

Interim report on unaudited consolidated results for the financial period ended 31 March 2021

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	Current Quarter			Cumulative Quarter		
	31-Mar-21 RM' 000	31-Mar-20 RM' 000	Changes %	31-Mar-21 RM' 000	31-Mar-20 RM' 000	Changes %
Revenue	13,384	14,695	-8.92%	27,038	29,853	-9.43%
Cost of sales	<u>(11,785)</u>	<u>(12,732)</u>		<u>(23,953)</u>	<u>(26,375)</u>	
Gross profit	1,599	1,963	-18.54%	3,085	3,478	-11.30%
<b>Other income</b>						
- interest	180	190		344	230	
- others	165	-		263	5,050	
Administrative expenses	(395)	(707)		(984)	(1,382)	
Selling and marketing expenses	(67)	(383)		(209)	(796)	
Depreciation of property, plant and equipment	(222)	(259)		(442)	(518)	
Depreciation of right-of-use assets	(219)	(85)		(447)	(170)	
Finance costs	(88)	(57)		(178)	(114)	
<b>Profit before tax</b>	<u>953</u>	<u>662</u>	43.96%	<u>1,432</u>	<u>5,778</u>	-75.22%
Income tax expense	<u>(43)</u>	<u>-</u>		<u>(83)</u>	<u>-</u>	
<b>Profit after tax representing total comprehensive income for the period</b>	<u><u>910</u></u>	<u><u>662</u></u>	37.46%	<u><u>1,349</u></u>	<u><u>5,778</u></u>	-76.65%
<b>Attributable to:</b>						
Equity holders of the Company	910	662	37.46%	1,349	5,778	-76.65%
Non-controlling interests	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	
	<u><u>910</u></u>	<u><u>662</u></u>	37.46%	<u><u>1,349</u></u>	<u><u>5,778</u></u>	-76.65%
<b>Profit per share (sen)</b>						
- basic	0.11	0.10		0.17	1.14	
- diluted	0.08	0.08		0.13	1.05	

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

	As at 31-Mar-21 RM' 000 (Unaudited)	As at 30-Sep-20 RM' 000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	13,879	14,272
Right-of-use assets	8,711	9,174
Other investments	-*	-*
	<u>22,590</u>	<u>23,446</u>
<b>Current assets</b>		
Inventories	6,964	8,642
Trade receivables	5,590	6,512
Other receivables	10,953	5,280
Cash and bank balances	41,657	36,276
	<u>65,164</u>	<u>56,710</u>
<b>TOTAL ASSETS</b>	<u><u>87,754</u></u>	<u><u>80,156</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	85,065	59,065
Redeemable convertible preference shares	2,000	15,000
Warrant reserves	8,719	8,719
Accumulated losses	(25,670)	(27,019)
Shareholders' equity	<u>70,114</u>	<u>55,765</u>
Non-controlling interests	-	-
<b>TOTAL EQUITY</b>	<u><u>70,114</u></u>	<u><u>55,765</u></u>
<b>Non-current liability</b>		
Lease liabilities	<u>8,400</u>	<u>8,737</u>
<b>Current liabilities</b>		
Trade payables	4,497	7,148
Other payables	3,858	7,614
Borrowings	-	84
Lease liabilities	654	660
Current tax liabilities	231	148
	<u>9,240</u>	<u>15,654</u>
<b>TOTAL LIABILITIES</b>	<u>17,640</u>	<u>24,391</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>87,754</u></u>	<u><u>80,156</u></u>
Net assets per share attributable to ordinary owners of the Company (RM)	<u>0.07</u>	<u>0.08</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim financial statements.

\* Represents RM2

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	← Attributable to Owners of the Company →						
	← Non-Distributable →						
	Share Capital RM' 000	Redeemable Convertible Preference Shares RM' 000	Warrant Reserves RM' 000	Accumulated Losses RM' 000	Total RM' 000	Non- controlling Interests RM' 000	Total Equity RM' 000
<b>Opening balance as at 1 October 2019</b>	3,442	-	-	(33,373)	(29,931)	-	(29,931)
Issuance of placement shares	2,729	-	-	-	2,729	-	2,729
Issuance of settlement shares	9,760	-	1,898	-	11,658	-	11,658
Issuance of rights shares	39,985	-	7,775	-	47,760	-	47,760
Issue of shares upon exercise of warrants	3,881	-	(954)	-	2,927	-	2,927
Share issuance expenses	(732)	-	-	-	(732)	-	(732)
Issuance of settlement preference shares	-	15,000	-	-	15,000	-	15,000
Dividend	-	-	-	(3,573)	(3,573)	-	(3,573)
Total comprehensive income	-	-	-	9,927	9,927	-	9,927
<b>Closing balance as at 30 September 2020</b>	<b>59,065</b>	<b>15,000</b>	<b>8,719</b>	<b>(27,019)</b>	<b>55,765</b>	<b>-</b>	<b>55,765</b>
<b>Opening balance as at 1 October 2020</b>	<b>59,065</b>	<b>15,000</b>	<b>8,719</b>	<b>(27,019)</b>	<b>55,765</b>	<b>-</b>	<b>55,765</b>
Total comprehensive income	-	-	-	1,349	1,349	-	1,349
<b>Transactions with owners:-</b>							
Issuance of shares	13,000	-	-	-	13,000	-	13,000
Conversion of RCPS	13,000	(13,000)	-	-	-	-	-
<b>Closing balance as at 31 March 2021</b>	<b>85,065</b>	<b>2,000</b>	<b>8,719</b>	<b>(25,670)</b>	<b>70,114</b>	<b>-</b>	<b>70,114</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	Six Months Ended	
	31-Mar-21 RM' 000	31-Mar-20 RM' 000
<b>OPERATING ACTIVITIES</b>		
Profit before tax for the period	1,432	5,778
Adjustments for:		
Depreciation of property, plant and equipment	442	518
Gain on termination of leases	(*)	-
Gain on disposal of property, plant and equipment	(**)	-
Depreciation of right-of-use assets	447	170
Waiver of liabilities	-	(4,996)
Inventories written down	-	1
Interest income	(344)	(230)
Interest expense	178	114
<b>Operating cash flows before working capital changes</b>	<u>2,155</u>	<u>1,355</u>
<u>Changes in working capital</u>		
- trade and other receivables	(4,751)	(30)
- inventories	1,678	(1,250)
- trade and other payables	<u>(6,405)</u>	<u>(17,705)</u>
<b>Cash flows used in operations</b>	<u>(7,323)</u>	<u>(17,630)</u>
Tax paid	(***)	(****)
<b>Net cash flows used in operating activities</b>	<u>(7,323)</u>	<u>(17,630)</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(51)	(434)
Interest received	263	230
<b>Net cash flows used in investing activities</b>	<u>212</u>	<u>(204)</u>
<b>FINANCING ACTIVITIES</b>		
Interest paid	(178)	(114)
Payment of lease liabilities	(327)	(137)
Placement of fixed deposits pledged to a licensed bank	(5,000)	(9)
Repayment of borrowings	(84)	-
Proceeds from issuance of shares	13,000	47,858
<b>Net cash flows from financing activities</b>	<u>7,411</u>	<u>47,598</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Net increase	300	29,764
At beginning of period	26,449	3,335
<b>At end of period</b>	<u>26,749</u>	<u>33,099</u>

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

	As at 31-Mar-21 RM' 000	As at 31-Mar-20 RM' 000
<u>Cash and cash equivalents included in consolidated statement of cash flows comprise the following:-</u>		
Fixed deposits with a licensed bank	14,908	144
Cash and bank balances	<u>26,749</u>	<u>33,099</u>
	41,657	33,243
Less: Fixed deposits pledged as security	<u>(14,908)</u>	<u>(144)</u>
	<u>26,749</u>	<u>33,099</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim financial statements.

\* Represents RM335

\*\* Represents RM185

\*\*\* Represents RM50

\*\*\*\* Represents RM300

**Part A - MFRS 134 Requirements**

**A1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") No. 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Group's audited financial statements for the period ended 30 September 2020. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes on the financial position and performance of the Group since the financial period ended 30 September 2020.

**A2 Accounting Policies**

The accounting policies and presentation applied by the Group in these interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 30 September 2020, except for the adoption of the new and amended MFRSs, and Issues Committee (IC) Interpretations mandatory for annual financial periods beginning on or after 1 January 2020.

These new MFRSs and revision and amendments not adopted by the Group do not have any significant impact on the financial statements of the Group.

**A3 Auditors' Report on Preceding Annual Financial Statements**

The audited financial statements of the Group for the preceding financial year ended 30 September 2020 were not subject to any qualification.

**A4 Comments about Seasonal or Cyclical Factors**

The businesses of the Group are generally not affected by the seasonal and cyclical factors.

**A5 Unusual Items due to their Nature, Size or Incidence**

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

**A6 Changes in Estimates**

There were no changes in estimates that have any material effect on the current quarterly results.

**A7 Debt and Equity Securities**

During the 3-month period ended 31 March 2021, the Group has issued new ordinary shares as follows:-

	Issue Price	No. of Shares
Conversion of RCPS	RM0.05	200,000,000

As at 31 March 2021, the total number of outstanding warrants and RCPS were 267,808,360 and 40,000,000 respectively.

Other than as disclosed above, there was no issuance, cancellation, repurchase, resale and repayment for debt and equity securities during the current financial quarter under review.

**A8 Dividend Paid**

No dividend has been paid for the financial period under review.

**A9 Segmental Information**

There is no segmental reporting by the Group.

**A10 Capital Commitments**

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

**A11 Related Party Transactions**

The Group's recurrent related party transactions during the quarter and cumulative period-to-date ended 31 March 2021 are as follows:

	<b>3 Months Ended 31-Mar-21 RM' 000</b>	<b>Year-to-date ended 31-Mar-21 RM' 000</b>
Transactions with a company in which a major shareholder and Director has interests:		
Rental Income	(91)	(183)
Purchases	13,111	20,456
	<u>13,020</u>	<u>20,273</u>

**A12 Material Subsequent Events**

There were no material subsequent events to the end of current financial quarter.

**A13 Changes in the Composition of the Group**

There were no changes in the composition of the Group during this current quarter.

**A14 Changes in Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets during the financial period under review.

**A15 Profit Before Tax**

The following items have been charged/(credited) in arriving at profit before tax:

	<b>Current quarter Three Months Ended</b>		<b>Cumulative Quarter Six Months Ended</b>	
	<b>31-Mar-21 RM' 000</b>	<b>31-Mar-20 RM' 000</b>	<b>31-Mar-21 RM' 000</b>	<b>31-Mar-20 RM' 000</b>
Interest income	(180)	(190)	(344)	(230)
Rental income	(91)	-	(183)	-
Gain on termination of lease	-	-	(*)	-
Gain on disposal of property, plant and equipment	(**)	-	(**)	-
Interest on lease liabilities	88	57	178	114
Depreciation of property, plant and equipment	222	259	442	518
Depreciation of right-of-use assets	219	85	447	170
Waiver of liabilities	-	-	-	(4,996)
Realised foreign exchange gain	-	-	(5)	-
Insurance claims received	-	-	-	(54)

\* Represents RM335

\*\* Represents RM185

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities

**B1 Review of Performance**

	Individual Period		Changes	Cumulative Period		Change
			%			s
	Three Months	Three Months		Current Year To-date	Preceding Year Corresponding Period	
	1-Jan-21 to 31-Mar-21	1-Jan-20 to 31-Mar-20		01-Oct-20 to 31-Mar-21	01-Oct-19 to 31-Mar-20	
RM' 000	RM' 000	RM' 000		RM' 000		
Revenue	13,384	14,695	(8.92)	27,038	29,853	(9.43)
Gross profit	1,599	1,963	(18.54)	3,085	3,478	(11.30)
Profit Before Interest and Tax	1,041	719	44.78	1,610	5,892	(72.67)
Profit Before Tax	953	662	43.96	1,432	5,778	(75.22)
Profit After Tax	910	662	37.46	1,349	5,778	(76.65)

The revenue for the Group had decreased by 8.92% from RM14.695 million in the previous year's corresponding quarter to RM13.384 million in the current quarter.

The gross profit had decreased by 18.54% from RM1.963 million in the previous year's corresponding quarter to RM1.599 million in the current quarter. However, the profit after tax has increased due to the administrative expenses as well as selling and marketing expenses has been decreasing.

**B2 Material Changes in the Quarterly Results as compared to Results of the Preceding Quarter**

	Current Quarter	Immediate Preceding Quarter	Changes %
	01-Jan-21 to 31-Mar-21	01-Oct-20 to 31-Dec-20	
	RM' 000	RM' 000	
Revenue	13,384	13,654	(1.98)
Gross profit	1,599	1,485	7.68
Profit Before Interest and Tax	1,041	568	83.27
Profit Before Tax	953	478	99.37
Profit After Tax	910	438	107.76

The Group is maintaining their revenue at RM13.384 million. Nevertheless, the Group has a higher gross profit of RM1.599 million for the current quarter as compared to RM1.485 million in the preceding quarter.

Besides that, the Group is doing well in cost-controlling especially within the administrative expenses which can be seen from the increase in profit after tax from RM0.438 million to RM0.910 million. The management are paying much attention on cost control during this crucial period. Saving cost are vitally important for every company to survive in the long run.

**B3 Prospect**

The Board of Directors foresees the performance of the Group for 2021 will be very challenging for its business due to fluctuation in the price of raw materials as a result of the market uncertainty due to COVID-19 pandemic. The Group will continue to monitor, reassess the financial position, take appropriate and timely action to minimise the possible impacts caused by Covid-19 pandemic.

**B4 Profit Forecast**

There were no profit forecast nor profit guarantee made during the financial period under review.

**B5 Taxation**

There is provision of taxation of RM0.043 million for the current quarter.

**B6 Profit / (Loss) on Sales of Unquoted Investments and/or Properties**

There were no sales of unquoted investments and properties during the quarter under review.

**B7 Quoted Securities**

For the period under review, the Group does not hold any quoted securities.

**B8 Corporate Exercise**

The status of utilisation of proceeds of RM34.114 million raised from the regularisation plan which was completed on 28 November 2019 are as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Balance	Estimated timeframe
	RM' 000	RM' 000	RM' 000	
Wheat flour business	21,414	17,899	3,515	Within 24 months
Tapioca starch business	10,000	10,000	-	Within 24 months
Expenses relating to the regularisation	2,700	2,700	-	Within 3 months
	34,114	30,599	3,515	

**B9 Group Borrowings and Debt Securities**

During the quarter under review, the Group has no borrowings.

**B10 Off Balance Sheet Financial Instruments**

The Group does not have any financial instrument with off balance sheet risks as at 24 May 2021 the latest practicable date which is not earlier than 7 days from the date of issuance of this quarterly report.

**B11 Changes in Material Litigation**

There were no material litigation during the financial period under review.

**B12 Dividend Declared**

No dividend has been declared for the financial period under review.

**B13 Profit Per Share****(a) Basic**

Basic profit per share are calculated by dividing the net earnings for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issued during the period.

	Current Quarter		Cumulative Quarter	
	Three Months Ended	Three Months Ended	Six Months Ended	Six Months Ended
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Net profit attributable to equity holders of the Company (RM' 000)	910	662	1,349	5,778
Weighted average number of ordinary shares in issue ('000)	858,975	689,695	797,436	507,871
Basic profit per share (sen)	0.11	0.10	0.17	1.14
<b>(b) Diluted</b>				
Net profit attributable to equity holders of the Company (RM' 000)	910	662	1,349	5,778
Weighted average number of ordinary shares in issue ('000)	1,078,836	793,209	1,019,128	552,886
Diluted profit per share (sen)	0.08	0.08	0.13	1.05