

# **PERTAMA DIGITAL BERHAD**

198401002327 (114842-H)

*(Incorporated In Malaysia)*

## **QUARTERLY UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

### **CONTENTS**

1. Unaudited Condensed Consolidated Statement of Financial Position
2. Unaudited Condensed Statement of Profit and Loss and Other Comprehensive Income
3. Unaudited Condensed Consolidated Statement of Changes in Equity
4. Unaudited Condensed Consolidated Statement of Cash Flows
5. Explanatory Notes
  - Part A – Explanatory Notes Pursuant to MFRS 134
  - Part B – Explanatory Notes Pursuant to the Main Market Listing Requirements

**INTERIM FINANCIAL STATEMENTS FOR THE FORTH QUARTER ENDED 31 DECEMBER 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>AS AT 31.12.2022 RM'000 UNAUDITED</b>	<b>AS AT 31.12.2021 RM'000 AUDITED</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	152	151
Development costs	5,518	2,397
Goodwill	-	4,110
	5,670	6,658
<b>CURRENT ASSETS</b>		
Trade receivables	376	327
Contract assets	22	2,178
Other receivables, deposits and prepayments	267	134
Amount due from related parties	11,347	-
Fixed deposits with licensed banks	8,605	14,315
Cash and bank balances	136,954	7,042
Tax recoverable	12	-
	157,583	23,996
Assets classified as held for sale	-	157,833
	163,253	188,487
<b>TOTAL ASSETS</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	48,816	48,816
Statutory reserves	-	17,942
Retained profit	(35,496)	4,837
	13,320	71,595
Reserves classified as held for sale	-	55,755
	13,320	127,350
Non-controlling interests	2,901	(5,073)
	16,221	122,277
<b>CURRENT LIABILITIES</b>		
Trade payables	1,600	2,096
Other payables and accruals	1,704	39,379
eJamin deposit	135,027	-
Amount due to director	701	-
Bank borrowing	8,000	8,000
	147,032	49,475
Liabilities classified as held for sale	-	16,735
	147,032	66,210
<b>TOTAL LIABILITIES</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>		
	163,253	188,487
<b>Net assets per share (RM)</b>	<b>0.03</b>	<b>0.29</b>

*This statement should be read in conjunction with the notes to this report.*

	3 MONTHS		CUMULATIVE 12 MONTHS	
	CURRENT YEAR QUARTER ENDED 31.12.2022	PRECEDING FINANCIAL YEAR CORRESPONDING QUARTER ENDED	CURRENT FINANCIAL YEAR-TO-DATE ENDED 31.12.2022	PRECEDING FINANCIAL YEAR YEAR-TO-DATE ENDED
	RM'000 (Unaudited)	RM'000	RM'000 (Unaudited)	RM'000
<b>CONTINUING OPERATIONS</b>				
Revenue	1,111	-	8,764	-
Cost of sales	(300)	-	(5,413)	-
<b>Gross profit</b>	811	-	3,351	-
Other operating income	521	-	531	-
Administrative expenses	(1,403)	-	(12,136)	-
Other operating expenses	(79)	-	(1,005)	-
	(150)	-	(9,259)	-
Finance cost	(97)	-	(373)	-
Profit/ (Loss) before taxation	(247)	-	(9,632)	-
Taxation	9	-	(13)	-
Profit/ (Loss) after taxation from continuing operations	(238)	-	(9,645)	-
<b>DISCONTINUED OPERATIONS</b>				
Profit/ (Loss) after taxation from discontinued operations	(39,449)	-	(28,094)	-
Profit/ (Loss) after taxation	(39,687)	-	(37,739)	-
<b>Other comprehensive income, net of tax</b>				
Foreign currency translation differences	-	-	(55,755)	-
<b>Total comprehensive profit for the period</b>	<b>(39,687)</b>	<b>-</b>	<b>(93,494)</b>	<b>-</b>
<b>Profit/ (Loss) attributable to:</b>				
Owners of the Company	(41,546)	-	(38,996)	-
Non-controlling interests	1,859	-	1,257	-
	<b>(39,687)</b>	<b>-</b>	<b>(37,739)</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Company	(41,546)	-	(94,751)	-
Non-controlling interests	1,859	-	1,257	-
	<b>(39,687)</b>	<b>-</b>	<b>(93,494)</b>	<b>-</b>
<b>Earnings/ (Loss) per share (sen) :</b>				
<b>Basic</b>				
Continuing operations	(0.48)	-	(2.52)	-
Discontinued operations	(9.10)	-	(6.48)	-
<b>Diluted</b>				
Continuing operations	(0.48)	-	(2.52)	-
Discontinued operations	(9.10)	-	(6.48)	-

**This statement should be read in conjunction with the notes to this report.**

There is no comparative figures in the corresponding quarter in the previous financial year as the Company changed its financial year end from 30 June to 31 December in the previous financial period ended 31 December 2021.

INTERIM FINANCIAL STATEMENTS FOR THE FORTH QUARTER ENDED 31 DECEMBER 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	CURRENT YEAR QUARTER ENDED 31.12.2022	PRECEDING FINANCIAL PERIOD ENDED 31.12.2021
	RM'000 UNAUDITED	RM'000 AUDITED
<b>OPERATING ACTIVITIES</b>		
Profit/ (Loss) before taxation		
- Continuing operations	(9,632)	(27,389)
- Discontinuing operations	(25,155)	18,786
<b>Adjustments for :-</b>		
Amortisation of development costs	379	219
Depreciation	32	16
Dividend income	-	(3,161)
Impairment loss on goodwill	-	20,352
Interest expense	373	588
Interest income	(228)	(6,388)
Inventory written back	-	(1,088)
Loss allowance on trade receivables	-	188
Loss on re-measurement to fair value less costs to sell	40,941	5,018
Loss on disposal of subsidiary	4,572	862
Loss on disposal of property, plant & equipment	-	685
Net realised loss on foreign exchange	381	-
Property, plant and equipment written off	-	767
Share of results of joint ventures	(979)	(478)
Short term investment income	(3,746)	-
Waiver of debts from a director	-	(64)
Operating profit before working capital changes	6,938	8,913
Changes in inventories	(503)	4,424
Changes in receivables	4,935	(1,081)
Changes in payables	(4,455)	3,433
Cash generated from operations	6,915	15,689
Interest received	228	320
Tax paid	(1,942)	(1,107)
Net cash generated from operating activities	5,201	14,902
<b>INVESTING ACTIVITIES</b>		
Acquisition of a subsidiary, net of cash and cash equivalents acquired	-	(5,595)
Addition of development costs	(3,500)	(245)
Acquisition of other investment	-	(4,942)
Acquisition of property, plant and equipment	(33)	
- continuing operations	-	(130)
- discontinued operations	-	(1,183)
Acquisition of short-term investments, net	(8,462)	(22,176)
Consideration received for disposal of subsidiary held for sale	-	30,515
Interest received from short term investment	3,746	6,068
(Placement)/Upliftment of fixed deposits with tenure more than 3 months	(790)	760
Proceeds from disposal of property, plant and equipment	-	529
Proceeds from disposal of a subsidiary, net of cash and cash equivalent disposed	(11,227)	121
Dividend income received from a joint venture	-	3,161
Net cash (used) in / generated from investing activities	(20,266)	6,883
<b>FINANCING ACTIVITIES</b>		
Increase in pledged deposit	-	(8,000)
Drawdown of bank borrowing	-	250
Interest paid	-	(588)
Net cash used in financing activities	-	(8,338)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(15,065)	13,447
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	26,982	13,437
EFFECT OF EXCHANGE RATE FLUCTUATION ON CASH AND CASH EQUIVALENTS	(1,385)	98
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<b>10,532</b>	<b>26,982</b>
Represented by:		
<b>Continuing operations</b>		
Fixed deposits with licensed banks	8,605	14,315
Cash and bank balances	136,954	7,042
eJamin Deposits	(135,027)	-
	10,532	21,357
<b>Discontinued operations</b>		
Cash and bank balances	-	5,625
	<b>10,532</b>	<b>26,982</b>

Note : ( ) Denotes cash outflow

This statement should be read in conjunction with the notes to this report.

INTERIM FINANCIAL STATEMENTS FOR THE FORTH QUARTER ENDED 31 DECEMBER 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	< ----- Non distributable ----- >			Distributable			
	Share capital	Statutory reserves	Reserves classified as held for sale	Retained earnings/ (Accumulated losses)	Total	Non-controlling interests	Total equity
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Balance at 30 June 2020, as restated	134,816	15,933	40,420	(66,581)	124,588	3,152	127,740
Acquisition of a subsidiary	-	-	-	-	-	(7,326)	(7,326)
Share capital reduction	(86,000)	-	-	86,000	-	-	-
Profit/ (Loss) for the financial period	-	-	-	(12,573)	(12,573)	(899)	(13,472)
Other comprehensive income for the financial period							
- Foreign currency translation differences	-	-	15,335	-	15,335	-	15,335
Total comprehensive income for the financial period	-	-	15,335	(12,573)	2,762	(899)	1,863
Transfer to statutory reserve	-	2,009	-	(2,009)	-	-	-
Balance as at 31 December 2021 <i>(Audited)</i>	<b>48,816</b>	<b>17,942</b>	<b>55,755</b>	<b>4,837</b>	<b>127,350</b>	<b>(5,073)</b>	<b>122,277</b>
Profit/ (Loss) for the financial period	-	-	-	(38,996)	(38,996)	1,257	(37,739)
Other comprehensive income for the financial period							
- Foreign currency translation differences	-	-	(55,755)	-	(55,755)	-	(55,755)
Total comprehensive income for the financial period	-	-	(55,755)	(38,996)	(94,751)	1,257	(93,494)
Capital reserves				-	-	6,717	6,717
Transfer to statutory reserve	-	1,337	-	(1,337)	-	-	-
Disposal of a subsidiary	-	(19,279)	-	-	(19,279)	-	(19,279)
Balance as at 31 December 2022 <i>(Unaudited)</i>	48,816	-	-	(35,496)	13,320	2,901	16,221

*This statement should be read in conjunction with the notes to this report.*

# PERTAMA DIGITAL BERHAD

## 198401002327 (114842-H)

### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

#### PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

##### A1. BASIS OF PREPARATION

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 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 audited financial statements of the Group for the financial period ended 31 December 2021 and the accompanying explanatory notes attached to the audited financial statements.

The explanatory notes attached to the condensed 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 period ended 31 December 2021.

The financial statements are presented in Ringgit Malaysia (“RM”), which is the functional currency of the Company. All amounts in the financial statements are rounded to the nearest thousand, unless otherwise stated.

##### A2. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies adopted in these interim financial statements are consistent with those of the audited financial statements for the financial period ended 31 December 2021.

In the current reporting quarter, the Group and the Company have applied a number of new standards, amendments and/or IC interpretations that became effective mandatorily for the financial periods beginning on or after 1 January 2022. The adoption of the new standards, amendments and/or IC interpretations did not have significant impact on the disclosures or on amounts reported in the financial statements.

##### Amendments and new standard issued that are not yet effective

The Group and the Company have not applied the following amendments and new standard that have been issued by the Malaysian Accounting Standards Board (“MASB”), which may be relevant to the Group and the Company, but not yet effective :

		<i>Effective Date</i>
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

**A3. AUDITORS' REPORT**

The auditors' report of the preceding financial period of the Group was not subject to any qualification.

**A4. SEASONAL OR CYCLICAL FACTORS**

The Group has completed the disposal of its wholly-owned foreign subsidiary, Be Top Group Limited ("**Be Top**"), on 10 August 2022 ("**Disposal Completion Date**"). Accordingly, the fabric production segment ceased to be an operating segment of the Group effective from the Disposal Completion Date.

The mobile and digital solutions businesses of the Group are not significantly affected by any seasonal or cyclical factors.

**A5. UNUSUAL ITEMS**

**DISPOSAL OF EQUITY INTEREST IN SUBSIDIARY**

As at the date of this report, the disposal of 100% equity interest in the following subsidiary has been completed on 10 August 2022.

**Disposal of The Entire Equity Interest in Be Top Group Limited**

During the previous financial period ended 31 December 2021, the Company received the first cash payment for the sum of RM12 million from Gifted Investments Limited ("**GIL**") on 21 September 2020, for the tranche 1 share sale of 21.5% equity interest in Be Top Group Limited ("**Be Top**") in respect of the disposal of the entire equity interest in Be Top to GIL for a total cash consideration of RM70 million including assumption of liabilities by GIL ("**Disposal of Be Top**"). Accordingly, the tranche 1 Disposal of Be Top was completed in accordance with the share sale agreement dated 2 May 2019 ("**Disposal SSA**") and supplemental share sale agreement dated 18 June 2020 ("**Supplemental Disposal SSA**"). The key salient term of the Supplemental Disposal SSA is that the disposal consideration is to be completed in three (3) tranches.

On 16 July 2021, the Company received the second cash payment amounting to RM18,515,497.06 for the tranche 2 share sale of 26.5% equity interest in Be Top in relation to the Disposal of Be Top. Accordingly, the tranche 2 Disposal of Be Top was completed in accordance with the Disposal SSA and Supplemental Disposal SSA.

On 19 January 2022, GIL and the Company has mutually agreed to further extend the cut-off date of the Supplemental Disposal SSA till 19 July 2022, to enable the parties to fulfill the conditions of the Disposal SSA and Supplemental Disposal SSA.

On 2 June 2022, PDB and GIL entered into a second supplemental share sale agreement ("**Second Supplemental SSA**") to amend, modify and vary certain terms in the Disposal SSA, as supplemental by the Supplemental Disposal SSA and supplemental letters.

On 8 June 2022, the Company made a clarification announcement which stated that it wishes to maintain the listing status on the Main Market post Disposal of Be Top. The Disposal of Be Top is deemed to be a major disposal under the Main Market Listing Requirements ("**MMLR**")

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**

**A5. UNUSUAL ITEMS (CONT'D)**

**DISPOSAL OF EQUITY INTEREST IN SUBSIDIARY (CONT'D)**

**Disposal of The Entire Equity Interest in Be Top Group Limited (cont'd)**

On 26 June 2022, the Company issued a circular to shareholders in relation to the proposed variation of terms in the Disposal SSA by removing the condition for the Company to procure the approval of Bursa Securities for an application to seek a waiver from Bursa Securities, of classifying the Company as an affected listed issuer, upon the completion of Disposal of Be Top pursuant to para 8.03A of the MMLR (“**Proposed Variation**”). An independent advice letter was also issued to non-interested shareholders of PDB in relation to the Proposed Variation.

On 19 July, the Company and GIL had mutually agreed to extend the cut-off date for the Supplemental Disposal SSA to enable the parties to fulfill conditions in the Disposal SSA, Supplemental Disposal SSA and Second Supplemental SSA.

On 10 August 2022, the Company convened and fully-virtual extraordinary general meeting (“**EGM**”) to procure approval of its shareholders in relation to the Proposed Variation. The voting in respect of the resolution pertaining to the Proposed Variation was 99.9% voted as carried at the EGM. On the event date, Tranche 3 of the Disposal of Be Top was completed in accordance with the terms and conditions stipulated in the Disposal SSA, as supplemented by various Supplemental SSA and supplemental letters.

The Company also announced on the same day that upon completion of Disposal of Be Top, it has been classified as an affected listed issuer under para 8.03A of MMLR as the Disposal of Be Top is deemed as disposal of the major business of the Company.

The assets, liabilities and reserves arising from the foreign operations have been presented in the statement of financial position as “Assets classified as held for sale”, “Liabilities classified as held for sale” and “Reserves classified as held for sale”, and its results are presented separately on the statement of total comprehensive income as “Profit/(Loss) for the financial year/period from discontinued operations”.

**A6. CHANGES IN ESTIMATES**

There were no changes to the estimates that had been used in the preparation of the current financial statements.

**A7. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES**

There was no issuance of any debt or equity securities during the quarter under review.

**A8. DIVIDEND**

There were no dividends declared or paid for the current reporting quarter ended 31 December 2022.



NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

A9. SEGMENTAL INFORMATION

The following tables provide analysis of the Group's revenue, results, assets, liabilities, and other information. There are no comparative figures as the Company changed its accounting year end from 30 June to 31 December and drawn up its accounts for 18 months in the previous financial period.

	Investment Holding, Mobile, and Digital Solutions Businesses		Fabric Production		Adjustments and Elimination		Per Consolidated Financial Statements	
	<i>Continuing</i>		<i>Disposed</i>					
	<i>(Cumulative 12 Months)</i>		<i>(Cumulative up to the disposal completion date of 10.8.2022)</i>		<i>(Cumulative up to the disposal completion date of 10.8.2022)</i>		<i>(Cumulative 12 Months)</i>	
	31.12.2022 RM'000	31.12.2022 RM'000	31.12.2022 RM'000	31.12.2022 RM'000	31.12.2022 RM'000	31.12.2022 RM'000	31.12.2022 RM'000	31.12.2022 RM'000
<b>Revenue</b>	8,764	-	42,870	-	(42,870)	-	8,764	-
<b>Results</b>								
Segment profit/ (loss) after tax	(9,645)	-	(28,094)	-	28,094	-	(9,645)	-
<b>Segmental profit/(loss) include the following :-</b>								
Amortisation of development costs	379	-	-	-	-	-	379	-
Depreciation	32	-	-	-	-	-	32	-
<b>Interest income on :</b>								
Financial assets measured at amortised costs	(215)	-	(49)	-	49	-	(215)	-
Financial assets at fair value through profit or loss loss mandatorily	-	-	(3,746)	-	3,746	-	-	-
Share of results of joint ventures	-	-	(979)	-	979	-	-	-
Loss on re-measurement to fair value less costs to sell	-	-	(40,941)	-	40,941	-	-	-

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**

**A9. SEGMENTAL INFORMATION (CONT'D)**

	Investment Holding, Mobile, and Digital Solutions Businesses		Fabric Production *		Group	
	Continuing		Discontinued			
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
<b>Assets</b>						
Segment assets	163,253	65,697	-	145,770	163,253	211,467
Consolidated total assets					<b>163,253</b>	<b>211,467</b>
<b>Liabilities</b>						
Segment liabilities	147,032	17,025	-	7,457	147,032	24,482
Current tax liabilities	-	-	-	857	-	857
					<b>147,032</b>	<b>25,339</b>

\* The subsidiary group under fabric production segment was disposed on 10.8.2022 ("Disposal Completion Date"). Effective from the Disposal Completion Date, the Group ceased to consolidate financial positions of the disposed subsidiary group.

**A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

Not applicable.

**A11. EVENTS SUBSEQUENT TO BALANCE SHEET DATE**

Not applicable.

**A12. CHANGES IN THE COMPOSITION OF THE GROUP**

On 10 August 2022, Disposal of Be Top has been completed. Please refer to A5 for updates on the Disposal of Be Top.

**A13. CHANGES IN CONTINGENT LIABILITIES / ASSETS**

- (i) There is no contingent liability as at the date of this announcement.
- (ii) There was no change in contingent assets since the last annual financial statements.

**A14. CAPITAL COMMITMENT**

CAPITAL COMMITMENT AS AT 31 DECEMBER	2022 RM'000	2021 RM'000
Development costs	-	168
	=====	=====

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**

**A15. FOREIGN CURRENCY TRANSLATION**

The translation of the condensed consolidated financial statements from RMB to RM is based on the following exchange rates:-

	<b>For Current Year Quarter Ended 31.12.2022</b>	<b>For Preceding Year Corresponding Quarter</b>
Condensed consolidated statement of comprehensive income		
Based on average rate for the quarter RMB1.00 to RM	0.6585	n.a.
Condensed consolidated statement of financial position		
Based on closing rate for the quarter RMB1.00 to RM	0.6531	n.a.

**A16. SIGNIFICANT RELATED PARTY TRANSACTIONS**

**(a) Identities of Related Parties**

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

**(b) Related Party Transactions**

There was no significant related party transaction during the current reporting quarter.

**A17. ASSETS CLASSIFIED AS HELD FOR SALE**

Effective from the Disposal Completion Date, the Group has ceased to consolidate results and positions of Be Top. Apart from Be Top which was classified as held for sale prior to the Disposal Completion Date, there is no other asset being classified as held for sale as at the reporting date.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

**PART B:-  
EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS (PART A OF  
APPENDIX 9B)**

**B1. REVIEW OF PERFORMANCE FOR THE CURRENT YEAR QUARTER AND CORRESPONDING QUARTER IN THE PRECEDING FINANCIAL PERIOD AND YEAR-TO-DATE (“YTD”) PERFORMANCE IN THE CURRENT AND PRECEDING FINANCIAL PERIOD**

The continuing operations of the Group consist of mobile and digital solutions businesses operated through Television Airtime Services Sdn. Bhd. (“**TAS**”), a 51%-owned subsidiary of the Company and its 80%-owned subsidiary, Dapat Vista (M) Sdn. Bhd. (“**DVSB**”), and investment holding activities under the Company.

**Performance of the current year quarter and corresponding quarter in the preceding financial period**

The Company changed its financial year end from 30 June to 31 December as announced on 23 February 2021 and drawn up its account for a period of 18 months ended 31 December 2021. As a result, there is no corresponding quarter in the preceding financial period.

**(i) Revenue (YTD)**

**a) Continuing operations**

In the current quarter under review, the Group’s investment, mobile and digital solutions segment registered a revenue of approximately RM8.76 million. The Group’s mobile and digital solutions segment registered a revenue of approximately RM8.55 million derived from the provision of mobile gateway and payment solutions services. The investment holding segment generated a YTD revenue of approximately RM213,000 being interest income derived from deposits placed with approved financial institutions in Malaysia.

**b) Discontinued operations**

The fabric production and sale segment operated through Be Top was disposed on 10 August 2022. Accordingly, revenue, costs of sales and operating expenses from this segment are recognised up to the Disposal Completion Date.

The YTD revenue from this segment was maintained at RM42.87 million in the current quarter under review. This was mainly due to no revenue recognised after the disposal date.

**(ii) Results from Operations (YTD)**

**a) Continuing operations**

The consolidated mobile and digital solutions businesses registered a YTD loss from operations of RM9.25 million. This is primarily due to the one-off loss on disposal of Be Top in the preceding quarter and the remaining are the resulting of operational expenses incurred at the holding company.

**b) Discontinued operations**

The discontinued operations maintained the YTD profit from operations of RM17.62 million in the current quarter under review. This was mainly due to no further operating numbers recognised after the disposal date.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

**PART B:-  
EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS (PART A OF APPENDIX 9B) (CONT'D)**

**B2. MATERIAL CHANGES IN THE CURRENT REPORTING QUARTER COMPARED TO THE IMMEDIATE PRECEDING QUARTER**

A summary of the financial performance of the Group is as tabulated below:-

	<b>Current Quarter Ended 31.12.2022</b>	<b>Immediate Preceding Quarter Ended 30.9.2022</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>CONTINUING OPERATIONS</b>				
<b>INVESTMENT HOLDING AND MOBILE AND DIGITAL SOLUTIONS</b>				
Revenue	1,111	1,342	(231)	(17.21)
Gross profit	811	820	(9)	(1.10)
Profit/ (Loss) from operations	(150)	(6,726)	6,576	97.77
Profit/ (Loss) before interest and tax	(150)	(6,726)	6,576	97.77
Profit/ (Loss) before tax	(247)	(6,823)	6,576	96.38
Profit/ (Loss) after tax	(238)	(6,839)	6,601	96.52
Profit/ (Loss) after tax attributable to				
Owners of the Company	(2,097)	(6,551)	4,454	67.98
Non-controlling interests	1,859	(288)	2,147	> 100
<b>DISCONTINUED OPERATIONS</b>				
<b>PRODUCTION AND SALE OF FABRICS</b>				
Revenue	-	14,920	(14,920)	(100.00)
Gross profit	-	3,873	(3,873)	(100.00)
Profit/ (Loss) from operations	-	2,300	(2,300)	(100.00)
Profit/ (Loss) before interest and tax	(39,449)	3,072	(42,521)	> (100)
Profit/ (Loss) before tax	(39,449)	3,072	(42,521)	> (100)
Profit/ (Loss) after tax	(39,449)	1,237	(40,686)	> (100)
Profit/ (Loss) after tax attributable to				
Owners of the Company	(39,449)	1,237	(40,686)	> (100)
Non-controlling interest	-	-	-	n.a.

*The fabric production & sale segment also does not have any borrowing from financial institutions.*

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

**PART B:-  
EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS (PART A OF APPENDIX 9B) (CONT'D)**

**B2. MATERIAL CHANGES IN THE CURRENT REPORTING QUARTER COMPARED TO THE IMMEDIATE PRECEDING QUARTER (CONT'D)**

**(i) Revenue**

**a) Continuing operations**

Revenue of the Group's continuing operations is mainly derived from the mobile and digital solutions businesses. The revenue of approximately RM1.11 million in the current quarter under review has decreased by 17.21% compared to the preceding quarter ("QoQ") mainly due to lower volume in the push SMS segment and commission earned from eJamin bail collection.

**b) Discontinued operations**

The fabric production and sale segment operated through Be Top was disposed on 10 August 2022. Accordingly, revenue, costs of sales and operating expenses from this segment are recognised up to the Disposal Completion Date.

There was no revenue recorded from this segment.

**(ii) Results from Operations**

**a) Continuing operations**

The consolidated mobile and digital solutions business registered a loss from operations of RM150,000 (97.77% QoQ). This reduction of loss was primarily due to the one-off loss on disposal of Be Top recognised in preceding quarter and the remaining are the resulting of operational expenses incurred at the holding company.

**b) Discontinued operations**

There were no results from operations recorded from this segment.

PART B:-  
EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS (PART A OF APPENDIX 9B) (CONT'D)

B3. PROSPECTS

i) CONTINUING OPERATIONS

**MOBILE AND DIGITAL SOLUTIONS BUSINESSES**

The Group's mobile and digital solutions business activities are engaged through DVSB, which is an 80%-owned subsidiary by TAS.

Mobile technology is growing and evolving at an overwhelming pace. The rapid development of mobile and digital communications in Malaysia has led to high population coverage and penetration rates. The Government of Malaysia ("**Government**") has embraced the information technology ("**IT**") sector as a key driver for socio-economic growth. As such, the Government has identified several plans and programmes to drive further the sector and pave the way for the adoption and integration of IT solutions by enterprises across the nation. The IT sector is expected to gain greater momentum, driven by the convergence of industries and commercial activities due to digitalization.

During the times when there was imposition of various phases of Movement Control Orders ("**MCO**") by the Government in response to manage the spreading of COVID-19 has augured well for the reception by public and the eventual growth of epayments. There had been increased subscriptions and transactions volume growth from individuals and business users who needed desperately the convenience of online payment while bank operations were cut down by a significant scale during MCO. Rakyat were reprimanded to remain indoors to comply with the MCO which inevitably caused disruptions to daily life.

The COVID-19 pandemic has triggered the great digitalisation acceleration globally. The Government of Malaysia ("**Government**") recently, it has embraced the information technology ("**IT**") sector as a key driver for socio-economic growth through the Malaysia Digital Economy Blueprint ("**MyDIGITAL**") launched on 19 February 2021.

A significant portion of MyDIGITAL is in sync with the Group's business plans. With the support of the public agencies, the Group intends to loop all government digital initiatives into its plan moving forward and take position as a strong advocate to implement the action plans as entailed in the MyDigital blueprint.

The Group will continue to be relevant to national objectives by proposing innovative yet risk-managed solutions to the market, coupled with strong executive capabilities. There are people with limited digital skills who will face challenges plugging into the new digital economy, and the Group's main objective has always been to identify and help this segment of the community.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

**PART B:-  
EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS (PART A OF APPENDIX 9B) (CONT'D)**

**B3. PROSPECTS (CONT'D)**

**i) CONTINUING OPERATIONS(CONT'D)**

**MOBILE AND DIGITAL SOLUTIONS BUSINESSES (CONT'D)**

The Company, via DVSB, currently operates the Malaysian government SMS gateway called mySMS 15888. It owns and operates MyPay, a mobile application for secure, easy and fast check-and-pay transactions with government agencies. It also owns and operates eJamin, a digital bail payment solution used in criminal courts throughout Malaysia. As at the date of this quarterly report, eJamin lives in 177 court locations all over Malaysia. The digital bail payment solution is showing rapid growth as courts encourage the digital shift amid the ongoing COVID-19 pandemic. The Group is also looking into expanding the digital bail system for police remands and the Syariah criminal courts.

With various plans in the pipeline which will be announced at the appropriate times, the outlook of the mobile and digital solutions businesses of the Group is bright. The prospect of DVSB, and hence prospect of the Group's new business operation in the mobile and digital solutions segment is expected to augur well with positive earnings accretive potentials.

**ii) DISCONTINUED OPERATIONS**

**FABRIC PRODUCTION**

Effective from the Disposal Completion Date, the Group has ceased to provide the prospect of the discontinued operations (production and sales of fabrics).

**B4. EXPLANATORY NOTE FOR VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE**

The Group has not provided any profit forecast or profit guarantee during the quarter ended 31 December 2022.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

**PART B:-  
EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS (PART A OF APPENDIX 9B) (CONT'D)**

**B5. TAXATION**

	Individual Quarter		Cumulative Quarters	
	Current Quarter Ended	Preceding Financial Year Corresponding Quarter	For Current Financial Year To-Date Ended	For Preceding Financial Year
	31.12.2022		31.12.2022	
	RM'000	RM'000	RM'000	RM'000
Tax on profit	957	n.a.	2,939	n.a.
In respect of:-				
<b>Continuing operations</b>				
Television Airtime Services Sdn. Bhd.	-	n.a	-	n.a
Dapat Vista (M) Sdn. Bhd.	-	n.a	-	n.a
<b>Discontinued operations</b>				
Top Textile (Suzhou) Co., Ltd.	957	n.a	2,939	n.a

Domestic corporate income tax is calculated at the Malaysian statutory tax rate of 24% (2021: 24%) of the estimated chargeable profit for the financial year/period.

The taxation of other jurisdiction is calculated at rates prevailing in the respective jurisdiction.

**B6. CORPORATE PROPOSALS**

There were no corporate proposals announced but not completed as at reporting date.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

**PART B:-  
EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS (PART A OF APPENDIX 9B) (CONT'D)**

**B7. BORROWINGS**

As at 31 December 2022, the Group's borrowing, denominated in Malaysian Ringgit, is as follows:-

	<b>Current Financial Period (<i>Fourth Quarter</i>) Ended 31.12.2022 RM'000 Unaudited</b>	<b>Preceding Financial Period Ended 31.12.2021 RM'000 Audited</b>
<b>Current Liability</b>		
Revolving credit - i	8,000	8,000

A fixed deposit of RM8 million has been pledged to secure the bank borrowing.

**B8. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There is no off-balance sheet financial instrument as at the date of this announcement.

**B9. CHANGES IN MATERIAL LITIGATION**

The Group does not have any litigation.

**B10. PROPOSED DIVIDEND**

The Board does not recommend the payment of any dividend for the quarter ended 31 December 2022.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

PART B:-  
EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS (PART A OF APPENDIX 9B) (CONT'D)

B11. EARNINGS/ (LOSS) PER SHARE

	Current Financial Year ( <i>Fourth Quarter</i> ) Ended 31.12.2022 RM'000 Unaudited	Preceding Financial Period Ended 31.12.2021 RM'000 Audited
<b>a) Basic earnings/ (loss) per share</b>		
<b>(i) Continuing operations</b>		
Net loss attributable to owners of the Company	(9,645)	(26,510)
Weighted average number of ordinary shares ('000)	433,361	433,361
Basic earnings/ (loss) per share (sen)	(2.52)	(6.12)
<hr/>		
<b>(ii) Discontinued operations (disposed on 10.8.2022)</b>		
Net (loss)/ profit attributable to owners of the Company	(28,094)	13,937
Weighted average number of ordinary shares ('000)	433,361	433,361
Basic earnings/ (loss) per share (sen)	(6.48)	3.22
<hr/>		
<b>b) Diluted earnings per share</b>		

The Group has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

**PART B:-  
EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS (PART A OF APPENDIX 9B) (CONT'D)**

**B12. UTILISATION OF PROCEEDS**

The table below summarises the utilisation of proceeds raised from the Disposal of Be Top, being the aggregate of the bidding bond of RM3 million, the first cash payment amounting to RM12 million and second cash payment of RM18.515 million, received from GIL.

PURPOSE	PROPOSED UTILISATION	ACTUAL UTILISATION	INTENDED TIMEFRAME FOR UTILISATION	DEVIATION		EXPLANATION <i>(if the deviation is 5% or more)</i>
				AMOUNT	%	
				RM'000		
i) TAS shares acquisition	2,000	2,000	Within 1 month	n.a.	n.a.	n.a.
ii) Future investment in the existing businesses of the Group	20,000	1,633	Within 24 months	n.a.	n.a.	n.a.
iii) Working capital of the Group	10,516	10,516	Within 24 months	n.a.	n.a.	n.a.
iv) Estimated expenses in relation to the proposals and waiver application	1,000	1,000	Within 9 months	n.a.	n.a.	n.a.