

**PROLEXUS BERHAD**  
Registration No. : 199201019353 (250857-T)

(Incorporated in Malaysia)

Interim Financial Report  
31 July 2021

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**PROLEXUS BERHAD**  
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Interim report for the period ended 31 July 2021  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited</b> <b>31.7.21</b> <b>RM'000</b>	<b>Audited</b> <b>31.7.20</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	178,467	198,437
Right-of-use assets	1,801	2,094
Intangible assets	45	52
Investment in a joint venture	91	308
Other investments	747	2,021
Goodwill on consolidation	2,712	2,712
	<u>183,863</u>	<u>205,624</u>
<b>Current Assets</b>		
Inventories	32,159	42,605
Trade receivables	35,011	60,555
Other receivables, deposits and prepayments	5,115	5,934
Amount due from a joint venture	-	220
Current tax assets	1,657	286
Other investments	9,248	595
Derivative financial instruments	-	79
Deposits with financial institutions	71,747	13,525
Cash and bank balances	43,491	90,447
	<u>198,428</u>	<u>214,246</u>
Non-current assets held for sale	<u>15,608</u>	<u>12,313</u>
	<u>214,036</u>	<u>226,559</u>
<b>TOTAL ASSETS</b>	<u>397,899</u>	<u>432,183</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	108,372	106,045
Treasury shares	(1,490)	(1,490)
Reserves	5,394	22,448
Retained profits	152,677	119,966
	<u>264,953</u>	<u>246,969</u>
Non-controlling interests	<u>28,911</u>	<u>28,812</u>
<b>Total equity</b>	<u>293,864</u>	<u>275,781</u>
<b>Non-Current Liabilities</b>		
Lease liabilities	407	659
Borrowings	61,181	69,089
Hire purchase payables	87	256
Deferred tax liabilities	791	53
	<u>62,466</u>	<u>70,057</u>
<b>Current Liabilities</b>		
Trade payables	5,198	10,704
Other payables and accruals	19,204	36,981
Contract liabilities	2,936	10,523
Lease liabilities	251	242
Borrowings	13,436	25,109
Hire purchase payables	87	122
Current tax liabilities	428	2,664
Derivative financial instruments	29	-
	<u>41,569</u>	<u>86,345</u>
<b>Total liabilities</b>	<u>104,035</u>	<u>156,402</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>397,899</u>	<u>432,183</u>
<b>Net assets per share attributable to owners of the parent (RM)</b>	0.99	0.94

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 July 2020 and the accompanying notes attached to this interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	31 July		31 July	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Revenue	38,671	97,934	227,529	340,501
Cost of sales	(37,081)	(60,488)	(186,086)	(276,934)
<b>Gross profit</b>	<b>1,590</b>	<b>37,446</b>	<b>41,443</b>	<b>63,567</b>
Other operating income	2,022	425	15,738	2,125
Administrative expenses	(9,245)	(7,148)	(22,817)	(27,832)
Selling and distribution expenses	(1,172)	(1,449)	(8,570)	(7,557)
Other operating expenses	(96)	(276)	(525)	(710)
<b>Operating (loss)/profit</b>	<b>(6,901)</b>	<b>28,998</b>	<b>25,269</b>	<b>29,593</b>
Finance cost	(851)	(1,085)	(3,843)	(4,652)
Share of loss of joint venture	(130)	(150)	(217)	(150)
<b>(Loss)/Profit before taxation</b>	<b>(7,882)</b>	<b>27,763</b>	<b>21,209</b>	<b>24,791</b>
Taxation	417	(1,536)	(3,925)	(4,020)
<b>(Loss)/Profit for the period</b>	<b>(7,465)</b>	<b>26,227</b>	<b>17,284</b>	<b>20,771</b>
<b>Total other comprehensive income, net of tax</b>				
Foreign currency translation differences for foreign operations	2,849	(707)	1,535	1,845
<b>Total comprehensive (loss)/income for the period</b>	<b>(4,616)</b>	<b>25,520</b>	<b>18,819</b>	<b>22,616</b>
<b>(Loss)/Profit attributable to:</b>				
Owners of the parent	(6,643)	23,876	16,861	17,629
Non-controlling interests	(822)	2,351	423	3,142
	<b>(7,465)</b>	<b>26,227</b>	<b>17,284</b>	<b>20,771</b>
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the parent	(4,364)	23,320	17,861	19,071
Non-controlling interests	(252)	2,200	958	3,545
	<b>(4,616)</b>	<b>25,520</b>	<b>18,819</b>	<b>22,616</b>
<b>Earnings per share attributable to owners of the parent (sen):</b>				
- Basic	(2.49)	9.11	6.33	6.73
- Diluted	(2.49)	9.11	6.32	6.73

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 July 2020 and the accompanying notes attached to this interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to Owners of the Parent →										Non-controlling Interests	Total Equity
	← Non-distributable →											
	Share Capital	Treasury Shares	Fair value Reserve	Exchange Translation Reserve	Warrants Reserve	Statutory Reserve	ESOS Reserve	Retained Profits	Total	RM'000		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 August 2020	106,045	(1,490)	-	3,125	17,590	941	792	119,966	246,969	28,812	275,781	
Foreign currency translation differences for foreign operations	-	-	-	1,000	-	-	-	-	1,000	535	1,535	
Profit for the year	-	-	-	-	-	-	-	16,861	16,861	423	17,284	
Total comprehensive income for the year	-	-	-	1,000	-	-	-	16,861	17,861	958	18,819	
Transactions with owners:												
Conversion of warrants	8	-	-	-	(2)	-	-	-	6	-	6	
Transfer of reserve upon expiry of warrants	-	-	-	-	(17,588)	-	-	17,588	-	-	-	
Share options exercised/lapsed	2,319	-	-	-	-	-	(464)	43	1,898	-	1,898	
Dividends	-	-	-	-	-	-	-	(1,781)	(1,781)	-	(1,781)	
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(859)	(859)	
Total transactions with owners	2,327	-	-	-	(17,590)	-	(464)	15,850	123	(859)	(736)	
At 31 July 2021	108,372	(1,490)	-	4,125	-	941	328	152,677	264,953	28,911	293,864	
At 1 August 2019	105,487	(1,490)	-	1,683	17,590	908	932	102,859	227,969	26,711	254,680	
Foreign currency translation differences for foreign operations	-	-	-	1,442	-	-	-	-	1,442	403	1,845	
Profit for the year	-	-	-	-	-	-	-	17,629	17,629	3,142	20,771	
Total comprehensive income for the year	-	-	-	1,442	-	-	-	17,629	19,071	3,545	22,616	
Transfer to statutory reserve	-	-	-	-	-	33	-	(57)	(24)	24	-	
Transactions with owners:												
Share options exercised/lapsed	558	-	-	-	-	-	(140)	59	477	-	477	
Dividends	-	-	-	-	-	-	-	(524)	(524)	-	(524)	
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(1,468)	(1,468)	
Total transactions with owners	558	-	-	-	-	-	(140)	(465)	(47)	(1,468)	(1,515)	
At 31 July 2020	106,045	(1,490)	-	3,125	17,590	941	792	119,966	246,969	28,812	275,781	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 July 2020 and the accompanying notes attached to this interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Cumulative Quarter Ended 31 July 2021 RM'000	Cumulative Quarter Ended 31 July 2020 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	21,209	24,791
Adjustments for :		
Amortisation of land use rights	-	220
Amortisation of intangible assets	10	7
Depreciation	12,149	12,322
Income distribution from other investments	(221)	(38)
Fair value loss on derivative financial instruments	108	45
Fair value loss on other investments	568	-
(Gain)/Loss on disposal of property, plant and equipment	(4,966)	4
Reversal of inventories written down	(1,840)	-
Interest expense	3,843	4,652
Interest income	(605)	(571)
Property, plant and equipment written off	46	107
Provision for expected credit loss	617	-
Impairment loss on property, plant and equipment	1,122	-
Impairment loss on other investment	1,274	-
Share results of joint venture	217	150
Unrealised (gain)/loss on foreign exchange	(2,884)	169
Operating profit before working capital changes	30,647	41,858
Decrease/(Increase) in inventories	13,339	(2,935)
Decrease in receivables	25,724	18,157
Decrease in payables	(20,792)	(6,723)
(Decrease)/Increase in contract liabilities	(7,380)	7,516
Cash generated from operations	41,538	57,873
Tax paid	(6,845)	(4,049)
Tax refunded	-	11
Interest paid	(3,843)	(4,652)
Net cash generated from operating activities	30,850	49,183
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	602	552
Proceeds from disposal of property, plant and equipment	11,372	4
Purchase of property, plant and equipment	(1,663)	(10,198)
Purchase of trademark	-	(13)
Purchase of other investments	(9,000)	-
Net cash from/(used in) investing activities	1,311	(9,655)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advances to a joint venture	(22)	63
Dividend paid	(1,781)	(524)
Dividend paid to non-controlling interests	(282)	(1,414)
Proceeds from issuance of shares pursuant to warrant exercise	6	-
(Repayment)/Drawdown of term loans	(4,184)	5,700
Repayment of trust receipt	(11,278)	(3,703)
Repayment of revolving credit	(4,000)	(276)
Repayment of hire purchase payables	(204)	(116)
Repayment for lease liabilities	(243)	-
Repayment of invoice financing	(478)	-
Proceeds from issuance of shares pursuant to ESOS	1,898	478
Net cash (used in)/from financing activities	(20,568)	208
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>11,593</b>	<b>39,736</b>
Effects of foreign exchange rate changes on cash and cash equivalents	(330)	(962)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>101,753</b>	<b>62,979</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>113,016</b>	<b>101,753</b>
<b>Cash and cash equivalents comprise:</b>		
Deposits with financial institutions	71,747	13,525
Cash and bank balances	43,491	90,447
	115,238	103,972
Less: Deposits pledged	(2,222)	(2,219)
Cash and cash equivalents	113,016	101,753

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 July 2020 and the accompanying notes attached to this interim financial report.

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**EXPLANATORY NOTES**

**1. Basis of preparation**

The interim condensed consolidated financial statements (“Report”) are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: ‘Interim Financial Reporting’ and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. For the period up to and including the financial year ended 31 July 2020, the Group prepared its financial statements in accordance with MFRS, International Financial Reporting Standards (“IFRS”) and the requirements of the Companies Act, 2016 in Malaysia.

The accounting policies and presentation adopted by the Group in this Report are consistent with those adopted in the audited financial statements for the financial year ended 31 July 2020.

**2. Significant accounting policies**

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 July 2020 except for the adoption of the following new accounting standards, amendments and interpretations which are applicable to the Group:

Amendments to References to the Conceptual Framework in MFRS Standards	Effective 1 January 2020
Amendments to MFRS 3 Business Combinations: Definition of a Business	Effective 1 January 2020
Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material	Effective 1 January 2020
Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement and MFRS 7 Financial Instruments: Disclosures: Interest Rate Benchmark Reform	Effective 1 January 2020

The initial application of the above accounting standards, amendments and interpretations are not expected to have any material impact to the current period and prior period financial statements of the Group.

**Standards issued but not yet effective**

The Group has not applied the following new MFRSs and amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the Group:

Amendment to MFRS 16 Leases: Covid-19 - Related Rent Concessions	Effective 1 June 2020
Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases: Interest Rate Benchmark Reform - Phase 2	Effective 1 January 2021
Amendment to MFRS 16 Leases: Covid-19 - Related Rent Concessions beyond 30 June 2021	Effective 1 April 2021
Amendments to MFRS 3 Business Combination: Reference to the Conceptual Framework	Effective 1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment: Property, Plant and Equipment – Proceeds before Intended Use	Effective 1 January 2022
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract	Effective 1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	Effective 1 January 2022

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**EXPLANATORY NOTES (CONT'D.)**

**2. Significant accounting policies (Con'd)**

**Standards issued but not yet effective (Con'd)**

MFRS 17 Insurance Contracts	Effective 1 January 2023
Amendments to MFRS 4 Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9	Effective 1 January 2023
Amendments to MFRS 17 Insurance Contracts	Effective 1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current	Effective 1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies	Effective 1 January 2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	Effective 1 January 2023
Amendments on MFRS 112 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Effective 1 January 2023
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date yet to be confirmed

**3. Seasonality or cyclical operations**

The Group is not materially affected by seasonality or cyclicity of operation.

**4. Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income and cash flows for the current quarter.

**5. Material changes in estimates of amounts reported**

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

**6. Debt and equity securities**

There were no issuance and repayment of debt and equity securities, share buy backs, share cancellations and resale of treasury shares for the current quarter except for the following:

- (i) Issuance of 25,000 new ordinary shares pursuant to exercise of ESOS at RM0.500 per share;
- (ii) Issuance of 5,110 new ordinary shares pursuant to the exercise of warrants at RM1.20 per share.

The total cash proceeds arising from the exercise of ESOS and warrants during the current quarter amounted to RM18,632.

**7. Dividend paid**

There was no dividend paid during the current quarter and previous corresponding quarter.



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**EXPLANATORY NOTES (CONT'D.)**

**8. Segmental reporting (Con'd)**

Segment information is presented in respect of the Group's business segments:

	<u>Apparels</u>	<u>Textile</u>	<u>Advertising</u>	<u>Investment</u> <u>Holding</u>	<u>Elimination</u>	<u>Consolidated</u> <u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Period ended 31 July 2021						
<b>REVENUE</b>						
External sales	212,613	5,114	9,412	390	-	227,529
Inter-segment sales	-	4,728	-	6,943	(11,671)	-
<b>Total revenue</b>	<b>212,613</b>	<b>9,842</b>	<b>9,412</b>	<b>7,333</b>	<b>(11,671)</b>	<b>227,529</b>
<b>RESULTS</b>						
Segment results	14,366	(3,081)	4,560	3,265	5,554	24,664
Share of loss of joint venture	-	(217)	-	-	-	(217)
Interest expense	(1,002)	(3,406)	(36)	(469)	1,070	(3,843)
Interest income	859	44	157	615	(1,070)	605
Taxation	(1,484)	(4)	(951)	(365)	(1,121)	(3,925)
<b>Profit/(Loss) for the period</b>	<b>12,739</b>	<b>(6,664)</b>	<b>3,730</b>	<b>3,046</b>	<b>4,433</b>	<b>17,284</b>

	<u>Apparels</u>	<u>Textile</u>	<u>Advertising</u>	<u>Investment</u> <u>Holding</u>	<u>Elimination</u>	<u>Consolidated</u> <u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Period ended 31 July 2020						
<b>REVENUE</b>						
External sales	327,562	2,003	10,468	468	-	340,501
Inter-segment sales	-	19,244	-	9,317	(28,561)	-
<b>Total revenue</b>	<b>327,562</b>	<b>21,247</b>	<b>10,468</b>	<b>9,785</b>	<b>(28,561)</b>	<b>340,501</b>
<b>RESULTS</b>						
Segment results	31,192	2,073	5,303	374	(9,920)	29,022
Share of loss of joint venture	-	(150)	-	-	-	(150)
Interest expense	(748)	(3,634)	(46)	(276)	52	(4,652)
Interest income	210	19	315	79	(52)	571
Taxation	(4,398)	-	(1,395)	(201)	1,974	(4,020)
<b>Profit/(Loss) for the period</b>	<b>26,256</b>	<b>(1,692)</b>	<b>4,177</b>	<b>(24)</b>	<b>(7,946)</b>	<b>20,771</b>

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and the terms of which have been established on a negotiated basis that are not materially different from that obtainable in transactions with unrelated parties. Those transactions are eliminated on consolidation.

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**EXPLANATORY NOTES (CONT'D.)**

**8. Segmental reporting (Con'd)**

**Geographical Segments**

The Group's geographical revenue for the financial period-to-date is as follows:

	Period-to-date	
	31 July 2021	31 July 2020
	RM'000	RM'000
Malaysia	21,477	16,396
United States of America	70,977	127,837
European countries	30,213	60,116
Asia	95,214	99,989
Other countries	9,648	36,163
	<u>227,529</u>	<u>340,501</u>

**9. Event subsequent to the end of reporting period**

As at 29 September 2021, there were no material events subsequent to the end of the current financial period-to-date that have not been reflected in the financial statements.

**10. Changes in composition of the Group**

There were no changes in the composition of the Group during the period up to 29 September 2021.

**11. Contingent liabilities**

There were no significant changes in contingent liabilities since the last reporting period.

**12. Capital commitments**

As at the reporting date, there is no capital commitment for the Group.

**13. Contract liabilities**

	RM'000
Balance at 1 August as per MFRS 15	10,523
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at beginning	(10,523)
Increase in contract liabilities as a result of receiving deposits from customers upon placing sales orders as at 31 July 2021	2,936
	<u>2,936</u>

Contract liabilities comprised of advances received from customers for rendering services.

**14. Authorisation for issue**

On 29 September 2021, the Board of Directors authorised the issue of this interim report.

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**ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA LISTING REQUIREMENTS**

**1) Review of Group's performance**

	Individual Quarter		Cumulative Quarter	
	31 July		31 July	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Revenue	38,671	97,934	227,529	340,501
(Loss)/Profit before taxation	<u>(7,882)</u>	<u>27,763</u>	<u>21,209</u>	<u>24,791</u>

**Comparison with corresponding quarter of the preceding financial year**

The Group recorded revenue of RM38.7 million in the current quarter compared to the corresponding quarter of the preceding financial year of RM97.9 million. The decline in revenue is mainly due to lower sales in the textile and apparel division in the current quarter.

Current quarter results have been negatively impacted by the Movement Control Order 3.0 starting from 1 June 2021 whereby business activities are restricted to essential service sectors only. The operation of non-essential service in the textile and apparel division were suspended and this has impacted the product delivery schedule to the buyers. Besides actively engaging with the buyers on the rescheduling of delivery dates, the Group has seek alternative with the China plant.

The shortage of workers has also impacted the order fulfilment of the Group. Whilst keeping abreast of any news from the government on reopening of foreign workers intake, the management is taking proactive measures on its recruitment activities to cushion the impact.

The Group recorded a loss before taxation in the current quarter of RM7.9 million compared to profit before taxation in the corresponding quarter of the preceding financial year of RM27.8 million. This is mainly due to the lower output in the textile and apparel division and impairment of property, plant and equipment and other investment in accordance with MFRS5 and MFRS136 respectively. The higher profit in the corresponding quarter is mainly contributed by the higher profit from the sales of fabric mask.

**Comparison with preceding quarter**

	3 months ended	3 months ended
	31 July 2021	30 April 2021
	RM'000	RM'000
Revenue	38,671	35,371
Loss before taxation	<u>(7,882)</u>	<u>(1,424)</u>

Revenue of the Group in the current quarter increased to RM38.7 million compared to the preceding quarter of RM35.4 million. The increase in revenue is mainly due to higher sales in the apparel division in the current quarter despite the impact of MCO3.0.

The group recorded a loss before taxation of RM7.9 million as a result of suspension of non-essential activities in the textile and apparel division during MCO3.0. The lower loss before taxation in the preceding quarter includes gain on disposal of lands.

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**ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA LISTING REQUIREMENTS (CONT'D.)**

**2) Current year prospects**

The on-going COVID-19 pandemic has presented unprecedented challenges to the global economy and the Group's businesses are expected to remain challenging in the forthcoming year.

Notwithstanding the shortage of workers and the uncertainty in the economic recovery of the country, we are exploring other business opportunities to enhance the performance of the Group.

**3) Profit forecast**

The Group did not make any profit forecast or profit guarantee during the current financial period.

**4) Variance of actual profit from forecast results or profit guarantee**

Not applicable.

**5) (Loss)/Profit for the period**

Included in (loss)/profit for the period are the following:

	Individual Quarter		Cumulative Quarter	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Depreciation	2,944	3,293	12,149	12,322
Amortisation of land use rights	-	5	-	220
Provision for expected credit losses	617	-	617	-
Amortisation of intangible assets	2	7	10	7
Interest expense	851	1,085	3,843	4,652
Interest income	(112)	(87)	(605)	(571)
Unrealised (gain)/loss on foreign exchange	(1,475)	(140)	(2,884)	169
Fair value loss/(gain) on derivative financial instruments	37	(122)	108	45
Fair value loss on other investments	568	-	568	-
Impairment loss on property, plant and equipment	1,122	-	1,122	-
Impairment loss on other investment	1,274	-	1,274	-
(Gain)/loss on disposal of property, plant and equipment	(209)	-	(4,966)	4
Income distribution from other investments	(202)	(22)	(221)	(38)
Reversal of inventories written down	(183)	-	(1,840)	-
Property, plant and equipment written off	13	46	46	107

Other than the above items, there were no gain or loss on disposal of quoted or unquoted investments, write off of receivables or inventories as well as exceptional items.

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**ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA LISTING REQUIREMENTS (CONT'D.)**

**6) Taxation**

	Individual Quarter 31 July		Cumulative Quarter 31 July	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Taxation	(417)	1,536	3,925	4,020

The effective tax rate of the Group for the current quarter and current financial period-to-date is lower than statutory tax rate mainly due to tax losses incurred in a subsidiary and utilization of unabsorbed tax losses.

**7) Status of corporate proposal**

As at 29 September 2021, there is no corporate proposal that is outstanding.

**8) Group borrowings and debts securities**

Details of the Group's borrowings as at 31 July 2021 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	13,436	61,181	74,617

**9) Material litigations**

The arbitration proceedings between Trans Pacific Textile (M) Sdn Bhd and Pembinaan Thong Lian Sdn Bhd as announced on 8 April 2021 and 9 April 2021 remains unchanged as at 29 September 2021.

**10) Proposed dividend**

No dividend was proposed during the current and previous corresponding quarter.

**11) Earnings per share**

	Individual Quarter 31 July		Cumulative Quarter 31 July	
	2021	2020	2021	2020
(a) Basic earnings per share				
(Loss)/Profit for the period attributable to equity holders (RM'000)	(6,643)	23,876	16,861	17,629
Weighted average number of ordinary shares in issue ('000)	266,300	262,022	266,300	262,022
Basic earnings per share (sen)	(2.49)	9.11	6.33	6.73

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**ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA LISTING REQUIREMENTS (CONT'D.)**

**11) Earnings per share**

	Individual Quarter 31 July		Cumulative Quarter 31 July	
	2021	2020	2021	2020
(b) Diluted earnings per share				
(Loss)/Profit for the period attributable to equity holders (RM'000)	(6,643)	23,876	16,861	17,629
Weighted average number of ordinary shares in issue ('000)	266,699	262,022	266,699	262,022
Diluted earnings per share (sen)	<u>(2.49)</u>	<u>9.11</u>	<u>6.32</u>	<u>6.73</u>

**12) Audit qualification**

The audit report of the Group's preceding year financial statements is not qualified.

*By Order of the Board*  
**PROLEXUS BERHAD**

Lee Peng Loon (MACS 01258)  
P'ng Chiew Keem (MAICSA 7026443)  
Company Secretaries  
29 September 2021