



KEY ALLIANCE GROUP BERHAD
 Registration No.: 200301007533 (609953-k)
 (Incorporated in Malaysia)
 SECOND QUARTER ENDED 30 SEPTEMBER 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	
	30/09/2022	30/09/2021	%	30/09/2022	30/09/2021	%
	RM'000	RM'000		RM'000	RM'000	
REVENUE	7,657	5,071	51%	22,802	22,889	0%
Operating expenses	(2,049)	(2,032)	1%	(4,612)	(2,303)	100%
Other income	237	652	-64%	479	812	-41%
Interest income	69	42	64%	116	91	27%
Interest expense	(147)	-		(304)	(659)	-54%
Fair value adjustment on other investment	(797)	(194)	311%	(6,736)	(18,275)	63%
Share of associate result	204	874	-77%	(1,313)	874	-250%
Loss before tax	(2,483)	(658)	277%	(12,370)	(19,460)	-36%
Taxation	-	-	-	-	-	-
Loss after taxation	(2,483)	(658)	277%	(12,370)	(19,460)	-36%
Loss attributable to:						
Equity holders of the company	(2,408)	(720)	234%	(12,216)	(19,407)	-37%
Non-controlling interest	(75)	62	-221%	(154)	(53)	191%
Loss after taxation	(2,483)	(658)	277%	(12,370)	(19,460)	-36%
Weighted average number of shares in issue ('000)	3,637,975	2,386,003		3,637,975	2,386,003	
Loss per share (sen) - basic	(0.07)	(0.03)		(0.34)	(0.81)	

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 2022 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD

Registration No.: 200301007533 (609953-k)

(Incorporated in Malaysia)

SECOND QUARTER ENDED 30 SEPTEMBER 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 30/9/2022 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/3/2022 (Audited) RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	41,798	44,707
Right of use assets	5,915	6,590
Investment properties	18,200	18,200
Development Expenditure	222	233
Investment in Associate	9,898	11,210
Other investment	18,537	25,272
Deferred tax assets	73	73
	94,643	106,285
Current Assets		
Inventories	3,705	4,104
Trade and other receivables	26,553	41,671
Tax recoverable	574	502
Fixed deposits with licensed banks	2,886	2,901
Cash and bank balances	22,329	16,781
	56,047	65,959
TOTAL ASSETS	150,690	172,244
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	193,396	188,509
Accumulated loss	(92,611)	(80,395)
Warrants reserve	19,642	19,642
	120,427	127,756
Non-controlling interest	(3,346)	(3,192)
Total Equity	117,081	124,564
Non-current Liabilities		
Deferred tax liabilities	497	497
Contract liabilities	648	1,694
Lease liabilities	4,208	5,161
	5,353	7,352
Current Liabilities		
Trade and other payables	20,008	23,727
Bank overdrafts	1,991	1,983
Contract liabilities	4,201	12,391
Lease liabilities	2,056	2,227
	28,256	40,328
Total Liabilities	33,609	47,680
TOTAL EQUITY AND LIABILITIES	150,690	172,244
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.0327	0.0417

The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2022 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (609953-K)

Registration No.: 200301007533 (609953-k)

(Incorporated in Malaysia)

SECOND QUARTER ENDED 30 SEPTEMBER 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 2022	188,509	19,642	-	(80,395)	(3,192)	124,564
Total comprehensive income for the period	-	-	-	(12,216)	(154)	(12,370)
Issuance of shares from private placement	5,333	-	-	-	-	5,333
Share issuance expenses	(446)	-	-	-	-	(446)
Balance as of 30 September 2022	193,396	19,642	-	(92,611)	(3,346)	117,081
	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
<i>Restated</i>	175,612	19,642	-	(32,352)	(2,491)	160,411
Total comprehensive income for the period	-	-	-	(19,407)	(53)	(19,460)
Arising from increase of stakes in subsidiary	-	-	-	(22)	120	98
Share issuance for acquisition of associate	10,000	-	-	-	-	10,000
Balance as of 30 September 2021	185,612	19,642	-	(51,781)	(2,424)	151,049

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 2022 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD
 Registration No.: 200301007533 (609953-k)
 (Incorporated in Malaysia)
 SECOND QUARTER ENDED 30 SEPTEMBER 2022

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6-MONTHS ENDED 30/09/22 (Unaudited) RM'000	12-MONTHS ENDED 31/03/22 (Audited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(12,370)	(48,243)
Adjustment for:		
Non-cash items	11,401	47,698
Non-operating items	188	1,079
Operating (loss)/profit before working capital changes	(781)	534
Net changes in current assets	15,788	9,919
Net changes in current liabilities	(12,955)	(6,047)
Cash generated from operations	2,052	4,406
Net tax paid	(72)	(128)
Net cash generated from operating activities	1,980	4,278
CASH FLOWS FOR INVESTING ACTIVITIES		
Investment in other investment	-	(26,231)
Investment in associate	-	(4,000)
Withdrawal/(Pledged) of fixed deposit	14	1,418
Proceeds from disposal of plant and equipment	-	4
Purchase of intangible assets	-	224
Purchase of property, plant and equipment	(80)	(1,668)
Interest income	116	150
Net cash generated from/(used in) investing activities	50	(30,103)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of lease liabilities	(1,124)	(2,544)
Interest paid	(304)	(1,229)
Repayment of term loan	-	(8,637)
Share issuance expenses	(446)	-
Proceeds from issuance of shares in subsidiary to NCI	-	98
Proceeds from private placement	5,333	6,897
Net cash generated from/(used in) financing activities	3,459	(5,415)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,489	(31,240)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	14,849	46,089
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	20,338	14,849
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	2,886	2,901
Cash and bank balances	22,329	16,781
Bank overdrafts	(1,991)	(1,983)
	23,224	17,699
Less : Fixed deposits pledged	(2,886)	(2,850)
	20,338	14,849

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 2022 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD (*Company No. 609953-K*)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

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 2022.

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 2022.

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 2022.

A2. Auditors’ Report

The auditors’ report for the Group’s annual financial statements for the financial year ended 31 March 2022 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.



KEY ALLIANCE GROUP BERHAD (*Company No. 609953-K*)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

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.



KEY ALLIANCE GROUP BERHAD (Company No. 609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

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 30 September 2022						
Revenue	3,484	1,214	3,156	81	(278)	7,657
Segment results	(735)	(317)	(65)	(1,555)	63	(2,609)
Interest expenses						(147)
Interest income						69
Share of associate result						204
Loss before tax						(2,483)
Taxation						-
Loss after tax						(2,483)
Segment assets	46,579	24,540	17,860	133,945	(72,234)	150,690



KEY ALLIANCE GROUP BERHAD (Company No. 609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

A8. Segmental Reporting (Cont'd)

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 30 September 2021						
Revenue	2,606	2,601	70	81	(287)	5,071
Segment results	(327)	28	(354)	(994)	73	(1,574)
Interest expenses						-
Interest income						42
Share of associate result						874
Loss before tax						(658)
Taxation						-
Loss after tax						(658)
Segment assets	58,750	28,086	23,246	163,361	(86,879)	186,564

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.



KEY ALLIANCE GROUP BERHAD (*Company No. 609953-K*)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

A12. Changes in Contingent Assets and Contingent Liabilities

Contingent liabilities of the Group as at 30 September 2022 are as follows:

	Group Level	
	As at 30 September 2022 RM'000	As at 31 March 2022 RM'000
Secured		
Fixed deposit pledged to banks for credit facilities granted to subsidiaries	2,886	2,901
	<hr/>	<hr/>
	Group Level	
	As at 30 September 2022 RM'000	As at 31 March 2022 RM'000
Unsecured		
Corporate guarantees issued to banks for finance lease facility granted to a subsidiary	181	311
Corporate guarantees issued to a leasing company for finance lease facility granted to a subsidiary	1,206	1,339
	<hr/>	<hr/>
	1,387	1,650

A13. Capital Commitments

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.



KEY ALLIANCE GROUP BERHAD (*Company No. 609953-K*)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

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

B1. Review of Performance

The Group recorded revenue of RM7.66 million, 51.08% higher than RM5.07 million recorded in the corresponding quarter last year. This is due to the higher revenue contributed by the property construction segment and cloud and IT services segment offset with the lower revenue contributed by the trading segment.

The Group recorded a net loss after taxation of RM2.48 million as compared to the last year corresponding quarter's loss after taxation of RM0.66 million. This is due to the fair value loss on other investments during the quarter under review increased by RM0.61 million compared to last year corresponding quarter and the reversal of impairment loss on receivable arising in the last year corresponding quarter.

The performance of the respective business segments for the quarter ended 30 September 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 RM3.48 million in the current financial quarter ended 30 September 2022 compared to RM2.61 million recorded in the last year corresponding quarter. The cloud and IT services segment recorded loss before taxation of RM0.76 million compared to loss before taxation of RM0.33 million. This is in due to the depreciation arising from the data centre and IXP of RM0.48 million which had yet to depreciate 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 RM0.14 million in the current financial quarter ended 30 September 2022 compared to RM0.23 million in the last year corresponding quarter. The kitchen appliances recorded loss before tax of RM0.22 million for the current quarter ended 30 September 2022 compared to loss before tax of RM0.18 million in the last year corresponding quarter.

The trading of IT and office automation equipment recorded revenue of RM1.06 million for the current quarter under review as compared to RM1.34 million in the last year corresponding quarter. The IT and office automation equipment recorded loss before taxation of RM0.12 million as compared to profit before taxation of RM0.20 million in the last year corresponding quarter. This is due to the reversal of impairment loss on receivable of RM0.32 million in the last year corresponding quarter.



KEY ALLIANCE GROUP BERHAD (*Company No. 609953-K*)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

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 RM17,000 in the current financial quarter ended 30 September 2022 compared to RM1.33 million recorded in the last year corresponding quarter. This is due to the drastically lesser demand on the test kits in the market. The medical equipment recorded loss before tax of RM31,000 for the current quarter ended 30 September 2022 compared to loss before tax of RM80,000 in the last year corresponding quarter.

3) *Property Construction*

The Property Construction has recorded a revenue of RM3.16 million during the quarter compared to RM0.07 million in the last year corresponding quarter. This is due to the higher progress billing of renovation works during the quarter under review. The segment recorded loss before taxation of RM70,000 during the current quarter as compared to loss before taxation of RM0.35 million in the last year corresponding quarter which is in line with the increase in revenue.

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 RM7.66 million represents an decrease of RM7.49 million as compared to immediate preceding corresponding quarter revenue of RM15.15 million. This is due to the decrease in revenue for the trading segment.

Current quarter recorded loss after tax of RM2.48 million as compared to the loss after tax of RM9.89 million for the immediate preceding corresponding quarter. This is due to the followings:

- a) The fair value loss on the other investment during the current quarter is reduced by RM5.14 million; and
- b) The share of associate profit of RM0.20 million this quarter as compared to share of associate loss of RM1.52 million in the immediate preceding quarter.



KEY ALLIANCE GROUP BERHAD (*Company No. 609953-K*)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

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

The performance of the respective business segments for the quarter ended 30 September 2022 as compared to the immediate preceding corresponding quarter is analysed as follows:-

1) *Cloud Services*

The cloud services recorded revenue of RM3.48 million in the current financial quarter ended 30 September 2022 as compared to the RM1.86 million in the immediate preceding corresponding quarter. This is due to one-off project secured during the current quarter. This segment recorded a loss after taxation of RM0.76 million in the current quarter under review as compared to immediate preceding corresponding quarter loss after taxation of RM1.17 million which is in line with the increase in revenue.

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

The kitchen appliances services segment recorded revenue of RM0.14 million in the current financial quarter ended 30 September 2022 as compared to immediate preceding corresponding quarter revenue of RM0.14 million. This segment recorded a loss after taxation of RM0.22 million in the current quarter under review as compared to immediate preceding corresponding quarter loss after taxation of RM0.18 million.

The trading of IT and office automation equipment recorded revenue of RM1.06 million for the current quarter under review as compared to RM1.10 million in the immediate preceding corresponding quarter. The IT and office automation equipment recorded loss before taxation of RM0.12 million as compared to loss before taxation of RM0.14 million in the immediate preceding corresponding quarter.

The trading of medical equipment segment recorded revenue of RM17,000 for the current quarter under review as compared to RM12.31 million in the immediate preceding corresponding quarter. This is due to the drastically decrease of test kits demand in the market. The segment recorded loss before taxation of RM28,000 as compared to profit before taxation of RM27,000 in the immediate preceding corresponding quarter. This is in line with the decrease in revenue.

3) *Property Construction*

The construction segment recorded revenue of RM3.16 million in the current quarter ended 30 September 2022 as compared to immediate preceding corresponding quarter revenue of RM65,000. This is due to the higher progress billing during the quarter. The construction segment recorded loss before taxation of RM70,000 as compared to loss before taxation of RM0.40 million in the immediate preceding corresponding quarter. This is in line with the increase in revenue.



KEY ALLIANCE GROUP BERHAD (*Company No. 609953-K*)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

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

	6-months ended 30/09/2022	12-months ended 31/03/2022
	RM'000	Audited RM'000
Income tax		
- Current year provision	-	-
- Under/(over) provision in previous year	-	-
Deferred taxation	-	(690)
Total	<u>-</u>	<u>(690)</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2022:24%) 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 30 September 2022 are as below:

	As at 30 September 2022
	RM'000
At cost	58,864
At book value	17,835
At market value	17,835



KEY ALLIANCE GROUP BERHAD (Company No. 609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

B8. Corporate Proposals

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

B9. Group Borrowings

As at 30 September 2022	Short-term RM'000	Long-term RM'000	Total RM'000
Secured			
Hire purchase	231	112	343
Other lease liabilities	1,825	4,096	5,921
Bank overdraft	1,991	-	1,991
Total	4,047	4,208	8,255
As at 31 March 2022	Short-term RM'000	Long-term RM'000	Total RM'000
Secured			
Hire purchase	284	211	495
Other lease liabilities	1,943	4,950	6,893
Bank overdraft	1,983	-	1,983
Total	4,210	5,161	9,371

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.



KEY ALLIANCE GROUP BERHAD (Company No. 609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

B13. (Loss)/Profit Before Tax

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

	Quarter Ended		Cumulative Year-To-Date Ended	
	30/09/2022 RM'000	30/09/2021 RM'000	30/09/2022 RM'000	30/09/2021 RM'000
Depreciation & amortization	(1,180)	(1,351)	(2,357)	(2,778)
Fair value adjustment on other investment	(797)	(194)	(6,736)	(18,275)
Interest expenses	(146)	-	(303)	(659)
And crediting:-				
Reversal of allowance for expected credit losses of trade and other receivables	(13)	(97)	6	(97)
Reversal of impairment loss on inventories	3	27	8	27
Interest income	69	42	116	91
Write back of bad debts	7	-	7	-
Reversal of impairment loss on receivables	293	335	10	686

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



KEY ALLIANCE GROUP BERHAD (*Company No. 609953-K*)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

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 30 September 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	(28,900)	Within 12 months from completion
- <i>Staff related costs</i>	1,000	(296)	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	(3,527)	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 30 September 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	(142)	Within 12 months from completion
Estimated expenses	110	(92)	Upon completion



KEY ALLIANCE GROUP BERHAD (*Company No. 609953-K*)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the second quarter ended 30 September 2022

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

20% Private Placement

On 13 April 2022, the 20% Private Placement has been completed with the listing of 613,000,000 placement shares on the ACE Market of Bursa Malaysia Securities Berhad. As at 30 September 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
Data centre maintenance and upgrade	2,070	(8)	Within 12 months from completion
Software development / expansion for agricultural cloud-based business	1,274	(606)	Within 12 months from completion
Working capital	1,589	(1,114)	Within 18 months from completion
Estimated expenses in relation to the proposals	400	(400)	Upon completion

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	
	30/09/2022	30/09/2021	30/09/2022	30/09/2021
Net loss for the period attributable to ordinary equity holders of the Company (RM'000)	(2,483)	(720)	(12,216)	(19,407)
Weighted average number of ordinary shares in issue ('000)	3,637,975	2,386,003	3,637,975	2,386,003
Loss per share (sen)	(0.07)	(0.03)	(0.34)	(0.81)

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.