

**PROLEXUS BERHAD**  
Registration No. 199201019353 (250857-T)  
(Incorporated in Malaysia)

Interim Financial Report  
31 July 2022

## **CONTENTS**

	<b>PAGE</b>
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	1
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	2
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	3
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	4 - 5
EXPLANATORY NOTES	6 – 10
ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA SECURITIES BERHAD’S MAIN MARKET LISTING REQUIREMENTS	11 – 14

**PROLEXUS BERHAD**  
(Incorporated in Malaysia)

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited 31 Jul 2022 RM'000</b>	<b>Audited 31 Jul 2021 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	172,395	178,467
Right-of-use assets	2,830	1,801
Land use rights	12,041	-
Intangible assets	35	45
Investment in a joint venture	27	91
Other investments	701	747
Goodwill on consolidation	2,712	2,712
	<u>190,741</u>	<u>183,863</u>
<b>Current Assets</b>		
Inventories	33,302	32,159
Trade receivables	73,483	35,011
Other receivables, deposits and prepayments	4,920	5,115
Amount due from a joint venture	8	-
Current tax assets	1,023	1,657
Other investments	35,402	9,248
Deposits with financial institutions	26,665	71,747
Cash and bank balances	51,495	43,491
	<u>226,298</u>	<u>198,428</u>
Non-current assets held for sale	-	15,608
	<u>226,298</u>	<u>214,036</u>
<b>TOTAL ASSETS</b>	<u>417,039</u>	<u>397,899</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	126,071	125,960
Treasury shares	(737)	(1,490)
Reserves	4,695	4,120
Retained profits	142,733	134,963
	<u>272,762</u>	<u>263,553</u>
Non-controlling interests	35,187	28,911
<b>Total equity</b>	<u>307,949</u>	<u>292,464</u>
<b>Non-Current Liabilities</b>		
Lease liabilities	646	407
Borrowings	50,067	61,181
Hire purchase payables	-	87
Deferred tax liabilities	833	973
	<u>51,546</u>	<u>62,648</u>
<b>Current Liabilities</b>		
Trade payables	8,326	5,198
Other payables and accruals	19,018	20,422
Contract liabilities	1,538	2,936
Derivative financial instruments	-	29
Lease liabilities	1,025	251
Borrowings	27,514	13,436
Hire purchase payables	-	87
Current tax liabilities	123	428
	<u>57,544</u>	<u>42,787</u>
<b>Total liabilities</b>	<u>109,090</u>	<u>105,435</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>417,039</u>	<u>397,899</u>
<b>Net assets per share attributable to owners of the parent (RM)</b>	1.02	0.99

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 2021 and the accompanying notes attached to this interim financial report.

**PROLEXUS BERHAD**  
(Incorporated in Malaysia)

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	31 Jul		31 Jul	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Revenue	65,514	38,671	237,379	227,529
Cost of sales	(55,771)	(37,476)	(196,429)	(186,481)
<b>Gross profit</b>	<b>9,743</b>	<b>1,195</b>	<b>40,950</b>	<b>41,048</b>
Other operating income	7,864	2,024	10,352	15,740
Administrative expenses	(4,068)	(8,798)	(19,466)	(22,370)
Selling and distribution expenses	(1,255)	(1,172)	(12,886)	(8,570)
Other operating expenses	(380)	(96)	(824)	(525)
<b>Operating profit/(loss)</b>	<b>11,904</b>	<b>(6,847)</b>	<b>18,126</b>	<b>25,323</b>
Finance cost	(782)	(851)	(3,089)	(3,843)
Share of result of a joint venture	(17)	(130)	(64)	(217)
<b>Profit/(Loss) before taxation</b>	<b>11,105</b>	<b>(7,828)</b>	<b>14,973</b>	<b>21,263</b>
Taxation	(1,309)	236	(5,651)	(4,106)
<b>Profit/(Loss) for the period</b>	<b>9,796</b>	<b>(7,592)</b>	<b>9,322</b>	<b>17,157</b>
<b>Other comprehensive income/(loss), net of tax</b>				
Foreign currency translation differences				
for foreign operations	1,851	2,849	4,650	1,534
Fair value loss on other investment	-	(1,274)	-	(1,274)
<b>Total comprehensive income/(loss) for the period</b>	<b>11,647</b>	<b>(6,017)</b>	<b>13,972</b>	<b>17,417</b>
<b>Profit/(Loss) attributable to:</b>				
Owners of the parent	8,814	(6,770)	8,559	16,734
Non-controlling interests	982	(822)	763	423
	<b>9,796</b>	<b>(7,592)</b>	<b>9,322</b>	<b>17,157</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the parent	5,471	(5,765)	7,541	16,459
Non-controlling interests	6,176	(252)	6,431	958
	<b>11,647</b>	<b>(6,017)</b>	<b>13,972</b>	<b>17,417</b>
<b>Earnings/(Loss) per share attributable to owners of the parent (sen):</b>				
- Basic	3.29	(2.56)	3.19	6.32
- Diluted	3.28	(2.56)	3.19	6.32

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 2021 and the accompanying notes attached to this interim financial report.

**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to Owners of the Parent →								Retained Profits	Total	Non-controlling Interests	Total Equity
	← Non-distributable →				→ Distributable							
	Share Capital	Treasury Shares	Capital Reserve	Exchange Translation Reserve	Warrants Reserve	Statutory Reserve	ESOS Reserve	Fair Value Reserve	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	RM'000	RM'000	RM'000
At 1 August 2021	125,960	(1,490)	-	4,124	-	941	329	(1,274)	134,963	263,553	28,911	292,464
Foreign currency translation differences for foreign operations	-	-	-	(1,019)	-	-	-	-	-	(1,019)	5,669	4,650
Profit/(loss) for the period	-	-	-	-	-	-	-	-	8,559	8,559	763	9,322
Total comprehensive income/(loss) for the period	-	-	-	(1,019)	-	-	-	-	8,559	7,540	6,432	13,972
Share options exercised/lapsed	111	-	-	-	-	-	(42)	-	14	83	-	83
Change in treasury shares	-	753	1,635	-	-	-	-	-	-	2,388	-	2,388
Dividends	-	-	-	-	-	-	-	-	(802)	(802)	-	(802)
Dividends paid to non-controlling	-	-	-	-	-	-	-	-	-	-	(156)	(156)
Total transactions with owners	111	753	1,635	-	-	-	(42)	-	(788)	1,669	(156)	1,513
At 31 July 2022	126,071	(737)	1,635	3,105	-	941	287	(1,274)	142,734	272,762	35,187	307,949
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	-	-	-	999	-	-	-	-	-	999	535	1,534
Fair value loss on other investment	-	-	-	-	-	-	-	(1,274)	-	(1,274)	-	(1,274)
Profit for the period	-	-	-	-	-	-	-	-	16,734	16,734	423	17,157
Total comprehensive income for the period	-	-	-	999	-	-	-	(1,274)	16,734	16,459	958	17,417
Transfer to statutory reserve	17,590	-	-	-	(17,590)	-	-	-	-	-	-	-
Transactions with owners:												
Share options exercised	2,325	-	-	-	-	-	(463)	-	43	1,905	-	1,905
Dividends	-	-	-	-	-	-	-	-	(1,780)	(1,780)	-	(1,780)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(859)	(859)
Total transactions with owners	2,325	-	-	-	-	-	(463)	-	(1,737)	125	(859)	(734)
At 31 July 2021	125,960	(1,490)	-	4,124	-	941	329	(1,274)	134,963	263,553	28,911	292,464

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 2021 and the accompanying notes attached to this interim financial report.

**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Cumulative Quarter Ended 31 Jul 2022 RM'000	Cumulative Quarter Ended 31 Jul 2021 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	14,973	21,263
Adjustments for :		
Accretion of interest on lease liabilities	47	35
Amortisation of intangible assets	10	10
Recognise right-of-use assets	(1,048)	-
Amortisation of land use rights	767	-
Depreciation of property, plant and equipment	11,427	11,812
Depreciation of right-of-use assets	370	335
Fair value (gain)/loss on derivative financial instruments	(29)	108
Fair value (gain)/ loss on quoted investments	(5,624)	568
(Gain) on disposal of property, plant and equipment	(26)	(4,966)
Income distribution from quoted investments	(414)	(221)
Impairment for non-current assets held for sales	-	1,122
Impairment loss on other investment	46	-
Reversal of inventories written down	(736)	(1,840)
Interest expense	3,042	3,808
Interest income	(656)	(656)
Liquidated ascertained damages claimed	-	(6,522)
Property, plant and equipment written off	154	71
Provision for expected credit loss	-	616
Share of result of a joint venture	64	217
Realised (gain) on other investment	(1,006)	-
Unrealised (gain) on foreign exchange	(1,291)	(2,413)
Operating profit before working capital changes	20,070	23,347
Decrease/(Increase) in inventories	(319)	13,323
Decrease/(Increase) in receivables	(36,284)	25,725
Increase/(Decrease) in payables	1,807	(12,992)
(Decrease) in contract liabilities	(1,398)	(7,380)
Cash (used in)/generated from operations	(16,124)	42,023
Tax paid	(4,149)	(7,222)
Tax refunded	-	429
Interest paid	(3,042)	(3,808)
Net cash (used in)/generated from operating activities	(23,315)	31,422
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	641	645
Proceeds from disposal of property, plant and equipment	3,345	11,581
Purchase of property, plant and equipment	(5,389)	(1,898)
Purchase of other investment	(19,110)	(9,000)
Net cash (used in) /generated from investing activities	(20,513)	1,328
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advance to a joint venture	(8)	(22)
Dividend paid	(802)	(1,780)
Dividend paid to non-controlling interests	(156)	(846)
Payment of hire purchase payables	(174)	(204)
Drawdown/(Repayment) of lease liabilities	966	(278)
Repayment of revolving credit	-	(4,000)
Drawdown of invoice financing	8,525	-
Repayment of term loans	(5,585)	(15,461)
Repayment of invoice financing	-	(479)
Proceeds from issuance of shares pursuant to ESOS	85	1,899
Proceeds from issuance of shares pursuant to warrant exercise	-	6
Proceeds from resales of treasury shares	2,387	-
Net cash generated from/(used in) financing activities	5,238	(21,165)

**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

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

	Cumulative Quarters Ended 31 Jul 2022 RM'000	Cumulative Quarters Ended 31 Jul 2021 RM'000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(38,590)	11,585
Effects of foreign exchange rate changes on cash and cash equivalents	1,497	(330)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>113,008</u>	<u>101,753</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>75,915</u>	<u>113,008</u>
<b>Cash and cash equivalents comprise:</b>		
Deposits with financial institutions	26,665	71,747
Cash and bank balances	<u>51,495</u>	<u>43,491</u>
	78,160	115,238
Less: Deposits pledged	<u>(2,245)</u>	<u>(2,230)</u>
Cash and cash equivalents	<u>75,915</u>	<u>113,008</u>

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 2021 and the accompanying notes attached to this interim financial report.

**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

**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 2022, 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 2021.

**2. Significant accounting policies**

The accounting policies and methods of computation adopted in this Report are consistent with those adopted in the audited financial statements for the financial year ended 31 July 2021 except for the adoption of the following new accounting standards, amendments and interpretations which are applicable to the Group:

Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	Effective 1 April 2021
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

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:

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
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 17 Insurance Contracts: Initial application of MFRS 17 and MFRS 9 - Comparative Information	Effective 1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current	Effective 1 January 2023



**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

**EXPLANATORY NOTES (CONT'D)**

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

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

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 to 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 157,500 new ordinary shares pursuant to exercise of ESOS at RM0.540 per share; and
- (ii) resale of 4,743,900 treasury shares at minimum price of RM0.53 and maximum price of RM0.57 per share.

The total cash proceeds arising from the exercise of ESOS and resale of treasury shares during the current quarter amounted to RM2,471,564.17.

**7. Dividend paid**

Dividend paid during the current quarter and previous corresponding quarter are as follows:

First and final dividend for the financial year	31 July 2021	31 July 2020
Approved on	23 December 2021	16 December 2020
Date paid	20 January 2022	20 January 2021
Dividend per share (single tier)	0.3 sen	1.0 sen
Entitlement to dividend based on Record of Depositors as at	31 December 2021	31 December 2020
Number of ordinary shares (excluding treasury shares)	267,171,913	178,084,520
Dividend paid	RM 801,515	RM 1,780,845

**PROLEXUS BERHAD**  
(Incorporated in Malaysia)

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

**EXPLANATORY NOTES (CONT'D)**

**8. Segmental reporting**

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

	<u>Apparel</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 2022						
<b>REVENUE</b>						
External sales	214,890	9,516	12,423	550	-	237,379
Inter-segment sales	-	3,369	-	5,090	(8,459)	-
<b>Total revenue</b>	<b>214,890</b>	<b>12,885</b>	<b>12,423</b>	<b>5,640</b>	<b>(8,459)</b>	<b>237,379</b>
<b>RESULTS</b>						
Segment results	19,580	(11,979)	8,389	716	764	17,470
Share of result of a joint venture	-	(64)	-	-	-	(64)
Interest expense	(683)	(2,010)	(27)	(318)	(51)	(3,089)
Interest income	424	13	112	56	51	656
Taxation	(2,946)	-	(2,502)	(180)	(23)	(5,651)
<b>Profit/(Loss) for the period</b>	<b>16,375</b>	<b>(14,040)</b>	<b>5,972</b>	<b>274</b>	<b>741</b>	<b>9,322</b>

	<u>Apparel</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	14,367	(3,082)	4,560	3,265	5,554	24,664
Share of result of a joint venture	-	(217)	-	-	-	(217)
Interest expense	(1,002)	(3,406)	(36)	(469)	1,070	(3,843)
Interest income	859	44	157	669	(1,070)	659
Taxation	(1,665)	(4)	(951)	(365)	(1,121)	(4,106)
<b>Profit/(Loss) for the period</b>	<b>12,559</b>	<b>(6,665)</b>	<b>3,730</b>	<b>3,100</b>	<b>4,433</b>	<b>17,157</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.

**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

**EXPLANATORY NOTES (CONT'D)**

**Geographical Segments**

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

	Period-to-date	
	31 Jul 2022	31 Jul 2021
	RM'000	RM'000
Malaysia	46,056	21,477
United States of America	115,358	70,977
European countries	30,285	30,213
Asia	7,806	60,132
Other countries	37,874	44,730
	<u>237,379</u>	<u>227,529</u>

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

As at 28 September 2022, 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 at 28 September 2022.

**11. Contingent liabilities**

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

**12. Capital commitments**

As at the reporting date, the capital commitment of the Group is as follows:

Property, plant and equipment:	RM'000
- Authorised and contracted for	-
- Authorised but not contracted for	178
	<u>178</u>

**13. Contract liabilities**

	RM'000
Balance at 1 August 2021 as per MFRS 15	2,936
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at beginning	(2,936)
Increase in contract liabilities as a result of receiving deposits from customers upon placing sales orders as at 31 July 2022	1,538
Balance at 31 July 2022	<u>1,538</u>

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

**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

**EXPLANATORY NOTES (CONT'D)**

**14. Authorisation for issue**

On 28 September 2022, the Board of Directors authorised the issue of this interim report.

**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

**ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA SECURITIES  
BERHAD'S MAIN MARKET LISTING REQUIREMENTS**

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

	Individual Quarter		Cumulative Quarter	
	31 Jul		31 Jul	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Revenue	65,514	38,671	237,379	227,529
Profit/(Loss) before taxation	<u>11,105</u>	<u>(7,828)</u>	<u>14,973</u>	<u>21,263</u>

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

The Group recorded revenue of RM65.5 million for the current quarter as compared to the corresponding quarter of the preceding financial year of RM38.7 million. The increase in revenue for the 3-month financial period ended 31 July 2022 was mainly attributable to market recovery following the transition of the pandemic to endemic phase.

The Group recorded revenue of RM237.4 million for the current cumulative quarter as compared to cumulative quarter of the preceding financial year of RM227.5 million was mainly due to the increased revenue from textile and advertising divisions due to market recovery.

The Group recorded profit before taxation for the current quarter of RM11.1 million as compared to corresponding quarter of the preceding financial year of loss before taxation of RM7.8 million. The increase in profit in the current quarter was mainly attributed to higher profit margin in the Group's advertising division and gain on investments.

The Group recorded profit before taxation for the current cumulative quarter of RM15.0 million as compared to cumulative quarter of the preceding financial year of profit before taxation of RM21.2 million. The higher profit in the preceding financial year is mainly contributed by the liquidated ascertained damages claimed to contractor and gain on disposal of properties.

**Comparison with preceding quarter**

	3 months ended	3 months ended	3 months ended
	31 Jul 2022	30 Apr 2022	31 Jan 2022
	RM'000	RM'000	RM'000
Revenue	65,514	52,021	62,021
Profit/(Loss) before taxation	<u>11,105</u>	<u>(1,128)</u>	<u>3,631</u>

Revenue of the Group in the current quarter increased to RM65.5 million from RM52.0 million in the 3-month financial period ended 30 April 2022. The increase in revenue in current quarter was mainly due to low season months in the preceding quarter.

The group recorded a profit before taxation of RM11.1 million as compared to a loss before taxation of RM1.1 million in the preceding quarter. The increase in profit for the current quarter as compared to the preceding quarter was mainly attributable by the higher profit margin achieved in the Group's advertising division and gain on investments.

**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

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

**2) Current year prospects**

Despite the economic activities accelerate due to the transition to endemic phase and improvement in labour market conditions, the business environment is expected to remain challenging in 2023. The adverse global developments such as the conflict in Ukraine, China's COVID-19 lockdown and the inflationary pressure which would reduce disposable income and adversely affect consumer sentiments, are expected to soften the demand for our Group's products and services. Nevertheless, the Group continue to seek avenues to enhance the Group's financial performance.

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

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

	Individual Quarter		Cumulative Quarter	
	31 Jul		31 Jul	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Accretion of interest on lease liabilities	26	8	47	35
Amortisation of intangible assets	3	2	10	10
Depreciation of property, plant and equipment	3,007	2,773	11,427	11,812
Depreciation of right-of-use assets	116	169	370	335
Fair value (gain)/loss on derivative financial instruments	-	37	(29)	108
Fair value (gain)/loss on quoted investments	(5,848)	568	(5,624)	568
Gain on disposal of property, plant and equipment	(1)	(209)	(26)	(4,966)
Income distribution from quoted investments	(157)	(202)	(414)	(221)
Interest expense	769	843	3,042	3,808
Interest income	(141)	(163)	(656)	(656)
Liquidated ascertained damages claimed	-	(6,522)	-	(6,522)
Property, plant and equipment written off	148	38	154	71
Realised gain on other investment	(1,006)	-	(1,006)	-
Unrealised gain on foreign exchange	(152)	(1,004)	(1,291)	(2,413)
Reversal of inventories written down	78	(1,655)	(736)	(1,840)

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

**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

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

**6) Taxation**

The effective tax rate of the Group for the current quarter was higher than statutory tax rate mainly due to tax losses incurred in a few of the Company's subsidiaries.

	Individual Quarter		Cumulative Quarter	
	31 Jul		31 Jul	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Taxation	1,309	(236)	5,651	4,106

**7) Status of corporate proposal**

As at 28 September 2022, there is no corporate proposal which have been announced by the Company but yet to be completed.

**8) Group borrowings and debts securities**

Details of the Group's borrowings as at 31 July 2022 are as follows:

	RM'000
<u>Secured</u>	
Short term	18,107
Long term	50,067
Total	<u>68,174</u>
<u>Unsecured</u>	
Short term	9,407
Total	<u>77,581</u>

Borrowings denominated in foreign currency as at 31 July 2022 are as follows:

	Short Term RM'000
Borrowings denominated in RMB	<u>4,619</u>

**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 remain unchanged as at 28 September 2022.

**10) Proposed dividend**

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

**PROLEXUS BERHAD**  
**(Incorporated in Malaysia)**

Interim report for the period ended 31 July 2022  
(The figures have not been audited)

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

**11) Earnings per share**

	Individual Quarter		Cumulative Quarter	
	2022	2021	2022	2021
(a) Basic earnings per share				
Profit/(Loss) for the period attributable to parent (RM'000)	8,814	(6,770)	8,559	16,734
Weighted average number of ordinary shares in issue ('000)	268,227	264,835	268,227	264,835
Basic earnings/(loss) per share (sen)	<u>3.29</u>	<u>(2.56)</u>	<u>3.19</u>	<u>6.32</u>

	Individual Quarter		Cumulative Quarter	
	2022	2021	2022	2021
(b) Diluted earnings per share				
Profit/(Loss) for the period attributable to parent (RM'000)	8,814	(6,770)	8,559	16,734
Weighted average number of ordinary shares in issue ('000)	268,317	264,835	268,317	264,835
Diluted earnings/(loss) per share (sen)	<u>3.28</u>	<u>(2.56)</u>	<u>3.19</u>	<u>6.32</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**

Thien Lee Mee (LS0010621)  
Tan Tong Lang (MAICSA 7045482)  
Company Secretaries  
28 September 2022