



HO WAH GENTING BERHAD

(Company No: 199301018185 / 272923-H)

(Incorporated In Malaysia)

NOTES TO FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 APRIL 2022

PART A

1. Basis of Preparation

The interim financial report is unaudited and has been prepared and presented in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of Bursa Malaysia Securities Berhad (“BMSB”) Listing Requirements. The interim financial report does not include all of the information required for full annual financial statements and should be read in conjunction with the Group’s audited financial statements for the period ended 30 April 2021.

2. Significant Accounting Policies

The significant accounting policies and presentation adopted for the interim financial report are consistent with those adopted in the audited financial statements for the period ended 30 April 2021 except for the adoption of the following standards which are applicable to its financial statements effective from 01 January 2022:

		Effective date
Amendments to MFRS 3	: Business Combinations – <i>Reference to the Conceptual Framework</i>	01 January 2022
Amendments to MFRS 116	: Property, Plant and Equipment – <i>Proceeds before Intended Use</i>	01 January 2022
Amendments to MFRS 137	: Provisions, Contingent Liabilities and Contingent Assets – <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	01 January 2022
Annual Improvements to MFRS Standards 2018 – 2020		
- Amendment to MFRS 1 First Time Adoption of Malaysia Financial Reporting Standards		01 January 2022
- Amendments to MFRS 9 Financial Instruments		01 January 2022
- Amendments to MFRS 141 Agriculture		01 January 2022

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group.

At the date of authorisation of the Condensed Report, the following Standards were issued but not effective and have not been adopted by the Group:

		Effective date
MFRS 17	: Insurance Contracts	01 January 2023
Amendments to MFRS 101	: Presentation of Financial Statements – <i>Classifications of Liabilities as Current or Non-current</i>	01 January 2023
Amendments to MFRS 101	: Disclosure of Accounting Policies	01 January 2023
Amendments to MFRS 17	: Insurance Contracts – <i>Initial application to MFRS 17 and MFRS 9 – Comparative information</i>	01 January 2023

PART A (continued)

2 Significant Accounting Policies (continued)

		Effective date
Amendments to MFRS 108	: Accounting Policies, Changes in Accounting Estimates and Errors – <i>Definition in Accounting Estimates</i>	01 January 2023
Amendments to MFRS 112	: Income Taxes – <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	01 January 2023
Amendments to MFRS 10 and MFRS 128	: Consolidated Financial Statements and Investments in Associates and Joint Ventures – <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	The effective date of these Standards have been deferred, and yet to be announced by MASB.

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material impact to the financial statements of the Group.

3. Qualification of Financial Statements

There has not been any qualification made by the auditors on the audited financial statements of the Group for the period ended 30 April 2021.

4. Seasonality or Cyclicity of Operations

Based on past historical trend, sales of the Moulded Power Supply Cord Sets Division (the main revenue contributor to the Group) would gradually increase from the month of April, and normally will peak in the month of August arising from increase in customers' demand in anticipation of the festive seasons towards year end and the demand will gradually decline from the month of October to March of the following year.

5. Unusual Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

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

6. Material Change in Estimates

There were no changes in estimates that had a material impact to the results of the current quarter under review.

PART A (continued)

7. Issuance and Repayment of Debt and Equity Securities

Private Placement of Shares

On 9 July 2021, the Company through its adviser, AmInvestment Bank Berhad (“AmInvestment Bank”) had announced that BMSB had approved the Company’s application for an extension of time until 19 January 2022 to complete the implementation of the Private Placement.

On 22 July 2021, the Company through its adviser, AmInvestment Bank had announced that the Company had on the same date fixed the issue price for the second tranche of the Placement Shares at RM0.2650 per Placement Share (“Second Tranche Issue Price”).

The Second Tranche Issue Price represents a discount of approximately RM0.0287 or 9.77% to the five (5)-day weighted average market price of the Company’s shares up to and including 21 July 2021 of RM0.2937 per share.

The second tranche of the 20,871,000 Placement Shares were listed and quoted on 30 July 2021. The total proceeds of RM5,530,815 was raised for working capital purposes.

On 13 December 2021, the Company through its adviser AmInvestment Bank had announced that the Company had on the same date fixed the issue price for the third tranche of the Placement Shares at RM0.2300 per Placement Share (“Third Tranche Issue Price”).

The Third Tranche Issue Price represents a discount of approximately RM0.0008 or 0.35% to the five (5)-day weighted average market price of the Company’s shares up to and including 10 December 2021 of RM0.2308 per share.

The third tranche of the 19,307,000 Placement Shares were listed and quoted on 22 December 2021. The total proceeds of RM4,440,610 was raised for working capital purposes.

8. Dividends Paid

No dividend was paid in the current quarter under review.

9. The Status of Corporate Proposals

On 15 June 2022, the Company through its advisor Kenanga Investment Bank Berhad (“KIBB”) had announced that HWG Fintech Property Sdn Bhd. (an indirect wholly-owned subsidiary of the Company) (“HWG Fintech Property” or the “Purchaser”) and the Company had on the same date:

PART A (continued)

9. The Status of Corporate Proposals (continued)

- (a) Entered into a conditional sale and purchase agreement with Koek Tiang Kung (“Vendor A”) for the proposed acquisition by HWG Fintech Property of eight (8) units of service apartment located within Vortex Suites & Residences @ KLCC, No. 12, Jalan Sultan Ismail, 50250 Kuala Lumpur (“Vortex Residences”) for a purchase consideration of RM7,410,000 (“Vortex Residences Purchase Considerations”) to be settled via cash deposit of RM222,300 and issuance of 48,565,541 redeemable convertible preference shares by the Company (“Consideration RCPS”) at an issue price of RM0.148 per Consideration RCPS (“Proposed Acquisition of Vortex Residences”) (“Vortex Residences SPA”); and
- (b) Entered into a conditional sale and purchase agreement with Dato’ Kho Eng Hue @ Koh Eng Hooi (“Vendor B”) for the proposed acquisition by HWG Fintech Property of eleven (11) units of condominium located within Residensi Iskandar, Persiaran Medini Utara 3, Bandar Medini Iskandar, 79250 Iskandar Puteri, Johor Darul Takzim (“Residensi Iskandar”) for a purchase consideration of RM7,842,000 (“Residensi Iskandar Purchase Considerations”) to be settled via cash deposit of RM392,100 and issuance of 50,337,162 redeemable convertible preference shares by the Company (“Consideration RCPS”) at an issue price of RM0.148 per Consideration RCPS (“Proposed Acquisition of Residensi Iskandar”) (“Residensi Iskandar SPA”).

(The Vortex Residences Purchase Consideration and Residensi Iskandar Purchase Consideration shall be collectively referred to as “Purchase Consideration”, whereas the Proposed Acquisition of Vortex Residences and Proposed Acquisition of Residensi Iskandar shall be collectively referred to as the “Proposed Acquisition”)

The Proposed Acquisition are not related party transaction i.e none of the Directors and/or major shareholder of the Company and/or persons connected with them (as defined under the Main Market Listing Requirements of BMSB (“Listing Requirements”) has any direct or indirect interest in the Proposed Acquisition.

In view that the Purchase Considerations shall be partially settled via issuance of the Consideration RCPS, the Company proposes to amend its constitution (“Constitution”) to facilitate the issuance of the Consideration RCPS pursuant to the proposed Acquisitions (“Proposed Amendments”).

The above proposals are subject to the following approvals:

- (a) BMSB for the listing and quotation of the ordinary shares from the conversion of the Consideration RCPS on the Main Market of BMSB;
- (b) The shareholders of the Company at an extraordinary general meeting to be convened in relation to the Proposed Acquisition and the Proposed Amendments; and
- (c) Approvals and/or consent of any other relevant authorities and/or parties.

PART A (continued)

9. The Status of Corporate Proposals (continued)

The Proposed Acquisition of Vortex Residences and the Proposed Acquisition of Residensi Iskandar are not inter-conditional upon each other.

The Proposed Acquisition of Vortex Residences and the Proposed Acquisition of Residensi Iskandar are conditional upon the Proposed Amendments.

The Proposed Acquisition of Vortex Residences, the Proposed Acquisition of Residensi Iskandar and the Proposed Amendments are not conditional upon any other proposals undertaken by the Company.

10. Segmental Reporting

Analysis of the Group's segmental revenue, results, assets and liabilities for business segments for the financial year ended 30 April 2022 are as follows:

PART A (continued)

10. Segmental Reporting (continued)

Current year's 12 months ended 30 April 2022	Investments RM'000	Moulded Power Supply Cords Sets RM'000	Healthcare RM'000	Travel Services RM'000	Total RM'000	Elimination RM'000	Group RM'000
Segmental revenue by strategic/functional division units							
External revenue	139	449,673	1,126	164	451,102	-	451,102
Inter-segment revenue	-	-	3	18	21	(21)	-
	139	449,673	1,129	182	451,123	(21)	451,102
Segmental revenue by regions							
Malaysia	139	10,983	1,129	182	12,433	(21)	12,412
The rest of Asia	-	38,961	-	-	38,961	-	38,961
North America	-	399,729	-	-	399,729	-	399,729
	139	449,673	1,129	182	451,123	(21)	451,102
Results							
(Loss)/Profit from operations	(10,769)	11,059	(1,221)	(502)	(1,433)	-	(1,433)
Finance income	70	9	-	-	79	-	79
Finance costs	(287)	(1,607)	(1)	(1)	(1,896)	-	(1,896)
Share of losses of an associate	(147)	-	-	-	(147)	-	(147)
(Loss)/Profit before income tax expense	(11,133)	9,461	(1,222)	(503)	(3,397)	-	(3,397)
Income tax expense	188	(2,418)	(36)	-	(2,266)	209	(2,057)
Net (loss)/profit for the year	(10,945)	7,043	(1,258)	(503)	(5,663)	209	(5,454)
Non-controlling interests	2	-	16	3	21	-	21
Net (loss)/profit attributable to owners of the Company	(10,943)	7,043	(1,242)	(500)	(5,642)	209	(5,433)
Assets and liabilities as at 30 April 2022							
Segment assets - Consolidated total assets	130,166	147,892	9,357	750	288,165	(109,215)	178,950
Segment liabilities - Consolidated total liabilities	15,304	111,460	13,237	352	140,353	(34,488)	105,865
Segmental non-current assets by regions as at 30 April 2022							
Malaysia	99,517	-	261	283	100,061	(88,144)	11,917
The rest of Asia	-	21,669	-	-	21,669	8,580	30,249
	99,517	21,669	261	283	121,730	(79,564)	42,166

PART A (continued)

11. Valuations of Property, Plant and Equipment

The valuation of property, plant and equipment of the Group have been brought forward without amendment from the previous period audited financial statements.

12. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period.

13. Changes in the Composition of the Group

- (a) During the financial year, the Company increased its percentage of shareholdings in HWGB Blockchain & Digitaltech Sdn Bhd from 60% to 100% by acquiring 40 ordinary shares from its non-controlling interests for a cash consideration of RM40. HWGB Blockchain & Digitaltech Sdn Bhd has an issued and paid-up capital of RM100 represented by 100 ordinary shares.
- (b) On 17 March 2021, the Company had announced that it has incorporated an indirect subsidiary, HWG Fintech Property Sdn. Bhd. with an issued and paid-up capital of RM100 with 100 ordinary shares in issued. The registered subscriber shareholders are HWG Fintech Capital Sdn. Bhd. (formerly known as HWG Capital Sdn Bhd) (55% shareholding) and HWGB Blockchain & Digitaltech Sdn. Bhd. (45% shareholding).

14. Contingent Liabilities and Contingent Assets

The Company and the Group have no material contingent liabilities and contingent assets at the end of the current quarter under review.

15. Capital Commitments

There were no material capital commitments for the Company and the Group at the end of the current quarter under review.

PART B
ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS

1. Group's Financial Performance Review And Segmental Analysis

Summary of Statement of Comprehensive Income of the Group

	Individual Quarter (4th Quarter) Current Year Quarter 3 Months 01/02/2022 To 30/04/2022 RM'000	Cumulative Quarters (Year to-date) Current Year todate 12 Months 01/05/2021 to 30/04/2022 RM'000
Revenue	95,594	451,102
Loss from operations	(3,977)	(1,433)
Loss before interest and taxation	(3,977)	(1,433)
Loss before taxation	(4,485)	(3,397)
Loss after taxation	(4,547)	(5,454)
Loss attributable to owners of the Company	(4,500)	(5,433)

A. Overall Review of Group's Financial Performance

The Group recorded a revenue of RM451.10 million for the financial year ended 30 April 2022. The Group's revenue is mainly derived from the Moulded Power Supply Cord Sets Division in Indonesia which represented approximately 99.7% of the total revenue of the Group. The average exchange rate used for the financial year ended 30 April 2022 was RM4.1873/USD.

The loss before taxation of RM3.40 million in the current financial year were due to the followings:

- (i) Profit before taxation of RM9.46 million from the Moulded Power Supply Cord Sets Division;
- (ii) Loss before taxation of RM11.13 million from the Investment Division;
- (iii) Loss before taxation of RM1.22 million from the Healthcare Division; and
- (iv) Loss before taxation of RM0.50 million from the Travel Services Division.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

1. Group’s Financial Performance Review And Segmental Analysis (continued)

B. Summary of Statement of Financial Positions of the Group

	Unaudited	Audited	Changes	
	30/04/2022	30/04/2021	RM’000	%
	RM’000	RM’000	RM’000	
Non-current assets	42,166	45,905	(3,739)	-8.1
Current assets	136,784	130,160	6,624	5.1
Current liabilities	(92,574)	(96,581)	(4,007)	4.1
Non-current liabilities	(13,291)	(14,230)	(939)	-6.6
Equity attributable to owner of the Company	(72,825)	(64,975)	7,850	12.1
Non-controlling interest	(260)	(279)	(19)	-6.8
Total equity	(73,085)	(65,254)	7,831	12.0

Figures in bracket denotes credit balances

The decrease of RM3.74 million or 8.1% in non-current assets were mainly due to purchase of property, plant and equipment of RM3.29 million, depreciation charge of RM4.77 million, net increase in exchange differences of RM1.87 million from the conversion of a foreign subsidiary and the impairment loss on other financial assets of RM4.16 million.

The increase of RM6.62 million or 5.1% in current assets were mainly due to the followings:

- (i) Decrease in trade and other receivables of RM2.78 million of the Moulded Power Supply Cord Sets Division and decrease in other receivables of RM3.86 million for the Healthcare Division;
- (ii) Increase in inventories of RM18.87 million of the Moulded Power Supply Cord Sets Division and RM3.90 million for the Healthcare Division; and
- (iii) Decrease in cash and bank balances of RM9.22 million.

The decrease of RM4.00 million or 4.1% in current liabilities were mainly due to the followings:

- (i) Increase in trade and other payables of RM0.6 million from the Moulded Power Supply Cord Sets Division and decrease other payables of RM7.50 million from the Investment Division;
- (ii) Increase in short term borrowings of RM0.47 million; and
- (iii) Tax payable of RM2.32 million for a foreign subsidiary.

The decrease in non-current liabilities of RM0.94 million or 6.6% were mainly due to the decrease in retirement benefits obligation of RM0.19 million for a foreign subsidiary, decrease in long term borrowings of RM0.35 million and reduction of deferred tax liabilities of RM0.40 million.

The increase in “equity attributable to owner of the Company” of RM7.85 million or 12.1% were due to the followings:

- (i) RM9.93 million from the issuance of 40,178,000 new ordinary shares of the Company pursuant to Private Placements; and
- (ii) The total comprehensive loss for the year attributable to the owners of the Company of RM2.08 million.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

1. Group’s Financial Performance Review And Segmental Analysis (continued)

B. Summary of Statement of Financial Positions of the Group (continued)

The decrease in non-controlling interest (“NCI”) from RM279,000 to RM260,000 were mainly due to NCI’s share of loss in subsidiaries not wholly owned by the Company.

The increase in “total equity” of RM7.83 million or 12.0% were due to similar reasons stated in the increased in equity attributable to owner of the Company and the decrease in NCI above.

C. Segmental Analysis

I. Moulded Power Supply Cord Sets Division

Summary of revenue by regions	Cumulative Quarters
	12 Months 01/05/2021 to 30/04/2022 USD’000
Sales to external parties	
Malaysia	2,623
North America	95,462
The rest of Asia	9,305
	107,390

Note: “The rest of Asia” refers to Indonesia, Singapore, Thailand, Vietnam and Taiwan.

The sales to Malaysia was USD2.62 million or 2.4%, North America was USD95.46 million or 88.9% and to the rest of Asia was USD9.31 million or 8.7% for the financial year ended 30 April 2022.

Summary of results	Cumulative Quarter
	12 Months 01/05/2021 to 30/04/2022 USD’000
Revenue	107,390
Operating profit	2,641
Profit before interest and taxation	2,641
Profit before taxation	2,259
Profit after taxation	1,682
Profit attributable to owner of the Company	1,682

The profit before taxation of USD2.26 million for the financial year ended 30 April 2022 were mainly due to higher revenue generated for the year under review.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

1. Group’s Financial Performance Review And Segmental Analysis (continued)

C. Segmental Analysis

II. Healthcare Division

The Healthcare Division generated a revenue of RM1.13 million for the current financial year ended 30 April 2022.

The Healthcare Division incurred a loss before taxation of RM1.22 million. The losses incurred were mainly due to low revenue and high operating expenses incurred to promote and introduce the Healthcare Division’s products.

III. Travel Services Division

The Travel Services Division recorded a revenue of RM0.18 million for the financial year ended 30 April 2022. The low revenue is due to the various Movement Control Order (“MCO”) and multiple stages of the National Recovery Plan (“NRP”) imposed by the Malaysian Government to contain the wide spread of COVID-19 pandemic during the financial year whereby most of the travelers and tourists are reluctant to travel or being barred from travelling.

The Travel Services Division recorded a loss before taxation of RM0.50 million. The loss before taxation in the current financial year were mainly due to low revenue generated for the year under review.

IV. Investment Division

The Investment Division consists of the Company, investment holding subsidiaries and inactive subsidiaries. The Investment Division recorded a loss before taxation of RM10.95 million.

At Company level, the Company recorded a loss before taxation of RM3.13 million for the financial year ended 30 April 2022. Included in the loss before taxation are impairment losses on investment in subsidiaries of RM6.10 million, allowance for expected credit loss on amount due from subsidiaries of RM4.15 million and the reversal on impairment loss on investment in subsidiaries of RM14.65 million.

In the opinion of the Directors, other than those disclosed above, the results for the current financial year ended 30 April 2022 have not been affected by any transactions or events of a material or unusual nature which have arisen from 30 April 2022 to the date of issue of this quarterly report.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

2. Comparison of Current Quarter Against Preceding Quarter’s Results

(Individual 4th Quarter 2022 from 01 February 2022 to 30 April 2022 vs Individual 3rd Quarter 2022 from 01 November 2021 to 31 January 2022)

The Group recorded a lower revenue of RM95.59 million (3Q 2022: RM114.46 million) a decrease of RM18.87 million or 16.5%. The lower revenue was due to low season as stated in the Note 4 of Part A above for the Moulded Power Supply Cord Sets Division.

The Group recorded a loss before taxation of RM4.50 million (3Q 2022: profit before taxation of RM1.93 million) in the current quarter. The loss before taxation in the current quarter were due to the followings:

- (i) Lower profit before taxation of RM1.45 million (3Q 2022: RM4.26 million) from the Moulded Power Supply Cord Sets Division;
- (ii) Higher loss before taxation of RM5.37 million (3Q 2022: RM2.03 million) from the Investment Division;
- (iii) Higher loss before taxation of RM0.45 million (3Q 2022: RM0.30 million) incurred by the Healthcare Division; and
- (iv) Lower loss before taxation of RM0.13 million (3Q 2022: RM0.14 million) from the Travel Services Division.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

3. Commentary on Prospects

The Board is of the opinion that business operations in Moulded Power Supply Cord Sets Division remain challenging in view of the high working capital requirement, intense competition in the US market, rising inflationary cost in Indonesia, especially the compulsory annual increment of wages and salaries, rising cost of copper, PVC resin and other components and also the drastic spike in shipping and freight charges.

To counter these unfavourable conditions, the Moulded Power Supply Cord Sets Division will continue to focus on lean manufacturing process for better operational productivity, improve efficiencies, and better product quality in order to be more competitive and attract more customers.

The global economy has started to recover as many countries in the world have transitioned into the endemic phase of the COVID-19 pandemic with the full resumption of business activities and the re-opening of international borders. However, the rise of global inflation rates caused by the reduction of commodities supplies and disruption in supply chains, brought by the ongoing Russia-Ukraine war and the COVID-19 lockdowns in China, have impacted the economic recovery rate.

The Malaysian Government has also announced endemic and re-open of all international borders in Malaysia with effective from 01 April 2022. The re-opening of international borders will boost up the tourism industry and this will increase the revenue of the Group’s Travel Services Division and the Group’s 49% associate Dufry HWG Shopping Sdn Bhd., which operate a sole travel retail outlet in Sky Avenue Mall, Genting Highlands.

Although the number of daily infected COVID-19 cases has reduced substantially and Malaysian Government has declared endemic on 01 April 2022, but the COVID-19 disease are still existent in our community. The public are aware of the health conscious by sanitisation of workplaces and residences and by taking additional supplements to strengthen body immune system as a preventive measure from the continuity spread of COVID-19 disease. The higher spending by consumers may improve the revenue of the Healthcare Division.

The Group is expecting a challenging operating and financial performance for the financial year ending 30 April 2023.

Meanwhile, the Board will continue to explore viable, synergistic and profitable business ventures to improve the Group’s performance.

4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee for the financial year ended 30 April 2022.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

5. Loss from operations

Loss from operations is derived at:

	Individual Quarter 3 Months 01/02/2022 to 30/04/2022 RM’000	Cumulative Quarter 12 Months 01/05/2021 to 30/04/2022 RM’000
After charging:		
Allowance for expected credit loss from trade receivables	16	16
Retirement benefit obligations	(7)	407
Depreciation – Property, plant and equipment	1,158	4,614
Depreciation – Right of use assets	41	153
Expenses related to short term leases of premises	35	154
Write off of inventories	117	117
Write down value of slow moving inventories	88	88
Impairment loss on investment in other financial assets	4,160	4,160
Loss on disposal of plant and equipment	2	2
Loss on foreign exchange – Realised	(433)	4
Loss on foreign exchange – Unrealised	28	112
And crediting:		
Income related to short term from leases of premises	92	366
Gain on foreign exchange - Realised	3	15
Gain on foreign exchange - Unrealised	922	1,326

6. Finance income

	Individual Quarter 3 Months 01/02/2022 to 30/04/2022 RM’000	Cumulative Quarter 12 Months 01/05/2021 to 30/04/2022 RM’000
Interest income from short term deposits	-	48
Interest income from bank accounts	24	31
	24	79

7. Finance costs

	Individual Quarter 3 Months 01/02/2022 To 30/04/2022 RM’000	Cumulative Quarter 12 Months 01/05/2021 to 30/04/2022 RM’000
Interest expense		
– hire purchase liabilities	7	30
– lease liabilities	1	4
– term loans	60	255
– trade finance	464	1,607
	532	1,896

PART B - Additional Information Required By BMSB's Listing Requirements (continued)

8. Income tax expense

Taxation for current quarter and financial period to date under review comprises the following:

	Individual Quarter 3 Months 01/02/2022 to 30/04/2022 RM'000	Cumulative Quarter 12 Months 01/05/2021 To 30/04/2022 RM'000
a. Expected income tax payable		
i. Current income tax expense		
- Malaysia	(4)	(36)
- Overseas	(455)	(2,418)
	(459)	(2,454)
ii. Over/(Under) provision in prior year		
- Malaysia	-	-
- Overseas	-	-
	-	-
b. Deferred tax		
Current year		
- Malaysia	188	188
- Overseas	209	209
	397	397
Over/(Under) provision in prior year		
- Malaysia	-	-
- Overseas	-	-
	-	-
Total	(62)	(2,057)

9. Purchase or Disposal of Quoted Securities/Other Financial Assets

There was no purchase or disposal of quoted securities and/or other financial assets during the financial year ended 30 April 2022.

10. Investment in an associate

The investment in associate as at 30 April 2022 is as follows:

	Unaudited 30/04/2022 RM'000	Audited 30/04/2021 RM'000
Unquoted shares at cost		
At beginning of period	980	980
Subscription of additional new ordinary shares	147	-
At end of period	1,127	980

PART B - Additional Information Required By BMSB's Listing Requirements (continued)

10. Investment in an associate (continued)

	Unaudited 30/04/2022 RM'000	Audited 30/04/2021 RM'000
Share of post-acquisition loss		
At beginning of period	(980)	(980)
Share of post -acquisition loss	(147)	-
At end of period	<u>(1,127)</u>	<u>(980)</u>
 Net carrying amount	 <u>-</u>	 <u>-</u>

During the financial year, the Company subscribed an additional 147,000 new ordinary shares for RM147,000 in the associate by way of capitalisation of the shareholder's loan advanced to the associate in prior years. The subscription of additional 147,000 new ordinary shares is in proportion to 49% requirement of the shareholders agreement dated 25 September 2017. The major shareholder of the associate, Dufry International AG subscribed the remaining 51%, representing 153,000 new ordinary shares for RM153,000 also by way of capitalisation of the shareholder's loan advanced to the associate.

The Group's share of post-acquisition loss will be capped at RM1.13 million (2021: RM0.98 million), being the equivalent cost of investment in the associate.

The summarised financial information of the Company's associate is as follows:

(b) Summarised statement of financial position

	Unaudited 30/04/2022 RM'000	Audited 31/12/2021 RM'000
Assets		
Non-current assets	11,778	13,080
Current assets	5,737	6,353
Total assets	<u>17,515</u>	<u>19,433</u>
 Liabilities		
Non-current liabilities	8,818	9,554
Current liabilities	25,893	25,208
Total liabilities	<u>34,711</u>	<u>34,762</u>
 Net liabilities	 <u>(17,196)</u>	 <u>(15,329)</u>
 Financed by,		
Share capital	2,300	2,300
Accumulated losses	(19,496)	(17,629)
Capital deficiency	<u>(17,196)</u>	<u>(15,329)</u>

PART B - Additional Information Required By BMSB's Listing Requirements (continued)

10. Investment in an associate (continued)

(b) Summarised statement of comprehensive income

	Unaudited 4 Months 01/01/2022 to 30/04/2022 RM'000	Audited 12 Months 01/01/2021 to 31/12/2021 RM'000
Revenue	1,109	1,572
Loss before tax	(1,867)	(4,892)
Net loss/Total comprehensive loss	<u>(1,867)</u>	<u>(4,893)</u>

There is no change of financial year end for the associate and remained as 31 December.

11. Group Borrowings and Debt Securities

	As at 30 April 2022					
	Long term Denomination		Short term Denomination		Total borrowing Denomination	
	USD'000	RM'000	USD'000	RM'000	USD'000	RM'000
Secured borrowings						
Term Loan 1	-	3,266	-	193	-	3,459
Term Loan 2	-	1,088	-	164	-	1,252
Trade financing*	-	-	6,451	28,062	6,451	28,062
	-	4,354	6,451	28,419	6,451	32,773
Lease liabilities						
Hire purchase liabilities	-	488	-	178	-	666
Other lease liabilities	-	42	-	22	-	64
	-	530	-	200	-	730
	-	4,884	6,451	28,619	6,451	33,503

* USD1.0000 is equivalent to RM4.3500

	As at 30 April 2021					
	Long term Denomination		Short term Denomination		Total borrowing Denomination	
	USD'000	RM'000	USD'000	RM'000	USD'000	RM'000
Secured borrowings						
Term Loan 1	-	3,448	-	232	-	3,680
Term Loan 2	-	1,252	-	150	-	1,402
Trade financing*	-	-	6,727	27,566	6,727	27,566
	-	4,700	6,727	27,948	6,727	32,648
Lease liabilities						
Hire purchase liabilities	-	522	-	160	-	682
Other lease liabilities	-	18	-	10	-	28
	-	540	-	170	-	710
	-	5,240	6,727	28,118	6,727	33,358

* USD1.0000 is equivalent to RM4.0975

PART B - Additional Information Required By BMSB's Listing Requirements (continued)

12. Off Balance Sheet Financial Instruments

The Group did not have any financial instruments with off balance sheet risk as at 21 June 2022, being the latest practicable date.

13. Financial Risk Management

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the period ended 30 April 2021.

14. Material Litigation

There is no material litigation for the Group as at 21 June 2022, being the latest practicable date.

15. Status of utilisation of proceeds raised from the Private Placement of ordinary shares

- (a) The proposed and actual utilisation of RM5,530,815 proceeds raised from the second tranche Private Placement of 20,871,000 new ordinary shares at an issue price of RM0.2650 each, which was completed on 30 July 2021 are as follows:

Proposed utilisation of proceeds	Proposed utilisation RM'000	Actual utilisation as at 21/06/2022 RM'000	Balance RM'000	Estimated timeframe for utilisation from listing of Placement Shares
Working capital purposes	5,531	(5,531)	-	Within 12 months

- (b) The proposed and actual utilisation of RM4,440,610 proceeds raised from the third tranche Private Placement of 19,307,000 new ordinary shares at an issue price of RM0.2300 each, which was completed on 22 December 2021 are as follows:

Proposed utilisation of proceeds	Proposed utilisation RM'000	Actual utilisation as at 21/06/2022 RM'000	Balance RM'000	Estimated timeframe for utilisation from listing of Placement Shares
Working capital purposes	4,441	(1,689)	2,752	Within 12 months

PART B - Additional Information Required By BMSB's Listing Requirements (continued)

16. Loss Per Share

	Individual Quarter 3 Months 01/02/2022 to 30/04/2022	Cumulative Quarter 12 Months 01/05/2021 to 30/04/2022
Basic		
Loss attributable to shareholders of the Company (RM'000)	(4,500)	(5,433)
Weighted average number of ordinary shares ('000) – basic	621,513	621,513
Basic (sen)	<u>(0.72)</u>	<u>(0.87)</u>

Diluted

The diluted loss per share was not presented in the financial statements as there is an anti-dilutive effect on the loss per share.

By Order of the Board,
Coral Hong Kim Heong
(MAICSA 7019696)
Company Secretary
Date: 28 June 2022