corporate exercise**

- (a) Proposed Rights Issue of Shares with Warrants
- (i) On 30 April 2021, the Board of Directors announced that the Company proposed to undertake proposed renounceable rights issue of up to 690,705,280 new ordinary shares in CSH (“CSH Shares”) (“Rights Shares”) on the basis of 1 Rights Share for every 1 existing CSH Share held on an entitlement date to be determined, together with up to 690,705,280 free detachable warrants (“Warrants”) on the basis of 1 Warrant for every 1 Rights Share subscribed for;
  - (ii) On 7 May 2021, the Board of Directors announced that the additional listing application in relation to the Proposed Rights Issue of Shares with Warrants has been submitted to Bursa Securities;
  - (iii) On 3 August 2021, the Board of Directors announced that Bursa Securities had, vide its letter dated 2 August 2021, approved the following:-
    - i. listing of and quotation for up to 690,705,280 new CSH Shares to be issued pursuant to the Proposed Rights Issue of Shares with Warrants;
    - ii. admission to the Official List and listing of and quotation for up to 690,705,280 Warrants to be issued pursuant to the Proposed Rights Issue of Shares with Warrants; and
    - iii. listing of and quotation for up to 690,705,280 new CSH Shares arising from the exercise of the Warrants.
  - (iv) On 7 December 2021, the Board of Directors announced that the Company had executed a deed poll constituting the Warrants; and
  - (v) On 26 January 2022, the Board of Directors announced that the Rights Issue has been completed with the listing of and quotation for 690,705,280 Rights Shares together with 690,705,280 Warrants.

**On-going corporate exercise**

- (a) Proposed Variation of to the Utilisation of Proceeds Raised from the Company’s Rights Issue of Ordinary Shares with Warrants (“Proposed Variation”)
- (i) On 8 April 2022, the Board of Directors announced that the Company proposes to undertake the Proposed Variation. The Proposed Variation is subject to the approval from the shareholders of CSH at the forthcoming extraordinary general meeting to be convened; and
  - (ii) On 18 May 2022, the Company announced that CSH’ Extraordinary General Meeting (“EGM”) will be held on 3 June 2022 at Ballroom V, Main Wing, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, Tropicana Golf and Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

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**7. UTILISATION OF PROCEEDS**

Private Placement of new CSH Shares

The Private Placement was completed following the listing of 84,087,000 new CSH Shares on the Main Market of Bursa Securities on 17 March 2021 and the details of the utilisation of proceeds raised from the Private Placement as at 31 March 2022 are disclosed in the table below:-

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Balance of proceeds RM'000	Intended timeframe for utilisation
Moneylending business	6,000	6,000	-	Within 24 months
Glove business	4,000	4,000	-	Within 15 months
Working capital	7,177	7,177	-	Within 15 months
Expenses for the Private Placement	145	145	-	Immediate
	17,322	17,322	-	

Right Issue of Shares with Free Warrant

The Right Issue of Shares with Free Warrant was completed following the listing of 690,705,280 Rights Shares together with 690,705,280 Warrants on the Main Market of Bursa Securities on 26 January 2022 and the details of the utilisation of proceeds raised from the Right Issue of Shares with Free Warrant as at 31 March 2022 are disclosed in the table below:-

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Balance of proceeds RM'000	Intended timeframe for utilisation
Glove business	76,100	-	76,100	Within 30 months
Transportation and logistics business	23,869	-	23,869	Within 36 months
Working capital	2,947	1,836	1,111	Within 18 months
Expenses for corporate exercise <sup>^</sup>	690	690	-	Immediate
	103,606	2,526	101,080	

<sup>^</sup> The surplus of RM24,000 from the expenses for the corporate exercises had been allocated to the working capital of the Group.

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**8. BORROWINGS AND DEBT SECURITIES**

The Group's borrowings are as follows:-

	As at 31.03.2022 RM'000	As at 30.6.2021 RM'000
<b>Current - unsecured</b>		
Lease liabilities	137	2,592
<b>Non-current - unsecured</b>		
Lease liabilities	68	143
	205	2,735

**9. CHANGES IN MATERIAL LITIGATION**

The Directors were not aware of any material litigation, which, if enforced, may have a material impact on the profit or net asset value of the Group.

**10. PROPOSED DIVIDEND**

There were no dividends proposed or declared by the Company for the current financial period under review.

**11. LOSS PER SHARE**

(i) Basic loss per share

The basic loss per share of the Group is calculated by dividing the loss attributable to Owners of the Company by the weighted average number of ordinary shares in issue during the reporting period.

	Individual Period		Cumulative Period	
	Current year quarter ended 31.03.2022	Preceding year corresponding quarter ended 31.03.2021	Current year- to-date ended 31.03.2022	Preceding year- to-date ended 31.03.2021
Loss attributable to owners of the Company (RM'000)	(2,019)	(1,219)	(2,678)	(2,107)
Weighted average number of ordinary shares in issue (Unit'000)	1,189,548	358,148	854,559	274,003
Basic loss per share (sen)	(0.17)	(0.34)	(0.31)	(0.77)

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**11. LOSS PER SHARE (CONT'D)**

(ii) Diluted loss per share

The diluted loss per share of the Group is calculated by dividing the loss attributable to Owners of the Company by the weighted average number of ordinary shares in issue during the reporting period which the weighted average number of ordinary shares has been adjusted to assume full conversion of all dilutive potential ordinary shares.

The diluted loss per share is equal to the basic loss per share as the Group has no dilutive potential ordinary shares during the current financial period.

**12. NOTES TO THE STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**

	<b>Current year quarter ended 31.03.2022 RM'000</b>	<b>Current period- to-date ended 31.03.2022 RM'000</b>
Amortisation of intangible asset	417	1,250
Bad debts written off	-	6
Depreciation of investment properties	59	177
Depreciation of property, plant and equipment	273	816
Depreciation of right-of-use assets	77	1,685
Gain on termination	-	46
Interest expense	4	59
Interest income	221	302
Reversal of inventories written down	(2)	(125)
Other income	17	123
Realised loss/(gain) on foreign exchange	7	(126)
Unrealised gain/(loss) on foreign exchange	(10)	49

**13. AUTHORISED FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 31 May 2022.