



KEY ALLIANCE GROUP BERHAD (609953-K)

(Incorporated in Malaysia)

FOURTH QUARTER ENDED 31 MARCH 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	2021	2020	<i>Changes</i>	2021	2020	<i>Changes</i>
	CURRENT QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	
	31/3/2021	31/3/2020	%	31/3/2021	31/3/2020	%
	RM'000	RM'000		RM'000	RM'000	
REVENUE	29,504	14,279	107%	65,526	40,091	63%
Operating expenses	3,839	(1,058)	-463%	(10,349)	(10,306)	0%
Other income	1,500	823	82%	4,602	1,188	287%
Interest income	18	29	-38%	86	133	-35%
Interest expense	(378)	(773)	51%	(1,178)	(1,207)	-2%
Fair value adjustment on other investment	(20,712)	(7,316)	183%	17,776	(8,309)	314%
Fair value adjustment on investment propertie	(154)	(152)	1%	(154)	(152)	-100%
Profit/(Loss) before taxation	(15,887)	(8,447)	88%	10,783	(18,653)	-158%
Taxation	(60)	1,735	-	(60)	1,735	-
Profit/(Loss) after taxation	(15,947)	(6,712)	138%	10,723	(16,918)	-163%
Profit/(Loss) attributable to:						
Equity holders of the company	(16,028)	(6,713)	139%	12,596	(15,779)	-180%
Non-controlling interest	81	1	8000%	(1,873)	(1,139)	64%
Profit/(Loss) after taxation	(15,947)	(6,712)	138%	10,723	(16,918)	-163%
Weighted average number of shares in issue ('000)	1,314,821	526,377		1,314,821	526,377	
Earnings/(Loss) per share (sen) - basic	(1.22)	(1.28)		0.96	(3.00)	

The unaudited condensed consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
(Incorporated in Malaysia)
FOURTH QUARTER ENDED 31 MARCH 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 31/3/2020 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/3/2020 (Audited and Restated) RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	46,291	39,831
Right of use assets	5,004	6,106
Investment properties	18,200	18,200
Development Expenditure	18	-
Other investment	40,443	7,075
Goodwill	1,398	3,370
Deferred tax assets	764	824
	112,118	75,406
Current Assets		
Inventories	4,679	5,478
Trade and other receivables	50,525	42,570
Tax recoverable	374	518
Fixed deposits with licensed banks	4,269	4,163
Cash and bank balances	48,078	3,346
	107,925	56,075
TOTAL ASSETS	220,043	131,481
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	175,612	101,817
Accumulated loss	(32,244)	(58,649)
Share option reserve	-	630
Warrants reserve	19,642	13,842
	163,010	57,640
Non-controlling interest	(2,501)	140
Total Equity	160,509	57,780
Non-current Liabilities		
Deferred tax liabilities	512	512
Borrowings	8,243	9,214
Lease liabilities	3,561	4,836
	12,316	14,562
Current Liabilities		
Trade and other payables	41,835	53,039
Bank overdrafts	1,989	1,991
Borrowings	1,232	1,240
Lease Liabilities	2,162	2,869
	47,218	59,139
Total Liabilities	59,534	73,701
TOTAL EQUITY AND LIABILITIES	220,043	131,481

Net assets per share attributable to ordinary equity holders of the parent (RM)

0.0692

0.1095

The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
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FOURTH QUARTER ENDED 31 MARCH 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital	Warrant Reserve	Share Option Reserve	Accumulated Loss	Non - Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 April 2020	101,817	13,842	630	(56,323)	708	60,674
Prior years adjustment	-	-	-	(2,326)	(568)	(2,894)
As restated	101,817	13,842	630	(58,649)	140	57,780
Total comprehensive income for the period	-	-	-	12,596	(1,873)	10,723
Grant of share issuance scheme	-	-	3,370	-	-	3,370
Exercise of share issuance scheme	32,256	-	(3,408)	-	-	28,848
Share issuance scheme lapsed	-	-	(592)	592	-	-
Warrants expired	-	(13,842)	-	13,842	-	-
Issuance of shares from private placement	13,031	-	-	-	-	13,031
Issuance of rights issue and warrants	29,463	19,642	-	-	-	49,105
Share issuance expenses	(955)	-	-	-	-	(955)
Arising from acquisition of subsidiary	-	-	-	(625)	(768)	(1,393)
Balance as of 31 March 2021	175,612	19,642	-	(32,244)	(2,501)	160,509

	Issued Capital	Warrant Reserve	Share Option Reserve	Accumulated Loss	Non - Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 April 2019	99,686	13,842	592	(40,128)	1,938	75,930
Application on initial application of MFRS16	-	-	-	(94)	(91)	(185)
As restated	99,686	13,842	592	(40,222)	1,847	75,745
Total comprehensive loss for the period	-	-	-	(16,101)	(1,139)	(17,240)
Grant of share issuance scheme	-	-	441	-	-	441
Issuance of shares from share issuance scheme	2,131	-	(403)	-	-	1,728
Balance as of 31 March 2020	101,817	13,842	630	(56,323)	708	60,674

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)
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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	12-MONTHS ENDED 31/3/20 (Unaudited) RM'000	12-MONTHS ENDED 31/3/20 (Audited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	10,783	(18,478)
Adjustment for:		
Non-cash items	(7,871)	18,957
Non-operating items	1,092	1,087
Operating profit before working capital changes	4,004	1,566
Net changes in current assets	(7,768)	(12,222)
Net changes in current liabilities	(11,205)	24,596
Cash (used in)/generated from operations	(14,969)	13,940
Interest received	86	3
Interest paid	(1,178)	(1,207)
Net tax paid	145	339
Net cash (used in)/generated from operating activities	(15,916)	13,075
CASH FLOWS FOR INVESTING ACTIVITIES		
Investment in other investment	(24,444)	(12,971)
Acquisition of subsidiaries	(1,393)	-
Pledged of fixed deposit	(106)	(128)
Proceeds from disposal of other investment	10,361	-
Proceeds from disposal of plant and equipment	70	6
Proceeds from disposal of unit trusts	-	3,000
Purchase of property, plant and equipment	(10,399)	(11,759)
Interest income	-	117
Dividend income	-	213
Net cash used in investing activities	(25,911)	(21,522)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of lease liabilities	(440)	(633)
Repayment of lease liabilities for right-of-use	(1,794)	(2,154)
Repayment of hire purchase	(310)	(345)
Share issuance expenses	(955)	-
Proceeds from term loan	-	9,600
Repayment of term loan	(963)	-
Proceeds from issuance of right shares	49,105	-
Proceeds from exercise of share issuance scheme	28,887	1,728
Proceeds from private placement	13,031	-
Net cash generated from financing activities	86,561	8,196
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	44,734	(251)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	1,355	1,606
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	46,089	1,355
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	4,269	4,163
Cash and bank balances	48,078	3,346
Bank overdrafts	(1,989)	(1,991)
	50,358	5,518
Less : Fixed deposits pledged	(4,269)	(4,163)
	46,089	1,355

The unaudited condensed consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to this interim financial statements.



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Notes to the Interim Financial Report

For the fourth quarter ended 31 March 2021

A. EXPLANATORY NOTES

A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the Malaysia Financial Reporting Standards (“MFRSs”) 134 – *Interim Financial Reporting* and Rule 9.22 of the ACE Marketing Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 March 2020.

The significant accounting policies adopted by the Group are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2020.

The explanatory notes provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2020.

A2. Auditors’ Report

The auditors’ report for the Group’s annual financial statements for the financial year ended 31 March 2020 was not subject to any qualification.

A3. Seasonal or Cyclical Factors

The Group does not experience any significant seasonal or cyclical sales cycle. However, there may be fluctuations between the quarters due to the nature of the Group’s integration businesses which are secured on a project by project basis.

A4. Unusual Items

During the financial quarter under review, there were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

A5. Material Changes in Estimates

There were no changes in the estimate of amounts reported in the prior quarter or financial year which have material effect on the current quarter results.



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A6. Changes in Debts and Equity Securities

There were no other issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares during the current quarter under review except the followings:-

- (a) Issuance of 300,000,000 ordinary shares at RM0.05 per share arising from the exercise of Share Issuance Scheme (“SIS”); and
- (b) Issuance of 90,000,000 ordinary shares at RM0.045 per share arising from the exercise of SIS.

A7. Dividend

No dividend has been declared or paid during the current financial year-to-date under review.

A8. Segmental Reporting

The Group’s business is wholly conducted in Malaysia and therefore there’s no geographical segment. Following the Group’s internal restructuring during the year, the Group’s new reportable segments were identified as follows:

- Cloud and IT Services – Provision of cloud and disaster recovery services
- Trading of Kitchen Appliances, IT and office automation and medical equipment– Provision of distributing and reselling of kitchen appliances, IT-related product and office automation and services, and medical equipment and devices
- Property Construction – Provision of the business property development and interior design services.



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A8. Segmental Reporting (Cont'd)

Other non-reportable comprise operations related to investment holding and other services.

Business Segments	Cloud and IT Services RM'000	Trading RM'000	Property Construction RM'000	Others RM'000	Elimination RM'000	Group RM'000
Current quarter ended 31 March 2021						
Revenue	6,091	769	23,540	101	(997)	29,504
Segment results	757	(1,754)	2,923	(26,363)	8,911	(15,526)
Interest expenses						(379)
Interest income						18
Profit before tax						(15,887)
Taxation						(60)
Profit after tax						(15,947)
Segment assets	54,234	24,426	30,929	173,311	(62,857)	220,043
Corresponding quarter ended 31 March 2020						
Revenue	5,995	5,743	3,257	81	(196)	14,279
Segment results	2,489	(998)	(144)	(8,231)	44	(6,840)
Interest expenses						(772)
Interest income						29
Impairment loss on goodwill						(864)
Loss before tax						(8,447)
Taxation						1,735
Loss after tax						(6,712)
Segment assets	56,663	29,979	27,401	84,503	(65,632)	132,914



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A9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment were brought forward without any amendments from the preceding annual financial statements.

A10. Subsequent Events

There were no other material events subsequent to the end of the current quarter under review up to the date of this quarterly report.

A11. Changes in the Composition of the Group

The Company has acquired the remaining 20% of Progenet Innovations Sdn Bhd. Upon completion, Progenet Innovations Sdn Bhd has become the wholly-owned subsidiary of the Company.

Key Alliance Sdn Bhd (“KASB”), the wholly-owned subsidiary of the Company, has on 27 January 2021, entered into a Shareholder Agreement with Tree Med Sdn Bhd and Dato’ Dr Azirul Salihin Bin Anuar to set up a joint venture to undertake and set-up a one stop business-to-business medical supplier platform to supply medical product and services within the medical industry. Ebizmedic Sdn Bhd has been incorporated on 19 February 2021 and KASB owns 51% of Ebizmedic Sdn Bhd.

There were no other material changes to the composition of the Group for the current quarter under review.

A12. Changes in Contingent Assets and Contingent Liabilities

Contingent liabilities of the Group as at 31 March 2021 are as follows:

	Group Level	
	As at 31 March 2021 RM'000	As at 31 March 2020 RM'000
Secured		
Fixed deposit pledged to banks for credit facilities granted to subsidiaries	4,269	4,102
Corporate guarantees issued to bank for facility granted to a subsidiary	8,637	9,600
	<hr/>	<hr/>
	12,906	13,702
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A12. Changes in Contingent Assets and Contingent Liabilities (Cont'd)

Unsecured

Corporate guarantees issued to banks for finance lease facility granted to a subsidiary	610	891
Corporate guarantees issued to a leasing company for finance lease facility granted to a subsidiary	<u>2,306</u>	<u>2,585</u>
	<u>3,216</u>	<u>3,476</u>

A13. Capital Commitments

Capital commitments of the Group in respect of capital expenditure are as follows:

	As at 31 March 2021
	RM'000
Capital expenditure not provided for in the financial statement - authorised and contracted	<u>2,000</u>
Analysed as follows:	
Plant and equipment	<u>2,000</u>

There were no other material capital commitments for the purchase of property, plant and equipment incurred or known to be incurred for in the current quarter under review.



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B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1. Review of Performance

The Group recorded revenue of RM29.50 million, 106.58% higher than RM14.28 million recorded in the corresponding quarter last year.

The Group recorded a net loss after taxation of RM15.95 million as compared to the last year corresponding quarter's loss after taxation of RM6.71 million. This is due to the fair value loss on other investments during the current quarter under review amounting to RM20.71 million.

The performance of the respective business segments for the quarter ended 31 December 2020 as compared to the last year corresponding quarter is analysed as follows:-

1) *Cloud and IT Services*

The cloud and IT services segment recorded revenue of RM6.09 million in the current financial quarter ended 31 March 2021 compared to RM5.99 million recorded in the last year corresponding quarter. The cloud and IT services segment recorded profit before taxation of RM0.49 million compared to profit before taxation of RM2.12 million. This is due to the one-off project secured in the last year corresponding quarter.

2) *Trading of Kitchen Appliances, IT and Office Automation Equipment and Medical Equipment*

The trading of kitchen appliance recorded revenue of RM0.27 million in the current financial quarter ended 31 March 2021 compared to RM0.47 million in the last year corresponding quarter. The kitchen appliances recorded loss before tax of RM2.16 million for the current quarter ended 31 March 2021 compared to loss before tax of RM0.08 million in the last year corresponding quarter. This is due to the recognition of share option expenses.

The trading of IT and office automation equipment recorded revenue of RM0.38 million for the current quarter under review as compared to RM5.27 million in the last year corresponding quarter. The IT and office automation equipment recorded profit before taxation of RM0.38 million as compared to loss before taxation of RM0.99 million in the last year corresponding quarter.

The trading of medical equipment recorded revenue of RM0.12 million and loss before taxation of RM52,000.



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B1. Review of Performance (Cont'd)

3) Property Construction

The Property Construction has recorded a revenue of RM23.54 million during the quarter compared to RM3.26 million in the last year corresponding quarter. This is due to the higher progress billing during the quarter under review.

B2. Future Prospect

The Board is of the view that the increase in revenue for Cloud and IT segment during the Covid-19 pandemic, indicating more companies and enterprises realising the importance of cloud and subscribing for cloud and co-location services. The Group will continue to focus its energies on the Cloud and IT segment, to capitalize on the growing requirement of digitization. The Group will also pay close attention to the market trends that are impacted by the spread of Covid-19, and will respond accordingly to minimise the risks and maximise opportunities.

B3. Changes in Profit/Loss before Taxation against Immediate Preceding Quarter

For the current quarter under review, the Group's revenue was RM29.50 million represents an increase of RM10.04 million as compared to immediate preceding corresponding quarter revenue of RM19.46 million. This is due to higher progress billing for the property construction segment during the current quarter under review.

Current quarter recorded loss after tax of RM15.95 million as compared to the loss after tax of RM10.83 million for the immediate preceding corresponding quarter. This is due to the fair value loss on the other investment during the current quarter under review.

The performance of the respective business segments for the quarter ended 31 March 2021 as compared to the immediate preceding corresponding quarter is analysed as follows:-

1) Cloud Services

The cloud services recorded revenue of RM6.09 million in the current financial quarter ended 31 March 2021 as compared to the RM5.65 million in the immediate preceding corresponding quarter. This segment recorded a profit after taxation of RM0.49 million in the current quarter under review as compared to immediate preceding corresponding quarter profit after taxation of RM0.78 million.



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B3. Changes in Profit/Loss before Taxation against Immediate Preceding Quarter (Cont'd)

2) *Trading of Kitchen Appliances, IT and Office Automation Equipment and Medical Equipment*

The kitchen appliances services segment recorded revenue of RM0.27 million in the current financial quarter ended 31 March 2021 as compared to immediate preceding corresponding quarter revenue of RM0.31 million. This segment recorded a loss after taxation of RM2.16 million in the current quarter under review as compared to immediate preceding corresponding quarter loss after taxation of RM0.56 million. This is due to the recognition of share option expenses.

The trading of IT and office automation equipment recorded revenue of RM0.38 million for the current quarter under review as compared to RM2.55 million in the immediate preceding corresponding quarter. The IT and office automation equipment recorded profit before taxation of RM0.37 million as compared to loss before taxation of RM0.63 million in the immediate preceding corresponding quarter. This is due to the reversal of impairment loss on inventories of RM2 million during the current quarter.

The trading of medical equipment has commenced during the immediate preceding quarter. The segment recorded revenue of RM0.12 million for the current quarter under review as compared to RM14,000 in the immediate preceding corresponding quarter. The segment recorded loss before taxation of RM52,000 as compared to loss before taxation of RM62,000 in the immediate preceding corresponding quarter.

3) *Property Construction*

The construction segment recorded revenue of RM23.54 million in the current financial quarter ended 31 March 2021 as compared to immediate preceding corresponding quarter revenue of RM11.12 million. The construction segment recorded profit before taxation of RM2.92 million as compared to loss before taxation of RM1.22 million in the immediate preceding corresponding quarter. This is due to the higher progress billing during the current quarter under review.

B4. Profit Forecast

- (a) No profit forecast was announced hence there was no comparison made with the actual results.
- (b) There is no shortfall in profit guarantee as the Group did not provide any profit guarantee.



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B5. Taxation

	12-months ended 31/3/2021	12-months ended 31/3/2020
	RM'000	Audited RM'000
Income tax		
- Current year provision	-	-
- Under/(over) provision in previous year	-	(5)
Deferred taxation	60	(1,233)
Total	60	(1,238)

Income tax is calculated at the Malaysian statutory tax rate of 24% (2020:24%) of the estimated assessable profit for the year.

B6. Profit on sale of Unquoted Investments and/or Properties

There was no disposal of unquoted investments and/or properties for the current quarter and financial year-to-date under review.

B7. Purchase and Disposal of Quoted Securities

(a) The dealings of quoted securities for the current quarter and nine months ended 31 March 2021 were as follows:-

	Current Quarter	12-months ended 31 March 2021
	RM'000	RM'000
Total purchases at cost	4,680	7,115
Total fair value gain recognised	-	1,737
Total sale proceeds	4,095	10,361
Gain/(loss) on disposal	(585)	1,509

(b) The details of the investment in quoted shares as at 31 March 2021 are as below:

	As at 31 March 2021
	RM'000
At cost	31,927
At book value	39,833
At market value	39,833



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B8. Corporate Proposals

Private Placement up to 20% of the total number of shares (Proposed Private Placement)

On 27 January 2021, the Company proposed to undertake a private placement of up to 20% of the total number of issued shares of the Company to third party investor(s) to be identified later at an issue price to be determined later.

The application pursuant to the Proposed Private Placement has been submitted to Bursa Malaysia Securities Berhad on 29 January 2021.

Bursa Securities had, vide its letter dated 11 February 2021, approved the listing and quotation of up to 609,451,510 placement shares to be issued pursuant to the Proposed Private Placement.

Multiple Proposals

On 11 March 2021, on behalf of the Board of Directors of KAG ("Board"), UOB Kay Hian Securities (M) Sdn Bhd ("UOBKH") wishes to announce that the Company proposes to undertake the following:-

i. a private placement of up to 20% of the total number of issued shares of KAG ("KAG Share(s)" or "Share(s)") (excluding treasury shares) to third party investor(s) to be identified later ("Proposed Private Placement"). For avoidance of doubt, the Proposed Private Placement is not undertaken in accordance with a general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act"). As such, the Proposed Private Placement is subject to specific shareholder approval pursuant to Rule 6.06 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements"); and

ii. an acquisition of 450,000 ordinary shares in Tree Med Sdn Bhd ("Tree Med") ("Sale Share(s)"), representing 30% equity interest in Tree Med, from Khairul Anuar Bin Danial and Raja Mazyah Binti Raja Aminuddin (collectively, the "Vendors") for a purchase consideration of RM14,000,000 ("Purchase Consideration") to be satisfied via a combination of RM4,000,000 in cash ("Cash Consideration") and RM10,000,000 via the issuance of 200,000,000 new KAG Shares at an issue price of RM0.05 per KAG Share ("Consideration Share(s)") ("Proposed Acquisition");

(The Proposed Private Placement and Proposed Acquisition are collectively referred to as the "Proposals").

The application pursuant to the Proposals has been submitted to Bursa Malaysia Securities Berhad on 17 March 2021.



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B8. Corporate Proposals (Cont'd)

Multiple Proposals (Cont'd)

Bursa Securities had, vide its letter dated 28 April 2021, approved the listing and quotation of:-

- i. up to 789,172,978 new KAG Shares to be issued pursuant to the Proposed Private Placement; and
- ii. 200,000,000 new KAG Shares to be issued pursuant to the Proposed Acquisition.

The Proposals have been approved by the shareholders during the Extraordinary General Meeting on 25 May 2021.

There was no other corporate proposal announced but not completed for the quarter under review.

B9. Group Borrowings and Debt Securities

As at 31 March 2021	Short-term RM'000	Long-term RM'000	Total RM'000
Secured			
Finance lease	35	-	35
Lease liability due to non-financial institutions	2,127	3,561	5,688
Hire purchase	339	499	838
Term loan	893	7,744	8,637
Bank overdraft	1,989	-	1,989
Total	5,383	11,804	17,187

As at 31 March 2020	Short-term RM'000	Long-term RM'000	Total RM'000
<i>Restated</i>			
Secured			
Finance lease	459	35	494
Lease liability due to non-financial institutions	2,410	4,801	7,211
Hire purchase	411	443	854
Term loan	829	8,771	9,600
Bank overdraft	1,991	-	1,991
Total	6,100	14,050	20,150



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B10. Off Balance Sheet Financial Instruments

The Group does not have any off-balance sheet financial instruments as at the date of this quarterly report.

B11. Material Litigation

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

B12. Dividend

No dividend has been declared or paid during the current quarter and the financial year-to-date under review.

B13. Profit/(Loss) Before Tax

Profit/(Loss) for the period is arrived after crediting/(charging) the following:

	Quarter Ended		Cumulative Year-To-Date Ended	
	31/3/2021 RM'000	31/3/2020 RM'000	31/3/2021 RM'000	31/3/2020 RM'000
Bad debts written off	(1)	(14)	(91)	(22)
Depreciation & amortization	(138)	(2,106)	(5,028)	(5,914)
Fair value adjustment on quoted shares	(20,712)	(7,467)	17,776	(8,460)
Fair value adjustment on other investments	-	151	-	151
Fair value adjustment on investment properties	(154)	(152)	(154)	(152)
Allowance for expected credit losses of trade and other receivables	(8)	-	(598)	-
Impairment loss on goodwill	-	(864)	(1,972)	(2,435)
Impairment loss on inventories	2,000	(47)	-	(177)
Impairment loss on trade and other receivables	(293)	(1,325)	(293)	(1,288)
Interest expense	(378)	(773)	(1,178)	(1,207)
Property, plant and equipment written off	(26)	-	(26)	-
Share-based payment	40	(441)	(3,331)	(441)



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B13. Profit/(Loss) Before Tax (Cont'd)

And crediting:-				
Interest income	18	29	86	133
Gain on disposal of other investment	-	-	1,509	-
Gain on disposal of property, plant and equipment	1	-	60	2
Gain on disposal of subsidiary	-	-	7	-
Reversal of impairment loss on receivables	-	-	25	37
Unrealised foreign gain	-	19	-	8

B14. Status of utilisation of proceeds

Rights issue

On 8 May 2017, the Rights Issue with Warrants has been completed with the listing of Rights Shares and Warrants on the ACE Market of Bursa Malaysia Securities Berhad. As at 31 March 2021, the status utilisation of the proceeds raised is as follow:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation
Construction works for the Pano Project*	35,000	(35,000)	Within 30 months
Working capital	5,203	(5,203)	Up to 24 months
Estimated expenses for the Corporate Exercises	750	(750)	Immediate

**Proceeds of up to RM25 million will be allocated for Construction Works. The Company would allocate up to an additional RM 10 million for the Construction Works to act as a buffer to cater for any delay in the project schedule/progress payments and related expense. Any unutilized balance from this RM 10 million will be allocated for working capital.*



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B14. Status of utilisation of proceeds (Cont'd)

30% Private Placement

On 21 July 2020, the 30% Private Placement has been completed with the listing of 204,162,850 placement shares on the ACE Market of Bursa Malaysia Securities Berhad. As at 31 March 2021, the status of the utilization of the proceeds raised is as follow:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation
Business expansion	12,140	(10,100)	Within 12 months from completion
Estimated expenses for the Corporate Exercises	110	(110)	Upon completion

Rights issue

On 20 November 2020, the Rights Issue with Warrants has been completed with the listing of Rights Shares and Warrants on the ACE Market of Bursa Malaysia Securities Berhad. As at 31 March 2021, the status utilisation of the proceeds raised is as follow:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation
Business expansion			
- <i>Purchase of Covid-19 RT PCR Test Kit</i>	21,495	(356)	Within 12 months from completion
- <i>Purchase of other in vitro diagnostic devices and/or medical equipment/devices</i>	7,500	(156)	Within 12 months from completion
- <i>Staff related costs</i>	1,000	(56)	Within 12 months from completion
- <i>Marketing & Advertising costs</i>	5,000	(35)	Within 12 months from completion
Repayment of bank borrowings	9,600	(963)	Within 6 months from completion
Working capital	3,810	(2,480)	Within 12 months from completion
Estimated expenses for the Corporate Exercises	700	(700)	Upon completion



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B15. Earnings per Share

Basic

The earnings per share for the current quarter and cumulative quarter year-to-date are computed as follows:

	Quarter Ended		Year-To-Date Ended	
	31/3/2021	31/3/2020	31/3/2021	31/3/2020
Net profit/(loss) for the period attributable to ordinary equity holders of the Company (RM'000)	(16,028)	(6,713)	12,596	(15,779)
Weighted average number of ordinary shares in issue ('000)	1,314,821	526,377	1,314,821	526,377
(Loss)/Earnings per share (sen)	<u>(1.22)</u>	<u>(1.28)</u>	<u>0.96</u>	<u>(3.00)</u>