



KEY ALLIANCE GROUP BERHAD
 Registration No.: 200301007533 (609953-K)
 (Incorporated in Malaysia)
 THIRD QUARTER ENDED 31 DECEMBER 2023

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

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	2023	2022	<i>Changes</i>	2023	2022	<i>Changes</i>
	CURRENT QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	
	31/12/2023	31/12/2022	%	31/12/2023	31/12/2022	%
	RM'000	RM'000		RM'000	RM'000	
REVENUE	7,125	5,594	27%	19,756	28,396	-30%
Operating expenses	(2,146)	(2,380)	-10%	(5,739)	(6,992)	-18%
Other income	227	236	-4%	1,451	715	103%
Interest income	26	65	-60%	122	181	-33%
Interest expense	(99)	(136)	-27%	(322)	(440)	-27%
Fair value adjustment on other investment	(1,456)	277	-626%	(8,527)	(6,459)	32%
Share of associate result	53	127	-58%	211	(1,186)	-118%
Loss before tax	(3,395)	(1,811)	87%	(12,804)	(14,181)	-10%
Taxation	(12)	-	-	(12)	-	-
Loss after taxation	(3,407)	(1,811)	88%	(12,816)	(14,181)	-10%
Loss attributable to:						
Equity holders of the company	(3,308)	(1,729)	91%	(12,587)	(13,945)	-10%
Non-controlling interest	(99)	(82)	21%	(229)	(236)	-3%
Loss after taxation	(3,407)	(1,811)	88%	(12,816)	(14,181)	-10%
Weighted average number of shares in issue ('000)	3,678,181	3,651,422		3,678,181	3,651,422	
Loss per share (sen) - basic	(0.09)	(0.05)		(0.34)	(0.38)	

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 2023 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD
 Registration No.: 200301007533 (609953-K)
 (Incorporated in Malaysia)
 THIRD QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 31/12/2023 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/03/2023 (Audited) RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	36,872	40,108
Right of use assets	3,409	4,557
Investment properties	18,200	18,200
Development Expenditure	5,222	222
Investment in Associate	10,174	9,963
Other investment	28,424	23,102
	102,301	96,152
Current Assets		
Inventories	1,514	2,021
Trade and other receivables	21,038	27,926
Tax recoverable	319	541
Fixed deposits with licensed banks	2,799	2,748
Cash and bank balances	7,575	19,111
	33,245	52,347
TOTAL ASSETS	135,546	148,499
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	193,398	193,396
Accumulated loss	(93,871)	(100,977)
Warrants reserve	-	19,642
	99,527	112,061
Non-controlling interest	(4,101)	(3,821)
Total Equity	95,426	108,240
Non-current Liabilities		
Deferred tax liabilities	497	497
Contract liabilities	76	371
Lease liabilities	2,580	3,370
	3,153	4,238
Current Liabilities		
Trade and other payables	26,532	21,460
Bank overdrafts	1,996	1,993
Contract liabilities	7,224	10,682
Lease Liabilities	1,215	1,886
	36,967	36,021
Total Liabilities	40,120	40,259
TOTAL EQUITY AND LIABILITIES	135,546	148,499
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.0271	0.0305

The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the financial year ended 31 March 2023 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)

THIRD QUARTER ENDED 31 DECEMBER 2023

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 2023	193,396	19,642	-	(100,977)	(3,821)	108,240
Total comprehensive loss for the period	-	-	-	(12,587)	(229)	(12,816)
Exercise of warrants	2	-	-	-	-	2
Warrants expired	-	(19,642)	-	19,642	-	-
Arising from increase of stakes in subsidiary	-	-	-	51	(51)	-
Balance as of 31 December 2023	193,398	-	-	(93,871)	(4,101)	95,426
	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 loss for the period	-	-	-	(13,945)	(236)	(14,181)
Issuance of shares from private placement	5,333	-	-	-	-	5,333
Share issuance for acquisition of associate	(446)	-	-	-	-	(446)
Balance as of 31 December 2022	193,396	19,642	-	(94,340)	(3,428)	115,270

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 2023 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)
THIRD QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	9-MONTHS ENDED	12-MONTHS ENDED
	31/12/23	31/03/23
	(Unaudited)	(Audited)
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(12,804)	(21,043)
Adjustment for:		
Non-cash items	11,215	20,237
Non-operating items	201	372
Operating loss before working capital changes	(1,388)	(434)
Net changes in current assets	8,258	10,702
Net changes in current liabilities	1,319	(8,980)
Cash generated from operations	8,189	1,288
Interest received	118	245
Interest paid	(322)	-
Net tax received/(paid)	210	(136)
Net cash generated from operating activities	8,195	1,397
CASH FLOWS FOR INVESTING ACTIVITIES		
Investment in other investment	(13,176)	(4)
(Pledged)/Withdrawal of fixed deposit	(51)	154
Proceeds from disposal of plant and equipment	50	-
Purchase of intangible assets	(5,000)	(50)
Purchase of property, plant and equipment	(99)	(1,209)
Interest income	1	4
Net cash used in investing activities	(18,275)	(1,105)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of lease liabilities	(1,461)	(2,241)
Interest paid	-	(617)
Proceeds from warrant exercised	2	-
Proceeds from private placement	-	4,887
Net cash (used in)/generated from financing activities	(1,459)	2,029
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(11,539)	2,321
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	17,170	14,849
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	5,631	17,170
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	2,799	2,748
Cash and bank balances	7,575	19,112
Bank overdrafts	(1,996)	(1,993)
	8,378	19,867
Less : Fixed deposits pledged	(2,747)	(2,697)
	5,631	17,170

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 2023 and the accompanying explanatory notes attached to this interim financial statements.



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

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 2023.

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 2023.

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 2023.

A2. Auditors’ Report

The auditors’ report for the Group’s annual financial statements for the financial year ended 31 March 2023 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
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

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 for the following:-

- a) 50,000 of Warrant C were exercised at an exercise price of RM0.05 per Warrant C; and
- b) 982,053,848 Warrant C remained unexercised and lapsed on 10 November 2023.

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
- Construction – Provision of the general builders, contractors, renovations, project management and specialist in all kinds of construction works and renovation works.



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

A8. Segmental Reporting (Cont'd)

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

Business Segments	Cloud and IT Services	Trading	Construction	Others	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current quarter ended 31 December 2023						
Revenue	<u>2,176</u>	<u>919</u>	<u>4,215</u>	<u>81</u>	<u>(266)</u>	<u>7,125</u>
Segment results	(1,014)	(521)	57	(1,990)	93	(3,375)
Interest expenses						(99)
Interest income						26
Share of associate result						<u>53</u>
Loss before tax						(3,395)
Taxation						<u>(12)</u>
Loss after tax						<u>(3,407)</u>
Segment assets	<u>41,758</u>	<u>24,017</u>	<u>21,745</u>	<u>130,804</u>	<u>(82,778)</u>	<u>135,546</u>



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

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
Quarter ended 31 December 2022						
Revenue	2,022	1,178	2,569	81	(256)	5,594
Segment results	(949)	(562)	(62)	(379)	85	(1867)
Interest expenses						(136)
Interest income						65
Share of associate result						127
Loss before tax						(1811)
Taxation						-
Loss after tax						(1,811)
Segment assets	45,211	25,001	25,777	133,498	(77,144)	152,343

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 material events subsequent to the end of the current quarter that have not been reflected in the financial statement for this current financial quarter under review.

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
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

A12. Changes in Contingent Assets and Contingent Liabilities

There was no material contingent assets or contingent liabilities for the current quarter under review.

A13. Capital Commitments

There were no 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
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

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

B1. Review of Performance

The Group recorded revenue of RM7.13 million, 27.55% higher than RM5.59 million recorded in the corresponding quarter last year. This is due to the higher revenue contributed by the construction segment offset with the lower revenue contributed by the trading of kitchen appliances, IT and office automation equipment and medical equipment segment.

The Group recorded a net loss after taxation of RM3.41 million as compared to the last year corresponding quarter's loss after taxation of RM1.81 million. This is due to the fair value loss on other investment during the quarter under review amounting to RM1.46 million compared to fair value gain of RM 0.28 million in last year corresponding quarter.

The performance of the respective business segments for the quarter ended 31 December 2023 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 RM2.18 million in the current financial quarter ended 31 December 2023 compared to RM2.02 million recorded in the last year corresponding quarter. The cloud and IT services segment recorded loss before taxation of RM1.02 million compared to loss before taxation of RM0.97 million in the last year corresponding quarter.

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

The trading of kitchen appliances, IT and office automation equipment and medical equipment segment recorded revenue of RM0.92 million in the current financial quarter ended 31 December 2023 compared to RM1.17 million in the last year corresponding quarter.

The trading segment recorded loss before taxation of RM0.56 million as compared to loss before taxation of RM0.61 million in the last year corresponding quarter.



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

B1. Review of Performance (Cont'd)

3) Construction

The Construction segment has recorded a revenue of RM4.21 million during the quarter compared to RM2.57 million in the last year corresponding quarter. This is due to the higher progress billing of construction and renovation works during the quarter under review. The segment recorded profit before taxation of RM54,000 during the current quarter as compared to loss before taxation of RM67,000 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 RM7.13 million represents an decrease of RM2.94 million as compared to immediate preceding quarter revenue of RM10.07 million.

Current quarter recorded loss after tax of RM3.41 million as compared to the loss after tax of RM1.66 million for the immediate preceding quarter. This is due to the followings:

- a) The fair value loss on the other investment during the current quarter is increased by RM1.10 million;
- b) The share of associate profit of RM53,000 during the current quarter as compared to share of associate profit of RM0.17 million in the immediate preceding quarter;
- c) The reversal of impairment loss on receivables during the current quarter amounting to RM71,000 as compared to the reversal of impairment loss on receivables incurred during the immediate preceding quarter amounting to RM0.44 million; and
- d) The reversal of impairment loss on inventories during the current quarter amounting to RM88,000 as compared to reversal of impairment loss on inventories incurred during the immediate preceding quarter amounting to RM10,000.



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

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 December 2023 as compared to the immediate preceding corresponding quarter is analysed as follows:-

1) *Cloud Services*

The cloud services recorded revenue of RM2.18 million in the current financial quarter ended 31 December 2023 as compared to the RM2.33 million in the immediate preceding corresponding quarter. This segment recorded a loss after taxation of RM1.02 million in the current quarter under review as compared to immediate preceding corresponding quarter loss after taxation of RM0.90 million which 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 appliances, IT and office automation equipment and medical equipment recorded revenue of RM0.92 million in the current financial quarter ended 31 December 2023 as compared to immediate preceding corresponding quarter revenue of RM1.19 million. This segment recorded a loss after taxation of RM0.56 million in the current quarter under review as compared to immediate preceding corresponding quarter loss after taxation of RM0.30 million. This is in line with the decrease in revenue.

3) *Construction*

The construction segment recorded revenue of RM4.21 million in the current quarter ended 31 December 2023 as compared to immediate preceding corresponding quarter revenue of RM6.72 million. This is due to the lower progress billing during the quarter. The construction segment recorded profit before taxation of RM54,000 as compared to profit before taxation of RM0.47 million in the immediate preceding corresponding quarter. This is in line with the decrease in revenue and the reversal of impairment loss on receivables during the current quarter amounting to RM0.10 million compared to the reversal of impairment loss on receivables in the immediate preceding corresponding quarter amounting to RM0.35 million.



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

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

	9-months ended 31/12/2023	12-months ended 31/03/2023
	RM'000	Audited RM'000
Income tax		
- Current year provision	-	(100)
- (Under)/Over provision in previous year	(12)	4
Deferred taxation	-	(73)
Total	<u>(12)</u>	<u>(169)</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2023:24%) 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 December 2023 are as below:

	As at 31 December 2023
	RM'000
At cost	71,056
At book value	27,083



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

B8. Corporate Proposals

Multiple Proposals

On 19 October 2023, the Board of Directors has announced that the Company proposes to undertake the following:-

- (i) proposed consolidation of every 30 existing ordinary shares in KAG (“KAG Share(s)” or “Share(s)”) into 1 Share (“Consolidated Share(s)”) (“Proposed Share Consolidation”);
- (ii) proposed renounceable rights issue of up to 466,027,527 KAG Shares (“Rights Shares”) on the basis of 3 Rights Shares for every 1 Consolidated Share held on an entitlement date to be determined later (“Rights Issue Entitlement Date”), together with up to 233,013,763 free detachable warrants (“Warrant(s)” or “Warrant(s) D”) on the basis of 1 Warrant for every 2 Rights Shares subscribed for at an issue price to be determined and announced by the Board at a later date (“Proposed Rights Issue”); and
- (iii) proposed establishment of a share issuance scheme of up to 30% of the total number of issued Shares (excluding treasury shares, if any) at any point in time during the duration of the scheme for eligible employees, executive directors and non-executive directors of the Company and its non-dormant subsidiaries (“Proposed SIS” or “Scheme”).

(Collectively referred as the “Proposals”)

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

B9. Group Borrowings

As at 31 December 2023	Short-term RM'000	Long-term RM'000	Total RM'000
Secured			
Hire purchase	50	52	102
Other lease liabilities	1,165	2,528	3,693
Bank overdraft	1,996	-	1,996
Total	3,211	2,580	5,791



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

B9. Group Borrowings (Cont'd)

As at 31 March 2023	Short-term RM'000	Long-term RM'000	Total RM'000
Secured			
Hire purchase	95	89	184
Other lease liabilities	1,791	3,281	5,072
Bank overdraft	1,993	-	1,993
Total	<u>3,879</u>	<u>3,370</u>	<u>7,249</u>

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
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

B13. Loss Before Tax

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

	Quarter Ended		Cumulative Year-To-Date Ended	
	31/12/2023 RM'000	31/12/2022 RM'000	31/12/2023 RM'000	31/12/2022 RM'000
Depreciation & amortization	(1,594)	(1,042)	(4,491)	(3,399)
Fair value adjustment on other investment / quoted shares	(1,456)	277	(8,527)	(6,459)
Interest expenses	(99)	(136)	(322)	(440)
Allowance for expected credit losses of trade and other receivables	(35)	-	(35)	-
Allowance for impairment loss on inventories	-	-	(39)	-
And crediting:-				
Reversal for expected credit losses and impairment losses of trade and other receivables	106	67	635	83
Reversal of impairment loss on plant and machinery and rights of used assets	-	-	85	-
Bad debts written back	4	-	15	7
(Loss) / Gain on disposal of fixed assets	(2)	-	39	-
Gain on disposal of other investments	-	-	671	-
Reversal of impairment loss on inventories	88	10	124	18
Interest income	26	65	122	181



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

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

B14. Status of utilisation of proceeds

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 December 2023, the status of the utilisation of the proceeds raised is as follow:

Purpose	Proposed Utilisation RM'000	Variation RM'000	Revised Utilisation of Proceeds RM'000	Revised 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	1,388	30,383	(30,383)	Within 12 months from completion
- <i>Staff related costs</i>	1,000	-	1,000	(450)	Within 12 months from completion
- <i>Marketing & Advertising costs</i>	5,000	(2,400)	2,600	(286)	Within 12 months from completion
Repayment of bank borrowings	9,600	-	9,600	(9,600)	Within 6 months from completion
Working capital	3,810	1,012	4,822	(4,822)	Within 12 months from completion
Estimated expenses for the Corporate Exercises	700	-	700	(700)	Upon completion



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

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

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

Private Placement I

On 23 December 2021, the Private Placement I has been completed with the listing of 510,861,906 placement shares on the ACE Market of Bursa Malaysia Securites Berhad. As at 31 December 2023, the status of the utilisation 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	(4,142)	Within 12 months from completion
Estimated expenses	<u>110</u>	<u>(92)</u>	Upon completion

Private Placement II

On 13 April 2022, the Private Placement II has been completed with the listing of 613,000,000 placement shares on the ACE Market of Bursa Malaysia Securites Berhad. As at 31 December 2023, the status of the utilisation 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	(2,070)	Within 12 months from completion
Software development / expansion for agricultural cloud-based business	1,274	(839)	Within 12 months from completion
Working capital	1,589	(1,395)	Within 18 months from completion
Estimated expenses in relation to the proposals	<u>400</u>	<u>(400)</u>	Upon completion



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

Notes to the Interim Financial Report

For the third quarter ended 31 December 2023

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	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Net loss for the period attributable to ordinary equity holders of the Company (RM'000)	(3,308)	(1,729)	(12,587)	(13,495)
Weighted average number of ordinary shares in issue ('000)	3,678,181	3,651,422	3,678,181	3,651,422
Loss per share (sen)	<u>(0.09)</u>	<u>(0.05)</u>	<u>(0.34)</u>	<u>(0.38)</u>