

IQZAN

IQZAN HOLDING BERHAD

[Registration No.: 200201008458 (576121-A)]

Unaudited Interim Financial Report For Second Quarter ended 30 September 2021

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IQZAN HOLDING BERHAD

[Registration No.: 200201008458 (576121-A)]

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER**ENDED 30 SEPTEMBER 2021****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	The Group	
	Unaudited	Audited
	As at	As at
	30/09/21	31/03/21
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	34,336	32,689
Investment property	23,400	23,400
Right of use assets	1,615	1,513
Goodwill on consolidation	7,873	-
Total non-current assets	<u>67,224</u>	<u>57,602</u>
Current assets		
Inventories	3,214	3,077
Trade receivables	362	1,906
Other receivables	5,130	1,492
Tax recoverable	134	117
Fixed deposit with licensed banks	532	550
Cash and bank balances	491	292
	<u>9,863</u>	<u>7,434</u>
Assets classified as held for sale	2,843	-
Total current assets	<u>12,706</u>	<u>7,434</u>
TOTAL ASSETS	<u>79,930</u>	<u>65,036</u>

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER**ENDED 30 SEPTEMBER 2021****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

	The Group	
	Unaudited	Audited
	As at	As at
	30/09/21	31/03/21
	RM'000	RM'000
EQUITY		
Share capital	82,535	80,039
Redeemable Convertible Preference Shares ("RCPS")	11,321	4,521
Reserves	(59,195)	(58,335)
Equity attributable to owners of the parent	<u>34,661</u>	<u>26,225</u>
Non-controlling interests	4,254	5,144
Total equity	<u>38,915</u>	<u>31,369</u>
LIABILITIES		
Non-current liabilities		
Loans and borrowings	8,242	1,999
Lease Liability	103	-
Deferred tax liabilities	615	588
Total non-current liabilities	<u>8,960</u>	<u>2,587</u>
Current liabilities		
Trade payables	2,179	1,241
Other payables	25,370	26,369
Loans and borrowings	4,029	2,547
Lease Liability	12	12
Amount due to a Director	279	720
Provision for taxation	186	191
Total current liabilities	<u>32,055</u>	<u>31,080</u>
Total liabilities	<u>41,015</u>	<u>33,667</u>
TOTAL EQUITY AND LIABILITIES	<u>79,930</u>	<u>65,036</u>
Net assets per share attributable to owners of the Company, based on number of outstanding shares	0.18	0.18

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		6 months ended	
	30/09/2021	30/09/2020	30/09/2021	30/09/2020
	RM'000	RM'000	RM'000	RM'000
<u>Continuing Operations</u>				
Revenue	897	2,522	3,438	5,449
Cost of sales	(184)	(1,307)	(1,843)	(2,639)
Gross profit	713	1,215	1,595	2,810
Other income	664	108	1,075	161
Distribution & administrative expenses	(1,615)	(1,828)	(3,306)	(3,361)
Loss from operation	(238)	(505)	(636)	(390)
Finance income	-	-	-	-
Finance costs	(46)	(59)	(81)	(124)
Net finance cost	(46)	(59)	(81)	(124)
Loss before tax	(284)	(564)	(717)	(514)
Tax credit / (expense)	(2)	1	12	(14)
Loss for the period from Continuing Operations	(286)	(563)	(705)	(528)
<u>Discontinued Operations</u>				
Loss for the period from Discontinued Operations	(3)	-	(3)	-
Loss for the period	(289)	(563)	(708)	(528)
Other comprehensive loss, net of tax				
Item that will be classified subsequently				
to profit and loss:				
Exchange translation differences for foreign operations	(12)	(89)	(12)	(98)
Total other comprehensive loss for the year	(12)	(89)	(12)	(98)
Total comprehensive (loss) / income for the year	(301)	(652)	(720)	(626)

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND****OTHER COMPREHENSIVE INCOME** (continued)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		6 months ended	
	30/09/2021	30/09/2020	30/09/2021	30/09/2020
	RM'000	RM'000	RM'000	RM'000
Loss for the period attributable to:				
Owners of the parent				
- continuing operations	(413)	(437)	(846)	(417)
- discontinued operation	(2)	-	(2)	-
Non-controlling interests				
- continuing operations	127	(126)	141	(111)
- discontinued operation	(1)	-	(1)	-
	<u>(289)</u>	<u>(563)</u>	<u>(708)</u>	<u>(528)</u>
Total comprehensive loss attributable to:				
Owners of the parent				
- continuing operations	(425)	(526)	(858)	(515)
- discontinued operation	(2)	-	(2)	-
Non-controlling interests				
- continuing operations	127	(126)	141	(111)
- discontinued operation	(1)	-	(1)	-
	<u>(301)</u>	<u>(652)</u>	<u>(720)</u>	<u>(626)</u>
Loss per share				
Basic / Diluted loss per share (sen)				
- continuing operations	(0.19)	(0.24)	(0.38)	(0.23)
- discontinued operation	(0.00)	-	(0.00)	-
	<u>(0.19)</u>	<u>(0.24)</u>	<u>(0.38)</u>	<u>(0.23)</u>

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to owners of the parent →					→	Non-controlling interests	Total equity	
	Share capital	Warrant reserve	Revaluation reserve	Equity components RCPS	Foreign currency translation reserve				Accumulated losses
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
6 months ended 30 September 2021									
At 1 April 2021	80,039	-	3,932	4,521	(41)	(62,226)	26,225	5,144	31,369
Continuing operations									
Foreign currency translation differences	-	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-	-	-	-
Loss for the financial period	-	-	-	-	-	(846)	(846)	141	(705)
Total comprehensive loss	-	-	-	-	-	(846)	(846)	141	(705)
Transactions with owners:									
Issuance of ordinary shares - private placement	2,496	-	-	-	-	-	2,496	-	2,496
Issuance of Redeemable Convertible Preference Shares ("RCPS")	-	-	-	6,800	-	-	6,800	-	6,800
Acquisition of subsidiaries	-	-	-	-	-	-	-	(1,030)	(1,030)
	2,496	-	-	6,800	-	-	9,296	(1,030)	8,266
Discontinued operations									
Loss for the financial period	-	-	-	-	-	(2)	(2)	(1)	(3)
Effect of movement in exchange rates	-	-	-	-	(12)	-	(12)	-	(12)
Total other comprehensive income	-	-	-	-	(12)	-	(12)	-	(12)
At 30 September 2021	82,535	-	3,932	11,321	(53)	(63,074)	34,661	4,254	38,915
6 months ended 30 September 2020									
At 1 April 2020	80,039	-	3,932	4,521	(111)	(61,141)	27,240	5,364	32,604
Loss for the financial year	-	-	-	-	-	(417)	(417)	111	(306)
Other comprehensive income for the financial year:	-	-	-	-	-	-	-	-	-
Effect of movement in exchange rates	-	-	-	-	(98)	-	(98)	(2)	(100)
Total comprehensive income/(loss) for the financial year	-	-	-	-	(98)	(417)	(515)	109	(406)
At 30 September 2020	80,039	-	3,932	4,521	(209)	(61,558)	26,725	5,473	32,198

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	CUMULATIVE QUARTERS	
	6 months ended	
	30/09/2021	30/09/2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation:		
- continuing operations	(717)	(514)
- discontinued operation	(2)	-
Adjustments for:		
Depreciation of property, plant and equipment	388	800
Loss on disposal of property, plant and equipment	-	44
Depreciation of right of use assets	34	34
Debts written off	-	114
Impairment loss on:		
- Development cost	-	75
Finance cost	81	124
Property plant and equipment written off	66	-
Operating profit before changes in working capital	(150)	677
Changes in working capital:		
Receivables	(1,181)	(505)
Inventories	-	(627)
Payables	(628)	1,396
Cash (used in) / generated from operations	(1,959)	941
Interest paid	(81)	(124)
Tax refund	(15)	187
Operating cash flow from continuing operations	(2,055)	1,004
Operating cash flow from/(used in) discontinued operations	-	-
Net cash (used in) / generated from operating activities	(2,055)	1,004
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	-	(1)
Proceeds from disposal of property, plant and equipment	-	112
Proceeds from private placement	2,496	-
Acquisition of property, plant and equipment	-	(552)
Acquisition of subsidiary companies	(1,453)	-
Net cash (used in)/generated from investing activities	1,043	(441)
Balance carried forward	(1,012)	563

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

	CUMULATIVE QUARTERS	
	6 months ended	
	30/09/2021	30/09/2020
	RM'000	RM'000
Balance brought forward	(1,012)	563
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of finance lease liabilities	(41)	(43)
Repayment of term loans	(426)	(691)
Net cash used in financing activities	(467)	(734)
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(1,479)</u>	<u>(171)</u>
EXCHANGE DIFFERENCES	(12)	(98)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	(230)	706
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>(1,721)</u></u>	<u><u>437</u></u>
CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at the end of the financial period comprise:		
Cash and bank balances	491	437
Fixed deposit with licensed bank	532	538
	<u>1,023</u>	<u>975</u>
Less: Fixed deposit with licensed bank	(532)	(538)
	491	437
Less: Bank overdraft	(2,212)	-
Cash and cash equivalents	<u><u>(1,721)</u></u>	<u><u>437</u></u>

NOTES TO THE INTERIM FINANCIAL REPORT

Part A - Explanatory Notes Pursuant to MFRS 134

A1. BASIS OF PREPARATION

The interim financial report (“Report”) is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). This Report should be read in conjunction with the audited financial statements of the Company for the year ended 31 March 2021.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2021, except for the adoption of the following new published standard and amendments to published standards that are effective for the Group's financial year beginning on or after 1 April 2021.

Effective for annual periods beginning on or after 1 January 2021

- Amendments to MFRS 9 Financial Instruments
- MFRS 139 Financial Instruments: Recognition and Measurement
- MFRS 7 Financial Instruments: Disclosures
- MFRS 16 Leases (Interest Rate Benchmark Reform – Phase 2)

Effective for annual periods beginning on or after 1 April 2021

- Amendment to MFRS 16 Leases (Covid-19-Related Rent Concessions beyond 30 June 2021)

The adoption of the above did not have any significant effects on the interim financial report upon the initial application.

A3. SEASONAL OR CYCLICAL FACTORS

There were no seasonal or cyclical factors affecting the results of the Group for the current interim period.

A4. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual item affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period under review.

NOTES TO THE INTERIM FINANCIAL REPORT

Part A - Explanatory Notes Pursuant to MFRS 134 (continued)

A5. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior financial year that have had a material effect in the current financial period.

A6. DEBTS AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resales and repayments of debts and equity securities for the period under review.

A7. DIVIDEND PAID

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

A8. SEGMENTAL INFORMATION

The segmental information for the year ended is as follows:

	Manufacturing	Trading	Investment Holding	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>					
Revenue					
External revenue	607	2,010	822	-	3,439
Inter-segment revenue	121	-	-	-	121
Segment revenue	<u>728</u>	<u>2,010</u>	<u>822</u>	<u>-</u>	<u>3,560</u>
Results					
Operating (loss)/profit	(398)	(35)	(208)	36	(605)
Net finance cost	(46)	(8)	(27)	-	(81)
Income tax expense	-	(9)	-	12	3
(Loss)/Profit after tax	<u>(444)</u>	<u>(52)</u>	<u>(235)</u>	<u>48</u>	<u>(683)</u>
<u>Discontinued operations</u>					
Results					
Operating (loss)/profit	-	(2)	-	-	(2)
Net finance cost	-	-	-	-	-
Income tax expense	-	-	-	-	-
(Loss)/Profit after tax	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>(2)</u>

NOTES TO THE INTERIM FINANCIAL REPORT

Part A - Explanatory Notes Pursuant to MFRS 134 (continued)

A8. SEGMENTAL INFORMATION (continued)

For the current quarter under review, the Group planned to sell the foreign subsidiaries. The management has been actively involved in finding buyer. During this quarter, the Group has received offer from buyer to acquire these said foreign subsidiaries, which unlikely to have changes to the plan. The Group expects to complete the sale before end of the Financial Year 2022. As such, the assets of the disposal group have been presented as “Assets classified as held for sale”. Refer to B4 for further details.

A9. CHANGES IN COMPOSITION OF THE COMPANY

There are no significant changes in the composition of the Group for the current period including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinued operations, other than disclosed below:

- a) On 30 April 2021, the Company has announced that it entered into Share Sales Agreement (“SSA”) for the purchase of up to 51% of the total issued and paid-up capital of both Asiawood Lumbers Sdn. Bhd. and RV Woods Sdn. Bhd. respectively for a purchase consideration of RM6,800,000 (“Proposed Acquisition”).

The Proposed Acquisition will be satisfied by way of an allotment of Redeemable Convertible Preference Shares (“RCPS”) of Cal-Test.

Both Asiawood Lumbers Sdn. Bhd. and RV Woods Sdn. Bhd. are classified to be subsidiaries in accordance with MFRS 10 - Consolidated Financial Statements as Company has power over the voting rights, title and interest over these companies to direct the activities that significantly affects its returns and rights to receive variable returns from its financial results, with effect from 7 September 2021.

A10. CONTINGENT LIABILITIES

The contingent liabilities as at 30 September 2021 are as follows:

	RM'000
<u>Corporate Guarantee</u>	
Corporate guarantee given to the financial institution for banking facilities granted to the subsidiaries	<u>1,050</u>

NOTES TO THE INTERIM FINANCIAL REPORT

Part A - Explanatory Notes Pursuant to MFRS 134 (continued)

A11. CHANGES IN MATERIAL LITIGATION

Changes in material litigation since the date of the last audited annual statement of financial position up to 30 November 2021 are as follows:

a) Letter of demand from Axis Real Estate Investment Trust

On 21 May 2021, the Company has received the letter of demand from Messrs. SF Chan & Co who acting for RHB Trustees Berhad as trustee for Axis Real Estate Investment Trust (“Axis”) to claim on the deposit of RM500,000 pertaining to disposal of Bayan Lepas Factory by the Zoomic Technology (M) Sdn. Bhd. (“Vendor”), the wholly owned subsidiary of the Company due to the aborted of Sales and Purchase Agreement. Axis hereby claim from the Company being the Corporate Guarantor of the Vendor. The proceeding is on-going.

b) Writ with Statement of Claim by BMW Credit (Malaysia) Sdn. Bhd.

On 1 October 2021, the Company announced that the Company and Ire-Tex Asset Management Sdn. Bhd., its wholly-owned subsidiary, had received a sealed Writ with Statement of Claim dated 21 September 2021 filed by BMW Credit (Malaysia) Sdn. Bhd. (“the Plaintiff”) via its Solicitors, Messrs Lim Kian Leong & Co. The claim submitted is inclusive of the amount unpaid, interest charges as well as other costs arisen from this claim.

As per the announcement made on the date mentioned above, it is not expected to have material financial and operational impact on the Company for the financial year ending 31 March 2022 as the Defendants has a strong defence and counter claim (“Defence and Counter-Claim”) against the Plaintiff (“BMW”).

The proceeding is on-going.

A12. SIGNIFICANT EVENT DURING THE CURRENT QUARTER

During the current quarter, the Group reclassified related assets and liabilities under the subsidiaries to be disposed as assets held for sale. As such, the quarter results had been presented separately between continuing operations and discontinued operation

A13. MATERIAL EVENT SUBSEQUENT TO THE END OF INTERIM PERIOD

There has not arisen in the interval between the end of this reporting period and the date of this announcement, any item, transaction or event of a material and unusual nature that would likely affect substantially the results of the operations of the Group.

NOTES TO THE INTERIM FINANCIAL REPORT

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

B1. REVIEW OF GROUP PERFORMANCE

Performance of current quarter against the corresponding quarter

	Individual quarter ended		Variance	
	30 September		RM'000	%
	2021	2020		
	RM'000	RM'000	RM'000	%
<u>Continuing operations</u>				
Revenue				
- Manufacturing	486	1,353	(867)	-64%
- Trading	-	259	(259)	-100%
- Investment Holding	411	910	(499)	-55%
- Others	-	-	-	0%
Total	897	2,522	(1,625)	-64%
Profit/(Loss) After Tax				
- Manufacturing	(264)	(284)	20	-7%
- Trading	(31)	(46)	15	-33%
- Investment Holding	15	(223)	238	-107%
- Others	(6)	(10)	4	0%
Total	(286)	(563)	277	-49%
<u>Discontinued operations</u>				
Profit/(Loss) After Tax				
- Manufacturing	-	-	-	0%
- Trading	(3)	-	(3)	0%
- Investment Holding	-	-	-	0%
- Others	-	-	-	0%
Total	(3)	-	(3)	0%

a) Manufacturing

Segment revenue is decreased by 64% to RM0.867 million in the current quarter as compared to Q2 of previous financial year, mainly due to the Movement Control Order restrictions that were reimposed. The planned business expansion and operations of manufacturing segment has been negatively impacted, due to the restriction on travel and movement. The acquisition of new subsidiaries (refer to Note A9) is to diversify the operations of the Group as well as allow the Group to expand its businesses in near future.

NOTES TO THE INTERIM FINANCIAL REPORT

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

B1. REVIEW OF GROUP PERFORMANCE (continued)

Performance of current quarter against the corresponding quarter (continued)

b) Trading

For trading segment, there is no revenue recognised for this quarter. Due to the MCO and Covid-19 outbreak, the Company is unable to export its products as well as to source for new suppliers and customers.

c) Investment holding

The segment of investment holding has recognised a decline in revenue of 55%, but there is an increase in profit. Mainly resulted from the rental income generated during the quarter.

d) Others

The segment consisted of dormant subsidiaries. There is no change in the position of the subsidiaries nor intention to switch its status from dormant to active.

NOTES TO THE INTERIM FINANCIAL REPORT

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

B1. REVIEW OF GROUP PERFORMANCE (continued)

Comparison with preceding quarter

	Individual quarter ended		Variance	%
	30 September	30 June		
	2021	2021		
	RM'000	RM'000	RM'000	
<u>Continuing operations</u>				
Revenue				
- Manufacturing	486	121	365	302%
- Trading	-	2,010	(2,010)	-100%
- Investment holding	411	411	-	0%
- Others	-	-	-	0%
	<u>897</u>	<u>2,542</u>	(1,645)	-65%
Profit/(Loss) After Tax				
- Manufacturing	(264)	(180)	(84)	47%
- Trading	(31)	(52)	21	-40%
- Investment holding	15	(250)	265	-106%
- Others	(6)	54	(60)	-111%
Total	<u>(286)</u>	<u>(428)</u>	142	-33%
<u>Discontinued operations</u>				
Profit/(Loss) After Tax				
- Manufacturing	-	-	-	0%
- Trading	(3)	-	(3)	0%
- Investment Holding	-	-	-	0%
- Others	-	-	-	0%
Total	<u>(3)</u>	<u>-</u>	(3)	0%

The Group's revenue for the current quarter has decreased by RM1.645 million from the preceding quarter to RM1.098 million in this quarter, mainly come from the trading segment, as the subsidiaries within the segment have been reclassified into held for sale at the beginning of this quarter.

Despite there is significant drop in revenue, the Group has recorded decrease in loss after tax of RM0.139 million for the quarter under review as compared to RM0.428 million in the preceding quarter. The decrease in losses mainly arisen from the financial results of the newly acquired subsidiaries – Asiawood Lumbers Sdn Bhd and RV Woods Sdn Bhd.

NOTES TO THE INTERIM FINANCIAL REPORT

Part B - Explanatory Notes Pursuant to Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (continued)

B2. PROSPECT FOR THE FINANCIAL YEAR

Due to COVID-19 and its continuing economic uncertainty, it still continues to have impact on business activities. However, as there is rapid progress of Malaysia vaccination program and major reduction in Covid-19 cases, the Government has opened up the economy phase by phase under the National Recovery Plan.

With the effort of the Government in managing the pandemic, the Group expects the general outlook on the business environments to recover. The Group will continue its effort to drive its performance improvements along the recovery of the economy environments.

B3. PROFIT FORECAST OR PROFIT GUARANTEE

The Group did not disclose or announce any profit forecast or profit guarantee in any public document in the financial quarter under review.

B4. ASSETS AND LIABILITIES HELD FOR SALE

	Amount (RM'000)
<u>Assets classified as held for sale consisted of:</u>	
Plant and equipment	2,336
Inventories	2,996
Trade and other receivables	2,672
Tax recoverable	42
	<u>8,046</u>
 <u>Liabilities classified as held for sale consisted of:</u>	
Trade and other payables	(2,577)
Loan and borrowings	(2,608)
Deferred tax liabilities	(18)
	<u>(5,203)</u>
Assets classified as held for sale (net amount)	<u><u>2,843</u></u>

NOTES TO THE INTERIM FINANCIAL REPORT
Part B - Explanatory Notes Pursuant to Paragraph 9.22 of the Main Market Listing Requirements
of Bursa Malaysia Securities Berhad (continued)

B5. LOSS BEFORE TAXATION

	Individual quarter ended		Cumulative quarter ended	
	30 September		30 September	
	(3 months)		(6 months)	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Profit from operations is arrived at after charging/(crediting):				
Depreciation of property, plant and equipment	124	456	427	800
Depreciation of right-of-use assets	17	17	34	34
Property, plant and equipment written off	-	-	66	-
Loss on disposal of property, plant and equipment	-	43	-	44
Impairment loss on development cost	-	47	-	75
Debts written off	-	114	-	114
Finance cost	46	59	81	124
Rental income	(1,476)	-	(1,799)	-

B6. TAXATION

	Individual quarter ended		Cumulative quarter ended	
	30 September		30 September	
	(3 months)		(6 months)	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>				
Current tax expense				
Current year	(2)	1	12	(14)
	(2)	1	12	(14)

NOTES TO THE INTERIM FINANCIAL REPORT

Part B - Explanatory Notes Pursuant to Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (continued)

B7. LOANS AND BORROWINGS

The Group's loans and borrowings, all of which are denominated in RM, as at the end of the reporting period are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000	Average effective interest rate
Secured				
Banker's acceptance	713	-	713	
Term Loan	815	7,796	8,611	6.80%
Hire-Purchase	272	446	718	4.50%
Overdraft	2,229	-	2,229	
Total	<u>4,029</u>	<u>8,242</u>	<u>12,271</u>	

B8. STATUS OF CORPORATE PROPOSAL

The corporate proposal announced but not completed as at 3 November 2021 is as follows:

a) Private placement

The Company had on 24 August 2021 completed the Private Placement comprising 36,973,357 Placement Shares at issue price per placement share of RM0.0675.

At the date of this report, the proposed and actual utilisation of RM2,495,701 proceeds raised are as follows:-

Details	Intended timeframe for utilisation from 24 August 2021	Actual proceeds raised (RM'000)	Amount utilised as at (RM'000)	Balance proceeds (RM'000)
Working capital	Within 12 months	176	-	176
Repayment of bank borrowings	Within 6 months	1,040	795	245
Payment to trade and other creditors of the Group	Within 6 months	1,190	841	349
Estimated expenses in relation to the private placement	Within 3 months	90	13	77
Total		2,496	1,649	847

NOTES TO THE INTERIM FINANCIAL REPORT
Part B - Explanatory Notes Pursuant to Paragraph 9.22 of the Main Market Listing Requirements
of Bursa Malaysia Securities Berhad (continued)

B9. PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There were no purchases or disposal of quoted securities by the Group in the current period under review.

B10. CAPITAL COMMITMENTS

There were no capital commitments as at the end of the current reporting period.

B11. (LOSS)/EARNINGS PER SHARE

	Individual quarter ended		Cumulative quarter ended	
	30 September		30 September	
	2021	2020	2021	2020
	(3 months)	(3 months)	(6 months)	(6 months)
Net loss attributable to owner of the Company (RM'000)				
- continuing operations	(413)	(437)	(846)	(417)
- discontinued operations	(2)	-	(2)	-
	<u>(415)</u>	<u>(437)</u>	<u>(848)</u>	<u>(417)</u>
Weighted average number of ordinary shares in issue ('000)	<u>221,840</u>	<u>184,876</u>	<u>221,840</u>	<u>184,876</u>
Basic/diluted loss per ordinary share (sen):				
- continuing operations	(0.19)	(0.24)	(0.38)	(0.23)
- discontinued operations	(0.00)	-	(0.00)	-
	<u>(0.19)</u>	<u>(0.24)</u>	<u>(0.38)</u>	<u>(0.23)</u>

The Company does not have any dilutive potential ordinary shares in issue for the current quarter to date.