

INDUSTRONICS BERHAD (23699-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

(The figures have not been audited)

	AS AT THE END OF THE CURRENT FINANCIAL PERIOD 31.03.2023 RM (Unaudited)	AS AT THE PRECEDING FINANCIAL YEAR END 31.12.2021 RM (Audited)
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	6,795,434	5,379,522
Right-Of-Use Assets	1,729,061	435,192
Investment Properties	158,062	163,930
Investment in Associate Company	1,417,909	1,291,827
Intangible Assets	2,777,384	3,046,427
Other Investments	812,997	133,000
Total Non-Current Assets	13,690,847	10,449,898
Current Assets		
Inventories	18,201,850	12,953,823
Tax Recoverable	15,386	13,194
Trade & Other Receivables	44,024,562	18,673,127
Amount due from Associate Company	26,893	26,893
Cash and Bank Balances	1,100,246	12,999,853
Total Current Assets	63,368,937	44,666,890
TOTAL ASSETS	77,059,784	55,116,788
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share Capital	44,593,173	20,142,486
Reserves	(9,680,951)	(2,277,975)
Shareholders' funds	34,912,222	17,864,511
Non-Controlling Interest	(525,225)	34,838
Total Equity	34,386,997	17,899,349
Non-Current Liabilities		
Lease Liability	424,423	33,185
RCPS	-	1,000,000
Hire Purchase Payable	1,601,968	200,642
Deferred Tax Liabilities	524,282	524,282
Total Non-Current Liabilities	2,550,673	1,758,109
Current Liabilities		
Trade & Other Payables	39,175,581	35,259,389
Amount due to Director	202,400	1,336
Tax Payables	3,700	175
Hire Purchase Payable	343,036	17,938
Lease Liability	397,397	180,492
Total Current Liabilities	40,122,114	35,459,330
TOTAL EQUITY AND LIABILITIES	77,059,784	55,116,788
Net Assets per Share (RM)	0.04	0.05

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

INDUSTRONICS BERHAD (23699-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Quarterly Report For The Quarter and Period Ended 31 March 2023
(The figures have not been audited)

	INDIVIDUAL QUARTER 3 Months Ended		CUMULATIVE QUARTERS 15 Months Ended	
	CURRENT QUARTER 31.03.2023	PRECEDING QUARTER 31.03.2022	CURRENT PERIOD 31.03.2023	PRECEDING YEAR 31.03.2022
	RM	RM	RM	RM
Revenue	5,565,249	N/A	41,514,466	N/A
Cost of Sales	<u>(4,951,943)</u>	<u>N/A</u>	<u>(35,810,509)</u>	<u>N/A</u>
Gross Profit	613,306	N/A	5,703,957	N/A
Other Income	(10,852)	N/A	488,700	N/A
Operating Expenses	(2,483,530)	N/A	(13,282,165)	N/A
Share of (Loss)/Profit of Associate	(12,013)	N/A	57,283	N/A
Finance Costs	(557,280)	N/A	(3,278,407)	N/A
Loss Before Tax	<u>(2,450,368)</u>	<u>N/A</u>	<u>(10,310,631)</u>	<u>N/A</u>
Income Tax	<u>-</u>	<u>N/A</u>	<u>-</u>	<u>N/A</u>
Loss for the Period	<u>(2,450,368)</u>	<u>N/A</u>	<u>(10,310,631)</u>	<u>N/A</u>
Other comprehensive income/(loss), net of tax:				
Foreign currency translation differences for foreign operations	<u>(151,341)</u>	<u>N/A</u>	<u>2,347,592</u>	<u>N/A</u>
	<u>(151,341)</u>	<u>N/A</u>	<u>2,347,592</u>	<u>N/A</u>
Total comprehensive loss for the period/year	<u>(2,601,709)</u>	<u>N/A</u>	<u>(7,963,039)</u>	<u>N/A</u>
Loss Attributable to :				
Owners of the Company	<u>(1,884,980)</u>	<u>N/A</u>	<u>(9,750,568)</u>	<u>N/A</u>
Non-Controlling Interest	<u>(565,386)</u>	<u>N/A</u>	<u>(560,063)</u>	<u>N/A</u>
Loss for the Period	<u>(2,450,366)</u>	<u>N/A</u>	<u>(10,310,631)</u>	<u>N/A</u>
Total Comprehensive Loss Attributable to :				
Owners of the Company	<u>(2,036,323)</u>	<u>N/A</u>	<u>(7,402,976)</u>	<u>N/A</u>
Non-Controlling Interest	<u>(565,386)</u>	<u>N/A</u>	<u>(560,063)</u>	<u>N/A</u>
	<u>(2,601,709)</u>	<u>N/A</u>	<u>(7,963,039)</u>	<u>N/A</u>
Loss per Share				
- Basic (sen)	(0.41)	N/A	(2.13)	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

The Group has changed its financial year-end from 31 December to 30 June as announced on 29 November 2022. Hence, the comparative figures are not applicable for the current financial period.

INDUSTRONICS BERHAD (23699-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Quarterly Report For The Quarter and Period Ended 31 March 2023

	----- Attributable to Owners of the Parent -----						Total Equity
	Share capital	Foreign currency translation reserve	Revaluation reserves	Accumulated losses	Share- holders Fund	Non-Controlling Interest	
	RM	RM	RM	RM	RM	RM	
At 1 January 2022	20,142,486	- (122,070)	3,819,608	(5,975,513)	17,864,511	34,838	17,899,349
Loss for the period	-	-	-	(9,750,568)	(9,750,568)	(560,063)	(10,310,631)
Foreign exchange translation	-	2,347,592	-	-	2,347,592	-	2,347,592
Total comprehensive income/(loss) for the period	-	2,347,592	-	(9,750,568)	(7,402,976)	(560,063)	(7,963,039)
Issuance of ordinary shares	23,450,687	-	-	-	23,450,687	-	23,450,687
Disposal of subsidiary company	-	-	-	-	-	-	-
Conversion of RCPS	1,000,000	-	-	-	1,000,000	-	1,000,000
At 31 March 2023 (Unaudited)	44,593,173	2,225,522	3,819,608	(15,726,081)	34,790,152	(525,225)	34,386,997
At 31 December 2020	7,240,905	15,841	3,819,608	(1,220,007)	9,856,347	50,542	9,906,889
Loss for the year	-	-	-	(4,755,506)	(4,755,506)	(15,704)	(4,771,210)
Foreign exchange translation	-	(137,911)	-	-	(137,911)	-	(137,911)
Total comprehensive loss for the period	-	(137,911)	-	(4,755,506)	(4,893,417)	(15,704)	(4,909,121)
Issuance of ordinary shares	3,252,845	-	-	-	3,252,845	-	3,252,845
Conversion of RCPS	9,665,000	-	-	-	9,665,000	-	9,665,000
Share issuance expenses	(16,264)	-	-	-	(16,264)	-	(16,264)
At 31 December 2021 (Audited)	20,142,486	- (122,070)	3,819,608	(5,975,513)	17,864,511	34,838	17,899,349

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

INDUSTRONICS BERHAD (23699-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
Quarterly Report For The Quarter and Period Ended 31 March 2023

	Current Year To date ended 31.03.2023	Preceding Year Corresponding Period ended 31.03.2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(10,310,631)	N/A
Adjustments for non-cash flow:-		
Non-cash items	2,226,064	N/A
Non-operating items	<u>3,008,245</u>	<u>N/A</u>
Operating loss before changes in working capital	(5,076,323)	N/A
Net change in current assets	(30,598,126)	N/A
Net change in current liabilities	<u>4,019,256</u>	<u>N/A</u>
Cash used in operations	(31,655,192)	N/A
Interest paid	(3,278,407)	N/A
Interest income	270,162	N/A
Taxes refunded	4,239	N/A
Taxes paid	<u>(2,906)</u>	<u>N/A</u>
Net cash used in operating activities	<u>(34,662,104)</u>	<u>N/A</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend income	-	
Purchase of property, plant and equipment	(1,854,378)	N/A
Purchase of intangible assets	(1,069,090)	N/A
Purchase of other investments, quoted	(679,997)	N/A
Addition of Right-of-use assets	(754,209)	N/A
Disposal of subsidiary companies	98,000	N/A
Proceeds from disposal of property, plant and equipment	7,650	N/A
Net cash used in investing activities	<u>(4,252,024)</u>	<u>N/A</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share (at net)	23,450,687	N/A
Repayment of finance lease liabilities	(276,268)	N/A
Drawdown/repayment of hire purchase	1,701,741	N/A
Net cash generated from financing activities	<u>24,876,160</u>	<u>N/A</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(14,037,968)	N/A
Effect of exchange rate changes	2,138,362	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	12,999,852	N/A
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>1,100,246</u>	<u>N/A</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	1,100,246	N/A
Bank overdraft	<u>-</u>	<u>N/A</u>
	<u>1,100,246</u>	<u>N/A</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation

These condensed consolidated interim financial statement, for the financial period ended 31 December 2022 have not been audited 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 ("Bursa Malaysia") ("Listing Requirements").

On 29 November 2022, the Group has announced the changes of financial year end from 31 December to 30 June, hence, there will be no comparative figure available for the financial period ended 31 March 2022. The next audited financial statements shall be for a period of eighteen (18) months from 1 January 2022 to 30 June 2023 and thereafter, the financial year end shall be 30 June for each subsequent year.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021. These explanatory notes attached to the 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 year ended 31 December 2021.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended

31 December 2021 except for the adoption of the following new MFRSs / Amendments with effect from 1 January 2022:-

Effective for Financial Years beginning on or after 1 January 2022

Annual Improvements to MFRS Standards 2018-2020 - MFRS 1, MFRS 9, MFRS 141

Amendments to MFRS 3 Business Combination: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use

Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts
– Cost of Fulfilling a Contract

The application of these amendments to MFRSs and amendments to MFRSs did not result in significant changes in the accounting policies of the Group and had no significant effect on the financial performance or position of the Group.

A2. Auditors' Report on the Preceding Year's Audited Financial Statements

The Group's financial statements for the financial year ended 31 December 2021 is not qualified.

A3. Seasonal or Cyclical Factors

The business operations of the Group is generally non-seasonal and not subject to any seasonal or cyclical factors. The nature of the group's business is primarily project based and hence impact on the Group is subject to systemic market risk.

A4. Unusual Items

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

A5. Changes in Estimates

There is no significant change in estimates of amounts reported in prior financial year that have a material effect in the current financial period.

A6. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayments of debt and equity securities for the current financial period ended 31 March 2023.

A7. Dividend Paid

There were no dividends paid during the current quarter under review.

A8. Segmental Reporting

For management purposes, the Group is organised into the following business units based on their products and services, and has three reportable operating segments as follows:

Electronics & system integration - Design, manufacturing and installation of electronics and microprocessor controlled products. Trading, maintenance and supply of industrial electronic equipment. Intelligent transportation system and major system integration projects involving Information Communication Technology, supply and service of telecommunication equipment, audio visual multimedia systems.

Security systems, mechanical and electrical engineering ("M&E") - Supply and installation of security systems. Specialist in fire protection system design and installation works and mechanical engineering services. Industrial maintenance and service works. Trading of transport equipment and provision of related services. Manufacturing of filter inclusive of import and marketing.

Trading and services operations - Involving in trading of precision instruments, provision of cloud service and general trading.

Geographical Segments

Malaysia - All main businesses disclosed in primary reporting format-business segments.
Hong Kong - Trading of precision instruments, provision of cloud service and general trading.
- Operating E commerce business and target market is South East Asia.

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(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT

A8. Segmental Reporting (Continued)

a) Individual quarter

Business segments:

Individual quarter ended	Electronics & System Integration		Security Systems & M&E		Trading & Services Operations		Adjustments and Eliminations		Per consolidated Financial Statements	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External customers	654		710	N/A	4,201	N/A	-	N/A	5,565	N/A
Inter-segment	255	N/A	-	N/A	-	N/A	(255)	N/A	-	N/A
Total revenue	910	N/A	710	N/A	4,201	N/A	(255)	N/A	5,565	N/A
Results										
Interest income	-	N/A	-	N/A	6	N/A	-	N/A	6	N/A
Finance costs	530	N/A	10	N/A	17	N/A	-	N/A	556	N/A
Depreciation and amortisation	25	N/A	57	N/A	142	N/A	-	N/A	225	N/A
Segment (loss)/profit	(2,416)	N/A	(109)	N/A	(745)	N/A	818	N/A	(2,451)	N/A
Segment assets	14,595	N/A	3,070	N/A	59,701	N/A	(306)	N/A	77,060	N/A
Segment liabilities	(37,308)	N/A	(2,375)	N/A	(72,502)	N/A	69,512	N/A	(42,673)	N/A
Capital expenditure	9	N/A	-	N/A	(4)	N/A	-	N/A	5	N/A

Geographical segments:

	Malaysia		Hong Kong		Adjustments and eliminations		Per consolidated financial statements			
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Revenue										
Revenue from external customers	1,620	N/A	4,201	N/A	-	N/A	(255)	N/A	5,565	N/A
Segment loss	(2,964)	N/A	(304)	N/A	-	N/A	818	N/A	(2,451)	N/A
Segment assets	19,278	N/A	58,087	N/A	-	N/A	(306)	N/A	77,060	N/A
Capital expenditure	15	N/A	(10)	N/A	-	N/A	-	N/A	5	N/A

b) Cumulative quarters

Business segments:

Cumulative quarters ended	Electronics & System Integration		Security Systems & M&E		Trading & Services Operations		Adjustments and Eliminations		Per consolidated Financial Statements	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External customers	3,438	NA	5,420	NA	32,656	NA	-	NA	41,514	NA
Inter-segment	1,241	NA	-	NA	-	NA	(1,241)	NA	-	NA
Total revenue	4,679	N/A	5,420	N/A	32,656	N/A	(1,241)	N/A	41,514	N/A
Results										
Interest income	7	N/A	-	N/A	263	N/A	-	N/A	270	N/A
Finance costs	3,185	N/A	24	N/A	69	N/A	-	N/A	3,278	N/A
Depreciation and amortisation	125	N/A	109	N/A	1,948	N/A	-	N/A	2,182	N/A
Segment profit/(loss)	(6,748)	N/A	(2)	N/A	(3,061)	N/A	(499)	N/A	(10,311)	N/A
Segment assets	14,595	N/A	3,070	N/A	59,701	N/A	(306)	N/A	77,060	N/A
Segment liabilities	(37,308)	N/A	(2,375)	N/A	(72,502)	N/A	69,512	N/A	(42,673)	N/A
Capital expenditure	33	N/A	-	N/A	1,821	N/A	-	N/A	1,855	N/A

Geographical segments:

	Malaysia		Hong Kong		Adjustments and eliminations		Per consolidated financial statements	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue								
Revenue from external customers	10,099	N/A	32,656	N/A	(1,241)	N/A	41,514	N/A
Segment assets	19,278	N/A	58,087	N/A	(306)	N/A	77,060	N/A
Capital expenditure	39	N/A	1,815	N/A	-	N/A	1,855	N/A
Segment liabilities	(52,294)	N/A	(59,892)	N/A	69,512	N/A	(42,673)	N/A
Results								
Interest income	7	N/A	263	N/A	-	N/A	270	N/A
Finance costs	3,223	N/A	56	N/A	-	N/A	3,278	N/A
Depreciation and amortisation	511	N/A	1,672	N/A	-	N/A	2,182	N/A
Segment profit/(loss)	(10,066)	N/A	254	N/A	(499)	N/A	(10,311)	N/A

A9. Valuation of Property, Plant and Equipment

The valuation of land and buildings have been brought forward from previous valuation done as at 30 September 2020.

A10. Subsequent Events

There were no material events subsequent to the end of the financial period ended 31 March 2023.

A11. Effect of Changes in the Composition of the Group

On 30 December 2022, the Company has incorporated a wholly-owned subsidiary, namely Industronics Advansystem Sdn Bhd.

On 2 March 2023, the Company has disposed 49% equity interest in Industronics Manufacturing Sdn Bhd ("IMSB"), a wholly-owned subsidiary of the Company, for RM98,000.00 which decreased the equity ownership from 100% to 51%.

NOTES TO THE INTERIM FINANCIAL REPORT

A12. Contingent Assets or Contingent Liabilities

There were no material changes in contingent assets or contingent liabilities since the last audited statement of financial position as at 31 December 2021.

A13. Capital Commitment

The Group has no material capital commitments as at 31 March 2023.

A14. Related Party Transactions

- a. There were no significant transactions and balances with related parties of the Group during the current financial period under review.
- b. There were no transactions with the directors and key management personnel other than the remuneration package paid to them in accordance with the terms and conditions of their appointment.

A15. Loss Before Tax

The following amounts have been included in arriving at operating loss:

	3 Months Ended	3 Months Ended	Cumulative Quarter 15 months Ended	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter 31/3/2023 RM	Quarter 31/3/2022 RM	31/3/2023 RM	31/3/2022 RM
Interest Income	(6,136)	N/A	(270,162)	N/A
Interest expense	557,280	N/A	3,278,407	N/A
Depreciation and amortisation	223,753	N/A	2,182,036	N/A
Reversal of inventories written down	-	N/A	(1,336)	N/A
Write off of property, plant and equipment	(3,895)	N/A	76,210	N/A
Gain on disposal of property, plant and equipment	(150)	N/A	(7,650)	N/A
Realised foreign exchange loss	94	N/A	3,625	N/A
Unrealised foreign exchange loss/(gain)	3,789	N/A	(189,450)	N/A

*** Gain or loss on derivatives is not applicable as the Company does not have any derivative financial instrument.

ADDITIONAL INFORMATION REQUIRED PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Performance

For current year quarter and year-to-date ended 31 March 2023, the Group had reported a revenue of RM5.6 million and RM41.5 million respectively, mainly resulting from the trading & services operation segment, which including selling of tea plate, watch and providing cloud services.

Beside the trading & services operation segment, there is a revenue of year-to-date RM5.4 million revenue recorded under security system and M&E segment.

There is no preceding year corresponding quarter and year-to-date ended 31 March 2023 comparison due to the change in the financial year-end from 31 December to 30 June.

The Group's loss stood at RM2.4 million in the current quarter and RM10.3 million for current year-to-date ended 31 March 2023, mainly due lower of revenue in current quarter and increase in operating cost and finance cost.

B2. Material Changes in the Quarterly Results (5Q23) Compared to the Results of the Preceding Quarter (4Q22)

The Group recorded a lower revenue of RM5.6 million in 5Q23 compared with RM12.4 million in 4Q22. Loss before tax was RM2.4 million in the current quarter as compared to loss before tax of RM2.47 million in 4Q22.

B3. Current Year Prospects

On 8 March 2022, Malaysia commenced its transition to the endemic phase and reopened its borders from 1 April 2022 after careful deliberation on various aspects including the national vaccination programme and economy, with risk management conducted by the authorities.

Going forward, the Group will continue to focus its efforts in developing new value-adding solutions to support existing customers and promoting business continuity and sustainability. The Group recognise the intensely complicated environment in which it is operating today and is taking every step possible to further develop and strengthen the Group's performance.

While it is difficult to estimate the extent and severity of the COVID-19 pandemic impact to the economy and to the Group's financial position, the management has taken proactive steps to solidify the Group's financial standing and mitigate any adverse consequences. These steps include monitoring all costing, reducing workforce size and instituting initiatives to encourage savings in business operations. The Group continues to carefully monitor this crisis and will take additional actions as needed.

B4. Profit Forecast

Not applicable as no profit forecast was published.

B5. Taxation

Taxation comprises the following:-

	Current Quarter RM	Cumulative Quarters
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>

B6. Sale of Quoted and Unquoted Investments

There were no material sale of quoted and unquoted investments for the financial period ended 31 March 2023.

B7. Sale of Properties

There was no disposal of property for the financial period ended 31 March 2023.

B8. Status of Corporate Proposals

As at 30 May 2023, being the latest practicable date ("LPD") prior to the issue of this quarterly report, save as disclosed below, there were no corporate proposals announced but not completed by the Company:

i) Redeemable Convertible Preference Shares ("RCPS")

On 13 March 2020, M&A, on behalf of the Board of Directors of ITRONIC announced that the listing application to Bursa Malaysia Securities Berhad as well as the application to Bank Negara Malaysia in relation to the proposals has been submitted.

On 6 April 2020, M&A, on behalf of the Board of Directors of ITRONIC announced that the Company has entered into a supplemental agreement with the subscriber, Bluemount Investment Fund SPC "BIF" ("Supplemental Agreement") to vary, modify, substitute, alter and amend certain terms and relevant provisions of the Subscription Agreement. The revisions include proposal to issue up to 500,000,000 new RCPS at an issue price of RM0.04 per RCPS.

ADDITIONAL INFORMATION REQUIRED PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B8. Status of Corporate Proposals (Continued)

On 27 April 2020, M&A, on behalf of the Board of Directors of ITRONIC announced that the Company has entered into a 2nd supplemental agreement with the Subscriber ("Supplemental Agreement 2") to vary, modify, substitute, alter and amend certain terms and relevant provision of the Subscription Agreement.

On 20 July 2020, M&A, on behalf of the Board of Directors of ITRONIC wishes to announce that Bursa Securities has vide its letter dated 20 July 2020, resolved to approve the listing of up to 266,625,000 new Itronic Shares to be issued pursuant to the conversion of the RCPS arising from the Proposed Issuance of RCPS.

On 8 Feb 2021, The Company received fund i.e. Tranche 1 of USD680,000.00 approximately of RM 2.66 million from Subscriber. The Company will proceed to log SSM as of 22 Feb 2021.

On 5 March 2021, Bluemount Investment Fund SPC converted 33,350,000 redeemable convertible preference shares of RM0.04 each into ordinary share.

On 19 April 2021, Bluemount Investment Fund SPC converted converted 33,275,000 redeemable preference preference shares of RM0.04 each into ordinary share.

On 28 April 2021, on behalf of the Board of Directors of ITRONIC announced that the Bluemount Investment Fund SPC "Subscriber" subscribed for Tranche 2 comprising 100,000,000 RCPS in the share capital of ITRONIC at an issue price of RM0.04 per RCPS for a cash consideration of RM4,000,000 subject to the Rights and Terms of the RCPS and in accordance with the relevant provisions of the Constitution of ITRONIC.

On 11 May 2021, Bluemount Investment Fund SPC converted 50,000,000 Redeemable Convertible Preference Shares of RM0.04 each into ordinary shares.

On 23 June 2021, Bluemount Investment Fund SPC converted 50,000,000 Redeemable Convertible Preference Shares of RM0.04 each into ordinary shares.

On 24 June 2021, on behalf of the Board of Directors of ITRONIC announced that the Bluemount Investment Fund SPC "Subscriber" subscribed for Tranche 3 comprising 100,000,000 RCPS in the share capital of ITRONIC at an issue price of RM0.04 per RCPS for a cash consideration of RM4,000,000 subject to the Rights and Terms of the RCPS and in accordance with the relevant provisions of the Constitution of ITRONIC.

On 20 September 2021, Bluemount Investment Fund SPC converted 75,000,000 Redeemable Convertible Preference Shares of RM0.04 each into ordinary shares.

On 12 August 2022, Bluemount Investment Fund SPC converted 25,000,000 Redeemable Convertible Preference Shares of RM0.04 each into ordinary shares.

The table below sets out the status of utilisation of proceeds raised from the RCPS Issuance of Tranches 1, 2 & 3 as mentioned above amounting to RM10.67 million.

Descriptions	Proposed utilisation	Actual Proceeds Raised	Actual Utilisation	Balance	Estimate time frame for the utilisation upon receipt of Tranches 1, 2 & 3
	RM (Million)	RM (Million)	RM (Million)	RM (Million)	
Business expansion	7.27	7.27	7.27	0.00	Within 24 months
Working capital for the existing group's business	3.00	3.00	3.00	0.00	Within 24 months
Estimated expenses relating to the Proposals	0.40	0.40	0.40	0.00	Within 1 month
Total	10.67	10.67	10.67	0.00	

ii) Multiple Proposals : (i) Proposed Rights Issue; and (ii) Proposed Diversification ("Proposals")

On 8 July 2022, TA Securities Holdings Berhad ("TA"), on behalf of the Board of Directors of Industronics announced that the Company proposes to undertake the Proposals.

On 23 August 2022, TA, on behalf of the Board of Directors of Industronics announced that an additional listing application in relation to the Proposed Rights Issue has been submitted to Bursa Securities on 23 August 2022.

On 21 October 2022, TA, on behalf of the Board of Directors of Industronics announced that Bursa Securities had, vide its letter dated 21 October 2022, resolved to approve the following:

- (i) admission to the Official List and listing and quotation of up to 656,295,411 Warrants to be issued pursuant to the Proposed Rights Issue with Warrants;
- (ii) listing and quotation of up to 875,060,548 Rights Shares to be issued pursuant to the Proposed Rights Issue with Warrants; and
- (iii) listing and quotation of up to 656,295,411 new Industronics Shares to be issued arising from the exercise of the Warrants.

ADDITIONAL INFORMATION REQUIRED PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B8. Status of Corporate Proposals (Continued)

The approval granted by Bursa Securities for the Proposed Rights Issue with Warrants is subject to the following conditions:

- (i) Industronics and TA Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Rights Issue with Warrants.
- (ii) Industronics and TA Securities to inform Bursa Securities upon the completion of the Proposed Rights Issue with Warrants.
- (iii) Industronics to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Rights Issue with Warrants is completed.
- (iv) Industronics to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable.

The Board of Directors of Industronics announced that all the Ordinary Resolutions set out in the Notice of the Extraordinary General Meeting ("EGM") of the Company dated 3 November 2022 and tabled at the said EGM held on 18 November 2022 were duly passed by poll.

On behalf of the Board, TA Securities announced that the Board has on 9 December 2022 ("Price-fixing Date"), resolved to fix the following:

- (i) issue price for the Rights Shares at RM0.08 each, which is at a discount of RM0.0090 or approximately 10.11% to the TEAP of RM0.0890, calculated based on the 5D-VWAP up to and including 8 December 2022 (being the last trading day prior to the Price-fixing Date ("LTD")) of RM0.1070; and
- (ii) exercise price for the Warrants at RM0.10 each, which is at a premium of RM0.0110 or approximately 12.36% to the TEAP of RM0.0890, calculated based on the 5D-VWAP up to and including the LTD of RM0.1070.

On behalf of the Board, TA Securities announced that the Company had on 9 December 2022 executed a deed poll constituting the Warrants ("Deed Poll").

A copy of the Deed Poll will be made available for inspection at the registered office of the Company at No. 9A, Jalan Medan Tuanku, Medan Tuanku, 50300 Kuala Lumpur, Wilayah Persekutuan during normal business hours from 9.00 a.m. to 5.00 p.m. from Monday to Friday (excluding public holidays) for the period of at least 6 months from the date of this announcement.

On behalf of Industronics, TA Securities wishes to announce that as at the close of acceptance, excess application and payment for the Rights Issue at 5.00 p.m. on 11 January 2023 ("Closing Date"), the Company has received valid acceptances and excess applications for a total of 270,058,985 Rights Shares, representing a subscription rate of 30.86% over the total number of Rights Shares available for subscription under the Rights Issue.

The minimum subscription level for the Rights Issue had been achieved notwithstanding the under-subscription for the Rights Issue. The total number of excess Rights Shares available for allocation is 742,090,073. In view that the total number of excess Rights Shares applied for was 137,088,510, the Board has decided to allot the excess Rights Shares to all the entitled shareholders and/or their renounee(s)/transferee(s) who have applied for the excess Rights Shares.

The Rights Shares with Warrants are expected to be listed and quoted on the Main Market of Bursa Securities on 27 January 2023.

Kindly be advised that the abovementioned Company's additional 270,058,985 new ordinary shares issued pursuant to the aforesaid Rights Issue with Warrants will be granted listing and quotation with effect from 9.00 a.m., Friday, 27 January 2023.

We are also pleased to advise that ITRONIC's 202,544,237 Warrants issued pursuant to the Rights Issue with Warrants will be admitted to the Official List of the Exchange and the listing and quotation of the Warrants on the Main Market, will be granted with effect from 9.00 a.m., Friday, 27 January 2023.

The Stock Short Name, Stock Number and ISIN Code of the Warrants are "ITRONIC-WA", "9393WA" and "MYL9393WA811" respectively.

On behalf of Industronics, TA Securities announced that the Rights Issue has been completed with the listing and quotation of 270,058,985 Rights Shares together with 202,544,237 Warrants on the Main Market of Bursa Securities on 27 January 2023.

On 3 March 2023, the Company has vary the utilisation of proceeds by re-allocating RM2.93 million of the total proceeds initially allocated for existing business of trading of precision instruments (watches) to expenses relating to the Rights Issue, provision of financing services and working capital requirements.

The table below sets out the status of utilisation of proceeds raised from the Rights Shares as mentioned above amounting to RM21.6 million.

Purposes	Proposed utilisation	Variation	Actual Utilisation	Balance	Utilisation timeframe (from listing date of the Rights Shares)
	RM (Million)	RM (Million)	RM (Million)	RM (Million)	
Set-off Arrangement	9.0	-	9.0	-	Within 24 months Within 1 month
Repayment of advance	6.0	-	6.0	-	
Existing business of trading of precision instruments (watches)	5.9	2.9	3.0	-	
Expansion of existing business	0.0	-	0.0	-	
Expenses relating to the Corporate Exercise	0.7	0.2	0.8	-	
Provision of financing services	0.0	1.0	1.0	-	
Working capital of the Group includes capital expenditure administration and operating expense)	0.0	1.8	1.6	0.2	
Total	21.6	-	21.4	0.2	

ADDITIONAL INFORMATION REQUIRED PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B9. Off Balance Sheet Financial Instruments

Not applicable as off balance sheet financial instruments are accounted for in the statement of financial position.

B10. Material Litigations

There was no material litigation pending as at the date of this quarterly report.

B11. a) Basic Loss per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year 31.03.2023	Preceding year 31.03.2022	Current Year 31.03.2023	Preceding year 31.03.2022
Net loss attributable to the owners of the Company for the period	(1,884,980)	N/A	(9,750,568)	N/A
Weighted average no. of ordinary shares in issue	458,525,372	N/A	458,525,372	N/A
Basic loss per share (sen)	(0.41)	N/A	(2.13)	N/A

b) Diluted Loss per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year 31.03.2023	Preceding year 31.03.2022	Current Year 31.03.2023	Preceding year 31.03.2022
Net loss attributable to the owners of the Company for the period	(1,884,980)	N/A	(9,750,568)	N/A
Weighted average no. of ordinary shares in issue	458,525,372	N/A	458,525,372	N/A
Diluted loss per share (sen)	(0.41)	N/A	(2.13)	N/A

B13. Authorisation for Issue

The interim financial statements for the fifteen (15)-months financial period ended 31 March 2023 were authorised for issue by the Board of Directors.

BY ORDER OF THE BOARD
INDUSTRONICS BERHAD
30 May 2023