



KEY ALLIANCE GROUP BERHAD
 Registration No.: 200301007533 (609953-k)
 (Incorporated in Malaysia)
 FOURTH QUARTER ENDED 31 MARCH 2022

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

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	2022	2021	<i>Changes</i>	2022	2021	<i>Changes</i>
	CURRENT QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	
	31/03/2022	31/03/2021	%	31/03/2022	31/03/2021	%
	RM'000	RM'000		RM'000	RM'000	
REVENUE	18,897	29,504	-36%	49,690	65,526	-24%
Operating expenses	(4,055)	3,839	-206%	(8,172)	(10,349)	-21%
Other income	237	1,500	-84%	1,315	4,602	-71%
Interest income	33	18	83%	150	86	74%
Interest expense	(168)	(378)	56%	(1,037)	(1,178)	-12%
Fair value adjustment on other investment	(7,993)	(20,712)	-61%	(40,955)	17,776	330%
Fair value adjustment on investment properties	-	(154)		-	(154)	
Share of associate result	129	-		1,040	-	
(Loss)/Profit before tax	(11,817)	(15,887)	-26%	(47,659)	10,783	-542%
Taxation	(279)	(60)	-	(279)	(60)	-
(Loss)/Profit after taxation	(12,096)	(15,947)	-24%	(47,938)	10,723	-547%
(Loss)/Profit attributable to:						
Equity holders of the company	(11,686)	(16,028)	-27%	(47,345)	12,596	-476%
Non-controlling interest	(410)	81	-606%	(593)	(1,873)	-68%
(Loss)/Profit after taxation	(12,096)	(15,947)	-24%	(47,938)	10,723	-547%
Weighted average number of shares in issue ('000)	2,608,488	1,314,821		2,608,488	1,314,821	
(Loss)/Earnings per share (sen) - basic	(0.45)	(1.22)		(1.82)	0.96	

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 2021 and the accompanying explanatory notes attached to this interim financial statements.



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 FOURTH QUARTER ENDED 31 MARCH 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 31/3/2022 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/3/2021 (Audited) RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	44,775	45,654
Right of use assets	6,987	5,715
Investment properties	18,200	18,200
Development Expenditure	233	18
Investment in Associate	15,040	-
Other investment	25,272	40,443
Goodwill	-	1,399
Deferred tax assets	484	763
	110,991	112,192
Current Assets		
Inventories	4,104	4,679
Trade and other receivables	37,323	52,787
Tax recoverable	502	373
Fixed deposits with licensed banks	2,901	4,269
Cash and bank balances	16,781	48,078
	61,611	110,186
TOTAL ASSETS	172,602	222,378
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	192,508	175,612
Accumulated loss	(79,628)	(32,261)
Warrants reserve	19,642	19,642
	132,522	162,993
Non-controlling interest	(2,964)	(2,491)
Total Equity	129,558	160,502
Non-current Liabilities		
Deferred tax liabilities	497	497
Borrowings	-	6,303
Contract liabilities	916	1,494
Lease liabilities	5,134	3,961
	6,547	12,255
Current Liabilities		
Trade and other payables	24,166	26,571
Bank overdrafts	1,983	1,989
Borrowings	-	2,333
Contract liabilities	8,094	16,053
Lease Liabilities	2,254	2,675
	36,497	49,621
Total Liabilities	43,044	61,876
TOTAL EQUITY AND LIABILITIES	172,602	222,378
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.0432	0.0692

The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial statements.



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FOURTH QUARTER ENDED 31 MARCH 2022

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 2021	175,612	19,642	-	(32,261)	(2,491)	160,502
Total comprehensive income for the period	-	-	-	(47,345)	(593)	(47,938)
Issuance of shares from private placement	6,896	-	-	-	-	6,896
Arising from increase of stakes in subsidiary	-	-	-	(22)	120	98
Share issuance for acquisition of associate	10,000	-	-	-	-	10,000
Balance as of 31 March 2022	192,508	19,642	-	(79,628)	(2,964)	129,558
	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 adjustments	-	-	-	(2,326)	(568)	(2,894)
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

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 2021 and the accompanying explanatory notes attached to this interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	12-MONTHS ENDED 31/03/22 (Unaudited) RM'000	12-MONTHS ENDED 31/03/21 (Audited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(47,659)	10,760
Adjustment for:		
Non-cash items	46,424	(7,042)
Non-operating items	863	1,156
Operating profit before working capital changes	(372)	4,874
Net changes in current assets	17,031	(10,546)
Net changes in current liabilities	(10,942)	(10,708)
Cash generated from/(used in) operations	5,717	(16,380)
Interest received	125	-
Interest paid	(991)	-
Net tax paid	(129)	144
Net cash generated from/(used in) operating activities	4,722	(16,236)
CASH FLOWS FOR INVESTING ACTIVITIES		
Investment in other investment	(25,781)	(25,842)
Investment in associate	(4,000)	-
Increase in work-in-progress	(1,000)	-
Withdrawal/(Pledged) of fixed deposit	1,368	(105)
Proceeds from disposal of other investment	-	12,029
Proceeds from disposal of plant and equipment	10	70
Purchase of right of use assets	-	(58)
Purchase of property, plant and equipment	(2,488)	(10,256)
Interest income	-	86
Net cash used in investing activities	(31,891)	(24,076)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of lease liabilities	(2,480)	(2,817)
Interest paid	-	(1,242)
Repayment of term loan	(8,636)	(963)
Proceeds from issuance of right shares	-	90,068
Proceeds from issuance of shares in subsidiary to NCI	98	-
Proceeds from private placement	6,896	-
Net cash (used in)/generated from financing activities	(4,122)	85,046
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(31,291)	44,734
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	46,089	1,355
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	14,798	46,089
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	2,901	4,269
Cash and bank balances	16,781	48,078
Bank overdrafts	(1,983)	(1,989)
	17,699	50,358
Less : Fixed deposits pledged	(2,901)	(4,269)
	14,798	46,089

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 2021 and the accompanying explanatory notes attached to this interim financial statements.



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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 2021.

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 2021.

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 2021.

A2. Auditors’ Report

The auditors’ report for the Group’s annual financial statements for the financial year ended 31 March 2021 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 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.

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	Trading	Property Construction	Others	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current quarter ended 31 March 2022						
Revenue	1,961	4,326	12,836	81	(307)	18,897
Segment results	(901)	(1,198)	1,227	(9,618)	78	(10,412)
Interest expenses						(168)
Interest income						33
Impairment loss on goodwill						(1,399)
Share of associate result						129
Loss before tax						(11,817)
Taxation						(279)
Loss after tax						(12,096)
Segment assets	55,036	32,844	23,742	148,249	(87,269)	172,602



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A8. Segmental Reporting (Cont'd)

Business Segments	Cloud and IT Services	Trading	Property Construction	Others	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	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
Impairment loss on goodwill						-
Loss before tax						(15,887)
Taxation						(60)
Loss after tax						(15,947)
Segment assets	54,234	24,426	30,929	173,311	(62,857)	220,043

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

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



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A12. Changes in Contingent Assets and Contingent Liabilities

Contingent liabilities of the Group as at 31 March 2022 are as follows:

	Group Level	
	As at 31 March 2022 RM'000	As at 31 March 2021 RM'000
Secured		
Fixed deposit pledged to banks for credit facilities granted to subsidiaries	2,901	4,269
Corporate guarantees issued to bank for facility granted to a subsidiary	-	8,637
	<u>2,901</u>	<u>12,906</u>
	Group Level	
	As at 31 March 2022 RM'000	As at 31 March 2021 RM'000
Unsecured		
Corporate guarantees issued to banks for finance lease facility granted to a subsidiary	311	610
Corporate guarantees issued to a leasing company for finance lease facility granted to a subsidiary	1,339	2,306
	<u>1,650</u>	<u>2,916</u>

A13. Capital Commitments

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

	As at 31 March 2022 RM'000	As at 31 March 2021 RM'000
Capital expenditure not provided for in the financial statement		
- authorised and contracted	-	2,000
	<u>-</u>	<u>2,000</u>
Analysed as follows:		
Plant and equipment	-	2,000
	<u>-</u>	<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 RM18.90 million, 35.93% lower than RM29.50 million recorded in the corresponding quarter last year. This is due to the lower revenue contributed by the property construction segment and cloud and IT services segment.

The Group recorded a net loss after taxation of RM12.10 million as compared to the last year corresponding quarter's loss after taxation of RM15.95 million. This is due to the fair value loss on other investments during the quarter under review amounting to RM7.99 million (Corresponding quarter last year: fair value loss on other investment of RM20.71 million) and impairment of goodwill incurred during this quarter under review amounting to RM1.39 million (Corresponding quarter last year: nil).

The performance of the respective business segments for the quarter ended 31 March 2022 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 RM1.96 million in the current financial quarter ended 31 March 2022 compared to RM6.09 million recorded in the last year corresponding quarter. This is due to the expiry of a few agreements during the period. The cloud and IT services segment recorded loss before taxation of RM0.93 million compared to profit before taxation of RM0.49 million. This is in line with the decrease in revenue.

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

The trading of kitchen appliance recorded revenue of RM0.17 million in the current financial quarter ended 31 March 2022 compared to RM0.27 million in the last year corresponding quarter. The kitchen appliances recorded loss before tax of RM0.19 million for the current quarter ended 31 March 2022 compared to loss before tax of RM2.16 million in the last year corresponding quarter. This is due to the recognition of share option expenses in the last year corresponding quarter.

The trading of IT and office automation equipment recorded revenue of RM1.18 million for the current quarter under review as compared to RM0.38 million in the last year corresponding quarter. The IT and office automation equipment recorded loss before taxation of RM0.79 million as compared to profit before taxation of RM0.38 million in the last year corresponding quarter. This is due to the reversal of impairment loss on inventories in the last year corresponding quarter.



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B1. Review of Performance (Cont'd)

2) *Trading of Kitchen Appliances, IT and Office Automation Equipment and Medical Equipment (Cont'd)*

The trading of medical equipment recorded revenue of RM2.98 million in the current financial quarter ended 31 March 2022 compared to RM0.12 million recorded in the last year corresponding quarter. The medical equipment recorded loss before tax of RM0.28 million for the current quarter ended 31 March 2022 compared to loss before tax of RM52,000 in the last year corresponding quarter. This is due to the competitive pricing of the test kits.

3) *Property Construction*

The Property Construction has recorded a revenue of RM12.84 million during the quarter compared to RM23.54 million in the last year corresponding quarter. This is due to the lower progress billing of renovation works during the quarter under review. The segment recorded profit before taxation of RM1.22 million during the current quarter as compared to profit before taxation of RM2.92 million in the last year corresponding quarter.

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 RM18.90 million represents an increase of RM11 million as compared to immediate preceding corresponding quarter revenue of RM7.90 million. This is due to the increase in revenue for the property and construction segment.

Current quarter recorded loss after tax of RM12.10 million as compared to the loss after tax of RM16.38 million for the immediate preceding corresponding quarter. This is due to the fair value loss on the other investment amounting to RM7.99 million incurred during the current quarter (Immediate preceding corresponding quarter: fair value loss on other investment amounting to RM14.69 million) and impairment of goodwill incurred during this quarter under review amounting to RM1.39 million (Immediate preceding corresponding quarter: nil).



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

The performance of the respective business segments for the quarter ended 31 March 2022 as compared to the immediate preceding corresponding quarter is analysed as follows:-

1) *Cloud Services*

The cloud services recorded revenue of RM1.96 million in the current financial quarter ended 31 March 2022 as compared to the RM2.62 million in the immediate preceding corresponding quarter. This segment recorded a loss after taxation of RM0.93 million in the current quarter under review as compared to immediate preceding corresponding quarter loss after taxation of RM0.59 million.

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

The kitchen appliances services segment recorded revenue of RM0.17 million in the current financial quarter ended 31 March 2022 as compared to immediate preceding corresponding quarter revenue of RM0.24 million. This segment recorded a loss after taxation of RM0.19 million in the current quarter under review as compared to immediate preceding corresponding quarter loss after taxation of RM0.17 million.

The trading of IT and office automation equipment recorded revenue of RM1.18 million for the current quarter under review as compared to RM1.35 million in the immediate preceding corresponding quarter. The IT and office automation equipment recorded loss before taxation of RM0.79 million as compared to loss before taxation of RM0.23 million in the immediate preceding corresponding quarter. This is in line with the decrease in revenue.

The trading of medical equipment segment recorded revenue of RM2.98 million for the current quarter under review as compared to RM2.33 million in the immediate preceding corresponding quarter. The segment recorded loss before taxation of RM280,000 as compared to profit before taxation of RM2,800 in the immediate preceding corresponding quarter. This is arising from the lower profit margin due to the competitive pricing of the test kits.

3) *Property Construction*

The construction segment recorded revenue of RM12.84 million in the current quarter ended 31 March 2022 as compared to immediate preceding corresponding quarter revenue of RM1.58 million. The construction segment recorded profit before taxation of RM1.22 million as compared to loss before taxation of RM0.02 million in the immediate preceding corresponding quarter. This is in line with the increase in revenue.



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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.

B5. Taxation

	12-months ended 31/03/2022	12-months ended 31/03/2021
	RM'000	Audited RM'000
Income tax		
- Current year provision	-	-
- Under/(over) provision in previous year	-	-
Deferred taxation	(279)	(45)
Total	<u>(279)</u>	<u>(45)</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2021:24%) 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 details of the investment in quoted shares as at 31 March 2022 are as below:

	As at 31 March 2022
	RM'000
At cost	58,864
At book value	24,572
At market value	24,572



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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.

510,861,906 Placement Shares issued pursuant to the Private Placement were listed and quoted on the ACE Market of Bursa Securities on 23 December 2021 which marks the completion of the 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").



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B8. Corporate Proposals (Cont'd)

Multiple Proposals (Cont'd)

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

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.

All conditions precedent pursuant to the SSA have been fulfilled and 200,000,000 Consideration Shares issued pursuant to the Proposed Acquisition were listed and quoted on the ACE Market of Bursa Malaysia Securities Berhad on 2 September 2021, marking the completion of the Proposed Acquisition.

613,000,000 new KAG Shares issued pursuant to the Proposed Private Placement were listed and quoted on the ACE Market of Bursa Malaysia Securities Berhad on 13 April 2022, which marks the completion of the Proposed Private Placement.

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

B9. Group Borrowings

As at 31 March 2022	Short-term RM'000	Long-term RM'000	Total RM'000
Secured			
Hire purchase	311	184	495
Other lease liabilities	1,943	4,950	6,893
Bank overdraft	1,983	-	1,983
Total	4,237	5,134	9,371



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B9. Group Borrowings (Cont'd)

As at 31 March 2021	Short-term RM'000	Long-term RM'000	Total RM'000
Secured			
Hire purchase	339	499	838
Other lease liabilities	2,336	3,462	5,798
Term loan	2,333	6,303	8,636
Bank overdraft	1,989	-	1,989
Total	6,997	10,264	17,261

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. (Loss)/Profit Before Tax

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

	Quarter Ended		Cumulative Year-To-Date Ended	
	31/03/2022 RM'000	31/03/2021 RM'000	31/03/2022 RM'000	31/03/2021 RM'000
Bad debts written off	(771)	(1)	(771)	(91)
Depreciation & amortization	(1,340)	(138)	(5,642)	(5,028)
Fair value adjustment on other investment/ quoted shares	(7,993)	(20,712)	(40,955)	17,776
Fair value adjustment on investment properties	-	(154)	-	(154)
Reversal/(Allowance) for expected credit losses of trade and other receivables	562	(301)	1,165	(866)



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

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

Impairment loss on goodwill	(1,399)	-	(1,399)	(1,972)
Reversal/(Impairment loss) on inventories	(103)	2,000	(22)	-
Interest expense	(122)	(378)	(990)	(1,178)
Property, plant and equipment written off	-	(26)	-	(26)
Share-based payment	-	40	-	(3,331)
And crediting:-				
Interest income	33	18	150	86
Gain/(Loss) on disposal of other investment	-	-	-	1,509
Gain on disposal of property, plant and equipment	-	1	-	60
Gain on disposal of subsidiary	-	-	-	7

B14. Status of utilisation of proceeds

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 2022, 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	(11,100)	Within 12 months from completion
Estimated expenses for the Corporate Exercises	110	(110)	Upon completion



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

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 March 2022, 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, and other in vitro diagnostic devices and/or medical equipment/devices</i>	28,995	(22,364)	Within 12 months from completion
- <i>Staff related costs</i>	1,000	(238)	Within 12 months from completion
- <i>Marketing & Advertising costs</i>	5,000	(36)	Within 12 months from completion
Repayment of bank borrowings	9,600	(9,600)	Within 6 months from completion
Working capital	3,810	(3,254)	Within 12 months from completion
Estimated expenses for the Corporate Exercises	700	(700)	Upon completion

10% Private Placement

On 23 December 2021, the 10% Private Placement has been completed with the listing of 510,861,906 placement shares on the ACE Market of Bursa Malaysia Securities Berhad. As at 31 March 2022, 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
Development of an electronic-commerce marketplace/platform for medical equipment, devices and related products	6,787	(139)	Within 12 months from completion
Estimated expenses	110	(92)	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	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
Net (loss)/profit for the period attributable to ordinary equity holders of the Company (RM'000)	(11,686)	(16,028)	(47,345)	12,596
Weighted average number of ordinary shares in issue ('000)	2,608,488	1,314,821	2,608,488	1,314,821
(Loss)/Earnings per share (sen)	<u>(0.45)</u>	<u>(1.22)</u>	<u>(1.82)</u>	<u>0.96</u>

Diluted

The fully diluted loss per ordinary share for the Group for the current financial period is not presented as the warrants would be anti-dilutive as the exercise price is higher than the fair value of the Company's shares.