

Unaudited Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income For The Third Quarter Ended 30 September 2022

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT QUARTER ENDED 30 SEP 2022 RM'000	CORRESPONDING QUARTER ENDED 30 SEP 2021 RM'000	CURRENT YEAR TO DATE ENDED 30 SEP 2022 RM'000	CORRESPONDING YEAR TO DATE ENDED 30 SEP 2021 RM'000
Revenue		54,231	34,865	147,764	129,956
Cost of sales		(49,295)	(31,129)	(129,769)	(114,377)
Gross Profit		4,936	3,736	17,995	15,579
Interest income		49	6	145	63
Other income		538	551	1,503	1,903
Administrative and other expenses		(4,347)	(5,171)	(15,890)	(16,362)
Selling and distribution expenses		(1,534)	(737)	(3,743)	(3,733)
(Loss)/Profit from operations		(358)	(1,615)	10	(2,550)
Impairment losses		-	-	-	(25)
Finance costs		(1,165)	(763)	(3,448)	(2,321)
Loss before tax	B5	(1,523)	(2,378)	(3,438)	(4,896)
Tax credit/(expense)	B6	483	19	(39)	(203)
Loss after tax		(1,040)	(2,359)	(3,477)	(5,099)
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations		(153)	-	(448)	-
Total comprehensive loss for the financial year		(1,193)	(2,359)	(3,925)	(5,099)
Loss attributable to:					
Owners of the Company		(477)	(2,297)	(2,431)	(4,502)
Non-controlling interests		(563)	(62)	(1,046)	(597)
		(1,040)	(2,359)	(3,477)	(5,099)
Total comprehensive loss attributable to:					
Owners of the Company		(630)	(2,297)	(2,879)	(4,502)
Non-controlling interests		(563)	(62)	(1,046)	(597)
		(1,193)	(2,359)	(3,925)	(5,099)
Loss per share attributable to owners of the Company:					
Basic, loss for the financial period (sen)	B12	(0.18)	(0.98)	(0.91)	(1.93)
Diluted, earnings/loss for the financial period (sen)	B12	N/A	N/A	N/A	N/A

(The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021)

Unaudited Condensed Consolidated Statement Of Financial Position As At 30 September 2022

	Note	Unaudited As at 30 Sep 2022 RM'000	Audited As at 31 Dec 2021 RM'000
Assets			
Non-current Assets			
Property, plant and equipment		55,422	54,326
Right of used assets		10,781	11,607
Concession right		12,945	15,271
Other investments		15	15
Deferred tax assets		1,609	1,609
		<u>80,772</u>	<u>82,828</u>
Current Assets			
Inventories		48,164	46,075
Trade receivables		53,583	60,467
Other receivables, deposits and prepayment		8,957	7,535
Contract assets		23,334	11,724
Tax assets		171	445
Cash and bank balances		9,046	11,386
		<u>143,255</u>	<u>137,632</u>
Total Assets		<u><u>224,027</u></u>	<u><u>220,460</u></u>
Equity and liabilities			
Current Liabilities			
Trade payables		44,578	43,622
Other payables and accruals		20,331	9,310
Contract liabilities		4,248	10,805
Lease liabilities	B8	859	2,851
Borrowings	B8	37,293	37,692
Tax liabilities		780	1,566
		<u>108,089</u>	<u>105,846</u>
Non-current Liabilities			
Borrowings	B8	18,877	19,346
Lease liabilities	B8	11,658	6,035
Deferred tax liabilities		9,176	9,081
		<u>39,711</u>	<u>34,462</u>
Total Liabilities		<u><u>147,800</u></u>	<u><u>140,308</u></u>
Equity attributable to owners of the Company			
Share capital		123,322	123,322
Reserves		(37,892)	(35,013)
		<u>85,430</u>	<u>88,309</u>
Non-controlling interests		(9,203)	(8,157)
Total equity		<u><u>76,227</u></u>	<u><u>80,152</u></u>
Total Equity and Liabilities		<u><u>224,027</u></u>	<u><u>220,460</u></u>
Net assets per share attributable to equity holders of the parent (RM)		0.2845	0.2991

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021)

Unaudited Condensed Consolidated Statement Of Changes In Equity for the Third Quarter Ended 30 September 2022

	----- Attributable to Owners of the Company -----							
	-----Non-Distributable -----							
	Share Capital	Revaluation Reserve	Capital Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total	Non-controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
9 months ended 30 September 2021								
As at 1 Jan 2021	113,469	21,866	1,671	(68)	(56,362)	80,576	(6,592)	73,984
Loss for the financial year	-	-	-	-	(4,502)	(4,502)	(597)	(5,099)
Foreign currency translation difference for foreign operations	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	(4,502)	(4,502)	(597)	(5,099)
Transactions with owners of the Company	-	-	-	-	-	-	-	-
As at 30 September 2021	113,469	21,866	1,671	(68)	(60,864)	76,074	(7,189)	68,885
9 months ended 30 September 2022								
As at 1 Jan 2022	123,322	28,116	1,671	(68)	(64,732)	88,309	(8,157)	80,152
Loss for the financial year	-	-	-	-	(2,431)	(2,431)	(1,046)	(3,477)
Foreign currency translation difference for foreign operations	-	-	-	(448)	-	(448)	-	(448)
Total comprehensive loss	-	-	-	(448)	(2,431)	(2,879)	(1,046)	(3,925)
Transactions with owners of the Company	-	-	-	-	-	-	-	-
As at 30 September 2022	123,322	28,116	1,671	(516)	(67,163)	85,430	(9,203)	76,227

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021)

Unaudited Condensed Consolidated Statement Of Cash Flows For The Third Quarter Ended 30 September 2022

	As at End of Current Quarter 30 Sep 2022 RM'000	Preceeding Period To Date Ended 30 Sep 2021 RM'000
Cash Flows from Operating Activities		
Loss before tax	(3,438)	(4,896)
Adjustments for:		
Amortisation of concession right	2,326	2,155
Depreciation of property, plant and equipment	2,481	3,405
Depreciation of right-of-use assets	5,063	1,476
Gain on disposal of property, plant and equipment	-	(2)
Inventories written back	-	(127)
Interest expense	3,448	2,321
Interest income	(145)	(63)
Impairment loss on other receivables	-	5
Impairment loss on trade receivables	-	20
Unrealised (gain)/loss on foreign exchange	(211)	49
	<hr/>	<hr/>
Operating profit before working capital changes	9,524	4,343
Net changes in working capital	(6,394)	3,152
Tax paid, net of refund	(456)	(897)
Interest paid	(3,448)	(2,321)
Interest received	145	63
	<hr/>	<hr/>
Net cash (used in)/from operating activities	(629)	4,340
	<hr/>	<hr/>
Cash flows from Investing Activities		
Addition of intangible asset	-	-
Proceeds from disposal of property, plant and equipment	-	1,432
Purchase of property, plant and equipment	(3,577)	(2,405)
(Placement)/Withdrawal of bank deposits	(460)	71
	<hr/>	<hr/>
Net cash used in investing activities	(4,037)	(902)
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Cash Flows from Financing Activities		
Net drawdown of borrowings	2,091	1,626
Advances from director	3,341	807
Net repayment of lease liabilities	(607)	(2,643)
	<hr/>	<hr/>
Net cash from/(used in) financing activities	4,825	(210)
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Net increase in cash and cash equivalents	159	3,228
Effect of exchange rate fluctuations on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the financial year	2,845	(2,569)
	<hr/>	<hr/>
Cash and cash equivalents at end of the financial year	3,004	659
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Cash and cash equivalents comprises the followings:-		
Cash in hand and at bank	3,399	5,122
Bank overdrafts	(395)	(4,463)
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	3,004	659
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(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021)

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022

A1. Basis Of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirement of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2021.

Significant Accounting Policies

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2020, except for the adoption of the following New and Revised Malaysian Financial Reporting Standards (“MFRSs”) and amendments/Improvements to MFRS and New IC Interpretations (“IC Int”) for financial periods beginning on or after 1 January 2022:-

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to MFRSs 2018 to 2020	

As at the date of authorisation of the interim financial report, the following new MFRSs, amendments/Improvements to MFRSs and IC Interpretations were issued but not yet effective and have not been adopted by the Group:-

Effective for financial periods beginning on or after 1 January 2023

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The Group will adopt the above pronouncement when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial applications.

A2. Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2021 was not subject to any qualification.

A3. Seasonal Or Cyclical Factors

The Group's operations were not materially affected by any seasonality or cyclicity for the financial period under review.

A4. Unusual Items Due To Their Nature, Size Or Incidence

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

A5. Changes In Estimates

There were no changes in estimates used for accounting estimates which may have a material effect for the current financial period under review.

A6. Debt And Equity Securities

There were no issuance and repayment of debts and equity securities for the financial period.

A7. Dividends Paid

No dividend has been paid or declared by the Company since the end of the previous financial year.

KUMPULAN JETSON BERHAD [197701003095 (34134-H)]**A8. Segment Information****Segmental information for the 9 months ended 30 September 2022:**

Business Segments	Manufacturing RM'000	Construction and Property RM'000	Hostel Management RM'000	Elimination RM'000	Total RM'000
External sales	127,177	17,180	3,407	-	147,764
Inter-segment revenue	-	8,346	-	(8,346)	-
Total revenue	<u>127,177</u>	<u>25,526</u>	<u>3,407</u>	<u>(8,346)</u>	<u>147,764</u>
Operating profit/(loss)	5,244	(5,025)	(79)	(275)	(135)
Impairment losses					-
Finance costs					(3,448)
Interest income					145
Loss before tax					<u>(3,438)</u>
Tax expense					<u>(39)</u>
Loss after tax					<u><u>(3,477)</u></u>
Assets					
Segment assets	<u>134,738</u>	<u>86,570</u>	<u>13,492</u>	<u>-</u>	<u>234,800</u>
Liabilities					
Segment liabilities	<u>86,121</u>	<u>59,349</u>	<u>13,103</u>	<u>-</u>	<u>158,573</u>

A8. Segment Information (Cont'd)

Segmental information for the 9 months ended 30 September 2021:

Business Segments	Manufacturing RM'000	Construction and Property RM'000	Hostel Management RM'000	Elimination RM'000	Total RM'000
External sales	91,834	34,705	3,417	-	129,956
Inter-segment revenue	-	1,034	-	(1,034)	-
Total revenue	<u>91,834</u>	<u>35,739</u>	<u>3,417</u>	<u>(1,034)</u>	<u>129,956</u>
Operating profit/(loss)	2,470	(5,595)	512	-	(2,613)
Impairment losses					(25)
Finance costs					(2,321)
Interest income					63
Loss before tax					<u>(4,896)</u>
Tax expense					<u>(203)</u>
Loss after tax					<u><u>(5,099)</u></u>
Assets					
Segment assets	<u>114,932</u>	<u>89,363</u>	<u>17,790</u>	<u>1,674</u>	<u>223,759</u>
Liabilities					
Segment liabilities	<u>66,656</u>	<u>69,718</u>	<u>11,250</u>	<u>7,250</u>	<u>154,874</u>

A9. Valuation Of Property, Plant And Equipment

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual financial statements.

A10. Subsequent Event

There were no material events subsequent to the end of the reporting period that have not been reflected in these interim financial statements.

KUMPULAN JETSON BERHAD [197701003095 (34134-H)]

A11. Changes In Composition Of The Group

There were no changes in the composition of the Group during the current financial period under review.

A12. Capital Commitments

	As at 30 Sep 2022 RM'000	As at 30 Sep 2021 RM'000
Approved and contracted for:- Property, plant and equipment	<u>1,276</u>	<u>2,839</u>
Approved and not contracted for:- Property, plant and equipment	<u>9</u>	<u>-</u>

A13. Changes In Contingent Liabilities And Contingent Assets

The changes in contingent liabilities were as below:-

	As at 30 Sep 2022 RM'000	As at 30 Sep 2021 RM'000
Bank guarantees	<u>5,234</u>	<u>9,890</u>

A14. Related Party Transactions

There were no related party transactions during the period and the correspondence period.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Financial Review For The Current Quarter

	Revenue		Operating Results	
	Current Quarter Ended 30 Sep 2022	Corresponding Quarter Ended 30 Sep 2021	Current Quarter Ended 30 Sep 2022	Corresponding Quarter Ended 30 Sep 2021
	RM'000	RM'000	RM'000	RM'000
Operating segment				
Manufacturing	43,014	24,296	1,562	(505)
Construction and Property	12,944	9,777	(2,498)	(1,391)
Hostel Management	1,134	1,137	3	295
Elimination	(2,861)	(345)	526	-
	<u>54,231</u>	<u>34,865</u>	<u>(407)</u>	<u>(1,601)</u>
Impairment losses			-	(20)
Finance costs			(1,165)	(763)
Interest income			49	6
Loss before tax			<u>(1,523)</u>	<u>(2,378)</u>

The Group recorded revenue of RM54.231 million for current quarter, an increase of RM19.366 million or 55.55% compared to preceding year's corresponding quarter of RM34.865 million mainly due to significant increase in revenue from Manufacturing Division. The Group recorded an operating loss of RM0.407 million in the current quarter compared to an operating loss of RM1.601 million in the preceding year corresponding quarter, this was mainly due to increase in sales volume in the Manufacturing Division.

The performance of the respective divisions for the current quarter was as follows:-

a) Manufacturing Division

Manufacturing Division registered total revenue of RM43.014 million in the current quarter, which was RM18.718 million higher than the preceding year corresponding quarter of RM24.296 million. The increase in revenue was mainly due to higher sales from automotive industries and pails industries as the result of recovery of the COVID-19 pandemic.

The division reported operating profit of RM1.562 million, which was RM2.067 million higher than the operating loss of RM0.505 million in the preceding year corresponding quarter. It was mainly due to higher revenue achieved while in the preceding year corresponding quarter revenue was impacted by the COVID-19 pandemic and MCO implemented by the Government.

b) Construction and Property Division

The division generated total revenue of RM12.944 million, which was RM3.167 million higher compared to the preceding year corresponding quarter of RM9.777 million. Revenue for the quarter was mainly contributed by the existing ongoing building works.

B1. Financial Review For The Current Quarter (Cont'd)

b) Construction and Property Division (Cont'd)

Higher revenue was mainly due to sales of few units of properties under existing projects, as well as ongoing progress billings under Construction Division.

Despite increase in revenue, the division recorded higher operating loss by RM1.107 million from RM1.391 million to RM2.498 million corresponding quarter mainly due to higher operating costs in current quarter.

c) Hostel Management Division

There was a slight decrease in revenue for the quarter by RM0.003 million from RM1.137 million in preceding year corresponding quarter to RM1.134 million reported in the current quarter. This is mainly due to lower rental rate given to shoplot tenants as a result of semester break during July and August 2022.

The division reported lower operating profit by RM0.292 million from RM0.295 million to RM0.003 million corresponding quarter mainly due to higher administration expenses incurred during the quarter.

B2. Financial Review For The Current Quarter Compared With Immediate Preceding Quarter

	Revenue		Operating Results	
	Current Quarter Ended 30 Sep 2022 RM'000	Immediate Preceding Quarter Ended 30 June 2022 RM'000	Current Quarter Ended 30 Sep 2022 RM'000	Immediate Preceding Quarter Ended 30 June 2022 RM'000
Operating segment				
Manufacturing	43,014	42,349	1,562	2,068
Construction and Property	12,944	10,094	(2,498)	(882)
Hostel Management	1,134	1,140	3	4
Elimination	(2,861)	(3,906)	526	(801)
	<u>54,231</u>	<u>49,677</u>	<u>(407)</u>	<u>389</u>
Impairment losses			-	-
Finance costs			(1,165)	(1,581)
Interest income			49	96
Loss before tax			<u>(1,523)</u>	<u>(1,096)</u>

The Group's revenue increased from RM49.677 million in the immediate preceding quarter to RM54.231 million in the current quarter. The increase in revenue was mainly from Construction and Property Division due to completion of projects under the Construction Division.

B2. Financial Review For The Current Quarter Compared With Immediate Preceding Quarter (Cont'd)

The Group recorded operating loss of RM0.407 million as compared to operating profit of RM0.389 million in the immediate preceding quarter mainly due to higher operating costs in Construction and Property Division.

B3. Commentary On Prospect

The core business of the Group and the prospects for year 2022 is as analysed below.

a) Manufacturing Division

The Manufacturing Division will still be the main driver for the Group's revenue in 2022.

- Anti-vibration segment

The anti-vibration segment which is supplying to the automotive industry will continue to be the main revenue contributor of the Manufacturing Division. For the local market, we are currently involved in the development of the anti-vibration parts for new car models for Perodua, the anti-vibration parts for new car models for Proton and the localisation of anti-vibration parts for existing Proton models.

Meanwhile the division is also expected to further expand its export market with collaborations with existing and new customers (consist of car manufacturers and major OEM automotive parts manufacturers) in Europe, Japan, US, Thailand, Indonesia, India and China.

- Chemical segment

The adhesive, sealant and cementitious products business will continue to be the main source of revenue of the Chemical Division and the growth is forecasted from the export market such as South East Asia, Pacific Islands, Middle East and Africa countries.

- Plastic segment

This segment is expected to maintain its position as one of the leading manufacturers of industrial pails for the paint, lubricant, joint compound and adhesive industry in Malaysia. At the same time, we will continue to grow our market share in packaging products for the food industries and plastic products for the agriculture sector.

b) Construction and Property Division

The division will continuously monitor the construction market, exercise prudence in the selection of projects to participate in or tender for, with emphasis on our strengths as a Design and Build and Construction of infrastructure. Simultaneously, the division will focus to complete the projects that are currently on-going.

B3. Commentary On Prospect (Cont'd)

The core business of the Group and the prospects for year 2022 is as analysed below (cont'd).

c) *Hostel Management Division (cont'd)*

The Hostel Management Division continues to operate and manage the hostels and facilities in University Putra Malaysia (“UPM”), Serdang under the “Build, Operate and Transfer” (“BOT”) arrangement with UPM for concession period of 25 years (expiring in 2028).

B4. Profit Forecast

Not applicable as no profit forecast was published.

B5. Loss Before Tax

	<u>Individual quarter</u>		<u>Cumulative quarter</u>	
	<u>30 Sep 2022</u>	<u>30 Sep 2021</u>	<u>30 Sep 2022</u>	<u>30 Sep 2021</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Loss before tax is arrived				
after charging/(crediting):-				
Amortisation of concession right	775	719	2,326	2,155
Depreciation of property, plant and equipment	36	1,265	2,481	3,405
Depreciation of right-of-use assets	2,840	204	5,063	1,476
Gain on disposal of property, plant and equipment	-	(1)	-	(2)
Impairment loss on other receivables	-	-	-	5
Impairment loss on trade receivables	-	15	-	20
Interest expense	1,165	763	3,448	2,321
Interest income	(49)	(6)	(145)	(63)
Inventories written back	-	-	-	(127)
(Gain)/Loss on foreign exchange:				
- realised	(449)	(52)	(529)	(181)
- unrealised	(190)	42	(211)	49

B6. Tax Credit/(Income)

	<u>Individual quarter</u>		<u>Cumulative quarter</u>	
	<u>30 Sep 2022</u>	<u>30 Sep 2021</u>	<u>30 Sep 2022</u>	<u>30 Sep 2021</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Income tax:-				
Based on result for current quarter	(250)	14	(805)	(238)
Over/(Under) provision in prior year	733	-	766	4
	<u>483</u>	<u>14</u>	<u>(39)</u>	<u>(234)</u>
Deferred tax:-				
Origination of temporary differences	-	5	-	31
Underprovision in prior year	-	-	-	-
	<u>-</u>	<u>5</u>	<u>-</u>	<u>31</u>
	<u>483</u>	<u>19</u>	<u>(39)</u>	<u>(203)</u>

The effective tax rate of the Group for the current year is higher than the statutory tax rate principally due mainly to losses incurred by the Company and certain operating subsidiaries.

B7. Status Of Corporate Proposal

There was no other corporate proposal announced but not completed as at 18 November 2022 (being the latest practicable date which is not earlier than 7 days from the date of this report).

B8. Group Borrowings

	As at 30 Sep 2022		
	Long Term RM'000	Short Term RM'000	Total Borrowing RM'000
Secured			
Bank overdrafts	-	5,073	5,073
Trust receipts and bankers' acceptance	-	29,452	29,452
Term loans	18,877	2,768	21,645
Finance lease payables	11,658	859	12,517
	<u>30,535</u>	<u>38,152</u>	<u>68,687</u>
	As at 30 Sep 2021		
	Long Term RM'000	Short Term RM'000	Total Borrowing RM'000
Secured			
Bank overdrafts	-	4,463	4,463
Trust receipts and bankers' acceptance	-	32,181	32,181
Term loans	19,101	2,851	21,952
Finance lease payables	5,381	2,420	7,801
	<u>24,482</u>	<u>41,915</u>	<u>66,397</u>

- a) The Group's total borrowing as at 30 September 2022 was RM68.687 million, an increase of RM2.290 million compared to preceding year corresponding quarter.
- b) The Group does not have any borrowings denominated in foreign currency.

B9. Off Balance Sheet Financial Instruments

There is no financial instrument with off balance sheet risk at the date of this report.

B10. Status Of Material Litigation

Detail of the material litigation should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 December 2021.

(a) Jetson Construction Sdn Bhd-vs-MCC Overseas (M) Sdn Bhd ('MCC')

Subsequent to the hearing on 11 March 2022, the next hearing has been fixed on 20 April 2022. On 20 April 2022, all parties have completed their submission and the panel has reserved their decision. The decision date which was originally fixed for 29 July 2022 is now revised to 19 August 2022.

On 19 August 2022, the Court of Appeal ('COA') delivered the decision and dismissed JCSB's appeal with cost of RM0.035 million to be paid to MCC. On 15 September 2022, JCSB filed a Notice of Motion for leave to appeal to the Federal Court.

B10. Status Of Material Litigation (Cont'd)

(a) Jetson Construction Sdn Bhd-vs-MCC Overseas (M) Sdn Bhd ('MCC') (Cont'd)

The Leave Application has been fixed for case management on 17 October 2022. At the said case management, the hearing for the Leave Application was fixed on 8 February 2023.

(b) YDI Synergy Sdn Bhd-vs-Jetson Construction Sdn Bhd (ADJ-4297-2022)

Jetson Construction Sdn Bhd ('JCSB'), a wholly-owned subsidiary was served with a 'Notice of Adjudication' ("NOA") on 24 May 2022 and a 'Notice to Director of AIAC to Register the Adjudication' on 21 June 2022 by YDI SYNERGY SDN. BHD ("YDIS") to commence adjudication proceedings against JCSB under the Construction Industry and Payment Adjudication Act 2012 (CIPM) in relation to disputes arising from the construction of "CADANGAN PEMBANGUNAN INSTITUSI PENGAJIAN TINGGI SWASTA YANG MERANGKUMI 3 FASA IAITU:- (a) SEBAHAGIAN FASA 3: 2 TINGKAT TEMPAT LETAK KENDERAAN ARAS 1 DAN 2; (b) FASA 5: 12 TINGKAT BLOK K1 KEDIAMAN PELAJAR, 10 TINGKAT BLOK K2 KEDIAMAN PELAJAR; (c) FASA 6: 7 TINGKAT BLOCK C: BENGKEL & MAKMAL KEJURUTERMIN, BILIK KULIAH, TUTORIAL & PERBINCANGAN DAN DEWAN PAMERAN, DI ATAS LOT P.T. 13825, TAMAN TEKNOLOGI MALAYSIA, MUKIM PETALING, BANDARAYA KUALA LUMPUR, WILAYAH PERSEKUTUAN UNTUK TETUAN ASIA PACIFIC UNIVERSITY SDN BHD" ("Project"). The amount of the dispute is RM6,089,876.12.

The Leave Application has been fixed for case management on 17 October 2022. At the said case management, the hearing for the Leave Application was fixed on 8 February 2023. The Company's views that YDIS' alleged claims are without merits. JCSB has served YDIS and its solicitors the Adjudication Response which includes a set-off by JCSB against YDIS claims on 31 July 2022. YDIS has also submitted the Adjudication Reply on 8 August 2022. A decision will be reached within 45 days from 8 August 2022.

On 1 September 2022, the adjudicator had delivered its adjudication decision and decided in favour JCSB and as such:-

- (a) The entire claim made by YDIS in this Adjudication is dismissed.
- (b) YDIS shall pay JCSB RM 25,000.00 in cost.
- (c) YDIS shall also additionally bear in full the cost of this Adjudication, which is, the Adjudicator's fee and taxes and; the Asian International Arbitration Centre's administrative fee and taxes, amounting to RM 71,668.38.
- (d) The cost ordered under (b) and (c) above, shall be paid by YDIS to JCSB on or before the 22 September 2022, failing which a simple interest of 5% per annum shall apply, until the said payment is made.

B10. Status Of Material Litigation (Cont'd)

(c) YDI Synergy Sdn Bhd-vs-Jetson Construction Sdn Bhd (AIAC/D/ADM-1121-2022)

Jetson Construction Sdn Bhd ('JCSB'), a wholly-owned subsidiary was served with a 'Notice of Arbitration ("NOA") on 12 May 2022 filed by YDI Synergy Sdn Bhd ("YDI") in demanding that the disputes between JCSB and YDI arising from the Agreements and Conditions of PAM Contract 2018 (With Quantities) ("Agreement") together with a Letter of Award dated 20 March 2020 ("LOA") (read together with the Agreement and Conditions of PAM Contract 2018 (With Quantities) for the construction of "CADANGAN PEMBANGUNAN INSTITUSI PENGAJIAN TINGGI SWASTA YANG MERANGKUMI 3 FASA IAITU:- (a) SEBAHAGIAN FASA 3: 2 TINGKAT TEMPAT LETAK KENDERAAN ARAS 1 DAN 2; (b) FASA 5: 12 TINGKAT BLOK K1 KEDIAMAN PELAJAR, 10 TINGKAT BLOK K2 KEDIAMAN PELAJAR; (c) FASA 6: 7 TINGKAT BLOCK C: BENGKEL & MAKMAL KEJURUTERMN, BILIK KULIAH, TUTORIAL & PERBINCANGAN DAN DEWAN PAMERAN, DI ATAS LOT P.T. 13825, TAMAN TEKNOLOGI MALAYSIA, MUKIM PETALING, BANDARAYA KUALA LUMPUR, WILAYAH PERSEKUTUAN UNTUK TETUAN ASIA PACIFIC UNIVERSITY SDN BHD", be referred to arbitration.

Pursuant to NOA, YDI claims against JCSB the sum of RM9,459,424 plus interest to be adjudged by the arbitrator on the basis that JCSB had allegedly delayed, failed and/or refused to certify and/or make payments to YDI for the works done by YDI.

JCSB counterclaim against YDI in the arbitration is in the estimated sum of RM15.5 million.

An arbitrator for this matter has been appointed by AIAC pursuant to a request by the parties and currently is pending finalization and agreement by all parties on the arbitrator's fees and expenses.

B11. Dividend Payable

No dividend has been recommended by the Board of Directors during the financial period ended 30 September 2022.

B12. Loss Per Ordinary Share

(a) Basic

Basic loss per ordinary share are calculated by dividing loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period.

	<u>3 Months Ended</u>		<u>Cumulative Year To-date</u>	
	<u>30 Sep 2022</u>	<u>30 Sep 2021</u>	<u>30 Sep 2022</u>	<u>30 Sep 2021</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Net loss attributable to the owners of the Company	<u>(477)</u>	<u>(2,297)</u>	<u>(2,431)</u>	<u>(4,502)</u>
Adjusted weighted average number of ordinary shares in issue and issuable	<u>267,967</u>	<u>232,667</u>	<u>267,967</u>	<u>232,667</u>
Basic loss per share (sen)	<u>(0.18)</u>	<u>(0.98)</u>	<u>(0.91)</u>	<u>(1.93)</u>

(b) Diluted

Diluted loss per ordinary share for the financial period is calculated by dividing the loss for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares. The Group had no dilution in its loss per ordinary shares.

B13. Authorised For Issuance

The interim financial statements for the financial period ended 30 September 2022 has been approved by the Board of Directors on 25 November 2022 for release to the Bursa Securities.