



METRONIC GLOBAL BERHAD

Company No. : 200301029648 (632068-V)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

30 JUNE 2022

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 30 JUNE 2022

	NOTE	Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
		30.06.2022	30.06.2021	30.06.2022	30.06.2021
		RM	RM	RM	RM
Revenue	A8	17,206,217	10,626,237	39,588,541	29,470,623
Cost of sales		(8,841,837)	(9,287,059)	(25,903,413)	(20,734,658)
Gross profit		8,364,380	1,339,178	13,685,128	8,735,965
Other income		3,084,848	(3,061,421)	4,143,258	2,042,624
Administration expenses		(7,218,128)	(8,933,415)	(15,495,811)	(17,619,124)
Other operating expenses		(2,295,128)	(13,936,481)	(5,636,086)	(14,132,170)
Share of result of associate, net of tax		-	(64,280)	-	(64,280)
Profit / (Loss) from operations		1,935,972	(24,656,419)	(3,303,511)	(21,036,985)
Finance costs		(187,373)	(115,093)	(583,097)	(490,204)
Profit / (Loss) before taxation from continuing operations		1,748,599	(24,771,512)	(3,886,608)	(21,527,189)
Income tax expense	B5	(3,467,022)	(282,800)	(3,475,352)	(588,860)
Loss for the period from:					
- continuing operations		(1,718,423)	(25,054,312)	(7,361,960)	(22,116,049)
- discontinued operations	A14	(265,477)	1,650,787	(278,429)	1,601,449
Loss for the period	B12	(1,983,900)	(23,403,525)	(7,640,389)	(20,514,600)
Other comprehensive income / (expense) :					
Foreign currency translation from:					
- continuing operations		46,952	471	5,986	(10,096)
- discontinued operations		714,702	151,389	835,880	(190,418)
Other comprehensive income / (expense) for the period, net of tax		761,654	151,860	841,866	(200,514)
Total comprehensive loss for the period, net of tax		(1,222,246)	(23,251,665)	(6,798,523)	(20,715,114)
(Loss) /Profit attributable to:					
Owners of the parent					
- continuing operations		(1,608,061)	(24,921,947)	(7,227,228)	(21,958,019)
- discontinued operations		(436,075)	1,555,863	(449,027)	1,510,917
		(2,044,136)	(23,366,084)	(7,676,255)	(20,447,102)
Non controlling interest					
- continuing operations		(110,362)	(132,365)	(134,732)	(158,030)
- discontinued operations		170,598	94,924	170,598	90,532
		60,236	(37,441)	35,866	(67,498)
		(1,983,900)	(23,403,525)	(7,640,389)	(20,514,600)
Total comprehensive income / (loss) attributable to:					
Owners of the parent					
- continuing operations		(1,561,109)	(24,921,476)	(7,221,242)	(21,968,115)
- discontinued operations		278,627	1,707,252	386,853	1,320,499
		(1,282,482)	(23,214,224)	(6,834,389)	(20,647,616)
Non-controlling interests					
- continuing operations		(110,362)	(132,365)	(134,732)	(158,030)
- discontinued operations		170,598	94,924	170,598	90,532
		60,236	(37,441)	35,866	(67,498)
		(1,222,246)	(23,251,665)	(6,798,523)	(20,715,114)

The condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 30 JUNE 2022 (Cont'd)

NOTE	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM	RM	RM	RM

(Loss) / Profit per share attributable to equity holders of the Company (sen):

Basic / diluted (loss) / profit per share

- continuing operations	B11	(0.74)	(14.69)	(3.37)	(15.62)
- discontinued operations	B11	(0.20)	0.92	(0.21)	1.07
		<u>(0.94)</u>	<u>(13.77)</u>	<u>(3.58)</u>	<u>(14.55)</u>

The Group has no potential ordinary shares in issue as at the reporting period and therefore, diluted (loss) / profit per share is presented as equal to basic (loss) / profit per share.

The condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT
30 JUNE 2022**

		As at 30.06.2022 RM	(Audited) As at 30.06.2021 RM
	NOTE		
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		9,552,927	9,840,981
Right-of-use assets		112,116	-
Investment properties		3,425,468	3,425,468
Intangible assets		23,118,400	24,149,272
Other Investment		4,081,521	3,980,386
Deferred tax assets		-	3,555,609
		40,290,432	44,951,716
CURRENT ASSETS			
Property development cost		13,769,115	12,565,680
Inventories		893,250	254,813
Current tax assets		147,356	-
Trade receivables		11,068,451	9,925,513
Amount due from contract customers		4,758,018	13,590,975
Other receivables and deposits		1,093,157	3,314,631
Amount due from associate company		-	171,378
Fixed deposits		141,476,107	68,518,791
Cash and bank balances		6,638,520	9,305,781
		179,843,974	117,647,562
TOTAL ASSETS		220,134,406	162,599,278
EQUITY AND LIABILITIES			
Share capital		191,099,433	188,881,025
Fair value reserve		(248,540)	(248,540)
Revaluation reserve		5,669,118	5,669,118
Warrant reserve		-	16,796,442
Foreign currency translation reserve		227,313	(614,553)
Accumulated losses		(83,955,255)	(93,072,511)
Equity attributable to owners of the parent		112,792,069	117,410,981
Non-controlling interests		152,350	116,454
TOTAL EQUITY		112,944,419	117,527,435
NON-CURRENT LIABILITIES			
Finance lease liabilities	B9	237,301	213,205
CURRENT LIABILITIES			
Trade payables		10,867,427	17,649,866
Other payables		86,448,856	19,458,800
Finance lease liabilities	B9	91,489	24,925
Current tax liabilities		-	132,417
Loans and borrowings	B9	9,544,914	7,592,630
		106,952,686	44,858,638
TOTAL LIABILITIES		107,189,987	45,071,843
TOTAL EQUITY AND LIABILITIES		220,134,406	162,599,278
NET ASSET PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
		0.52	0.56

The condensed Consolidated Statement of Financial Position should be read in conjunction with the annual financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 30 JUNE 2022

	←----- Attributable to owners of the parent ----->									
	←----- Non-distributable reserve ----->					Distributable				
	Share capital	Fair value reserve	Revaluation reserve	Warrant reserve	Shares grant reserve	Foreign currency translation reserve	Accumulated losses	Total	Non- controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
As at 1 July 2020	133,680,926	(248,540)	5,669,118	16,797,466	-	(414,039)	(72,625,409)	82,859,522	(120,768)	82,738,754
Acquisition of subsidiary company	-							-	304,720	304,720
Issuance of new shares pursuant to:										
- private placement	49,536,441	-	-	-	-	-	-	49,536,441	-	49,536,441
- warrant exercised	3,023	-	-	(1,024)	-	-	-	1,999	-	1,999
- ESOS granted	-	-	-	-	854,833	-	-	854,833	-	854,833
- ESOS exercised	5,660,635	-	-	-	(854,833)	-	-	4,805,802	-	4,805,802
Net (loss) / profit for the period from:										
- continuing operations	-	-	-	-	-	-	(21,958,019)	(21,958,019)	(158,030)	(22,116,049)
- discontinued operations	-	-	-	-	-	-	1,510,917	1,510,917	90,532	1,601,449
Other comprehensive expense:										
- Foreign currency translation differences from:										
- continuing operations	-	-	-	-	-	(10,096)	-	(10,096)	-	(10,096)
- discontinued operations	-	-	-	-	-	(190,418)	-	(190,418)	-	(190,418)
Total comprehensive loss for the year	-	-	-	-	-	(200,514)	(20,447,102)	(20,647,616)	(67,498)	(20,715,114)
As at 30 June 2021	188,881,025	(248,540)	5,669,118	16,796,442	-	(614,553)	(93,072,511)	117,410,981	116,454	117,527,435
Acquisition of subsidiary company	-	-	-	-	-	-	-	-	30	30
Issuance of new shares pursuant to:										
- private placement	2,209,749	-	-	-	-	-	-	2,209,749	-	2,209,749
- warrant exercised	8,659	-	-	(2,931)	-	-	-	5,728	-	5,728
Warrant reserve adjustment	-	-	-	(16,793,511)	-	-	16,793,511	-	-	-
Net (loss) / profit for the period from:										
- continuing operations	-	-	-	-	-	-	(7,227,228)	(7,227,228)	(134,732)	(7,361,960)
- discontinued operations	-	-	-	-	-	-	(449,027)	(449,027)	170,598	(278,429)
Other comprehensive income:										
- Foreign currency translation differences from:										
- continuing operations	-	-	-	-	-	5,986	-	5,986	-	5,986
- discontinued operations	-	-	-	-	-	835,880	-	835,880	-	835,880
Total comprehensive loss for the year	-	-	-	-	-	841,866	(7,676,255)	(6,834,389)	35,866	(6,798,523)
As at 30 June 2022	191,099,433	(248,540)	5,669,118	-	-	227,313	(83,955,255)	112,792,069	152,350	112,944,419

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 30 JUNE 2022

		Unaudited 30.06.2022	Audited 30.06.2021
	NOTE	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation - Continuing operations		(3,886,608)	-21,527,189
(Loss) / Profit before taxation - Discontinued operations		(278,429)	1,601,449
Adjustments for:			
Amortisation of intangible assets		1,009,600	-
Bad debt written off		-	174,089
Depreciation of property, plant and equipment	B12	460,048	418,362
Depreciation of right-of-use assets	B12	53,758	-
Gain on disposal of associate company	B12	(64,280)	-
Loss on disposal intangible assets	B12	21,272	-
Gain on disposal of property, plant & equipment	B12	(4,167)	-
Loss / (Gain) on unrealised foreign exchange		15,307	(35,458)
Loss on disposal of quoted shares classified as fair value through profit or loss		3,411,128	1,778,387
Impairment losses on development expenditure		-	4,832,581
Impairment losses on other receivables and deposits		-	700,000
Impairment losses on trade receivables		1,874,747	1,375,905
Impairment loss on investment in associate company		-	235,720
Impairment losses on investment properties		-	379,751
Impairment loss on amount due from associate company		-	1,248,312
Interest expenses	B12	583,097	490,204
Interest income	B12	(1,218,046)	(1,210,758)
Reversal of Impairment losses on receivables	B12	(1,311,427)	(83,665)
Reversal of impairment loss on investment in associate company	B12	(235,720)	-
Reversal of impairment losses on property development cost	B12	(303,435)	-
Reversal of impairment losses on inventories	B12	(673,178)	-
Shared based payment		-	854,833
Share of loss from associate company		-	64,280
Waiver of debts		-	(1,920,935)
Operating loss before working capital changes		<u>(546,333)</u>	<u>(10,624,132)</u>
Changes in working capital:			
Amount due from contract customers		8,832,957	(9,356,521)
Inventories		34,741	351,892
Property development costs		(900,000)	(7,034,000)
Trade and other payables		61,136,312	14,344,542
Trade and other receivables		686,594	(2,654,809)
Net cash generated from / (used in) operations		<u>69,244,271</u>	<u>(14,973,028)</u>
Taxes refunded		-	-
Tax paid		(199,516)	(489,674)
Interest paid		(471,293)	(382,928)
Net cash generated from / (used in) operating activities		<u>68,573,462</u>	<u>(15,845,630)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of associate company		-	(300,000)
Acquisition of subsidiary company		30	304,720
Interest paid		(93,748)	(96,714)
Interest received		1,218,046	1,210,758
Purchase of quoted shares classified as fair value through profit or loss		(13,996,667)	(6,683,905)
Purchase of property, plant and equipment		(441,399)	(971,001)
Proceeds from disposal of quoted shares classified as fair value through profit or loss		10,469,097	5,526,743
Placement of fixed deposits		(131,172)	(5,387,906)
Purchase of intangible assets		-	(24,149,272)
Purchase of investment properties		-	(1,160,926)
Proceeds from disposal of property, plant and equipment		273,572	-
Proceeds from disposal of associate company		300,000	-
Net cash used in investing activities		<u>(2,402,241)</u>	<u>(31,707,503)</u>

The condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes.

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 30 JUNE 2022 (Cont'd)

	NOTE	Unaudited 30.06.2022 RM	Audited 30.06.2021 RM
CASH FLOWS FROM FINANCING ACTIVITIES			
(Repayment) / Advances from a director		(47,742)	138,802
Interest paid		(18,056)	(10,562)
Net proceeds from issuance of share capital pursuant to:			
- private placement		2,209,749	49,536,441
- warrant exercised		5,728	1,999
- ESOS exercised		-	4,805,802
Financing to associate company		-	(1,419,690)
(Repayment) / Drawdown of bankers' acceptances		(357,128)	459,611
Placement of fixed deposits pledged as securities		(1,310,538)	(1,363,448)
Repayment of finance leases		(75,214)	(25,295)
Net repayment of margin facilities		(406,582)	(980,417)
Net cash (used in) / generated from financing activities		<u>217</u>	<u>51,143,243</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS		66,171,438	3,590,110
EFFECT OF FOREIGN EXCHANGE RATES CHANGES		(39,087)	(339,256)
CASH AND CASH EQUIVALENTS AS AT 1 JULY		9,305,781	1,005,251
FIXED DEPOSITS		56,253,856	62,705,442
BANK OVERDRAFT		(2,870,683)	(4,272,593)
CASH AND CASH EQUIVALENTS AS AT 30 JUNE		<u>128,821,305</u>	<u>62,688,954</u>
Cash and cash equivalents at the balance sheet date comprise the following:			
Cash and bank balances		6,638,520	9,305,781
Fixed deposits balances		127,769,462	56,253,856
Bank overdraft		(5,586,677)	(2,870,683)
		<u>128,821,305</u>	<u>62,688,954</u>

The condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2022

PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING

1. Basis of Preparation

This unaudited condensed consolidated interim financial statements ("Condensed Report"), has been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 2016 in Malaysia, where applicable and the requirements of Chapter 9.22, of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Condensed Report should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached herein for a better understanding of changes in financial position and performance of the Group.

2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted in the preparation of the Condensed Report are consistent with those adopted in the Group's latest audited annual financial statements for the financial year ended 30 June 2021, except for the adoption of the new MFRSs and amendments/improvements to MFRSs.

2.1 Adoption of Amendments and Annual Improvements to Standards

The Group has applied the following new MFRSs, IC Interpretations and amendments to MFRSs issued by the Malaysian Accounting Standard Board ("MASB") which are effective from the beginning of the current financial year:-

Amendments to MFRS 9, MFRS 7, MFRS 13, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2
Amendments to MFRS 16	Leases - COVID-19 Related Rent Concession beyond 30 June 2021

2.2 Standard issued but not yet effective

The Group has not adopted the following new MFRS, and amendments/improvements to MFRSs that have been issued, but yet to be effective:

Effective for financial period beginning on or after 1 January 2022

Amendments to MFRS 1	First-time Adoption of MFRS (Annual Improvements to MFRS 2018-2020 Cycle)
Amendments to MFRS 3	Business Combination - Reference to the Conceptual Framework
Amendments to MFRS 9	First-time Adoption of MFRS (Annual Improvements to MFRS 2018-2020 Cycle)
Amendments to MFRS 116	Property, plant and equipment - Proceeds before Intended Use
Amendments to MFRS 137	Provision, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract
Amendments to MFRS 141	Agriculture (Annual Improvements to MFRS 2018-2022 Cycle)

Effective for financial period beginning on or after 1 January 2023

MFRS 17	Insurance contracts
Amendments to MFRS 17	Insurance contracts
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates
Amendments to MFRS 101	Presentation of Financial Statements - Disclosure of Accounting Policies
Amendments to MFRS 112	Income Tax - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

2.3 Significant Accounting Estimate and Judgements

The preparation of Condensed Report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Although these estimates and judgements are based on management's best knowledge of current events and actions, actual results may differ.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2022

PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING

2. Significant Accounting Policies (continue)

2.3 Significant Accounting Estimate and Judgements (cont'd)

In preparing these Condensed Report, the significant judgements made by management in applying Group's accounting policies and the keys sources of estimation uncertainty were the same as those that applied to the audited annual financial statements for the financial year ended 30 June 2021 except for the measurement of expected credit loss under MFRS 9 which involves increased complexity and judgements.

3. Seasonality or cyclicity of interim operations

The Group's interim operations are not materially affected by seasonal or cyclical factors during the financial period under review.

4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review except as disclosed in Note B6 and B8.

5. Material changes in estimates

There were no changes in estimates that have had any material effect on the result for the current financial quarter and financial period under review.

6. Debt and equity securities

Save as disclosed below, there were no issuances, repurchases and repayments of debt and equity securities during the financial period under review.

(i) On 30 September 2021, the Company announced the completion of Private Placement exercise following the listing and quotation of 88,744,924 placement shares the Main Market of Bursa Securities;

(ii) On 19 November 2021, the Company proposed to consolidate every 10 existing ordinary shares in Metronic ("Metronic Shares" or "Shares") into 1 Share ("Consolidated Share") ("Proposed Share Consolidation"). The consolidation has been completed on 23 May 2022, in which 2,168,594,679 shares have consolidated into 216,857,919 Consolidated Shares; and

(iii) On 22 April 2022, a total number of 71,600 new ordinary shares of RM0.08 each have been issued pursuant to the conversion of 71,600 Warrant A.

7. Dividends

No dividend was paid during the current financial quarter and previous corresponding quarter.

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2022

PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING

8. Segmental information

Analysis by segments is as follow:

By geographical segments:

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30.06.2022	Preceeding Year Quarter 30.06.2021	Changes %	Current Year to Date 30.06.2022	Preceeding Year to Date 30.06.2021	Changes %
	RM	RM		RM	RM	
Segment revenue						
Total revenue	17,206,217	10,626,237	62%	39,588,541	29,470,623	34%
Inter-segment elimination	-	-	-	-	-	-
Continuing operations	17,206,217	10,626,237	62%	39,588,541	29,470,623	34%
Discontinued operations	-	-	-	-	-	-
External customers	<u>17,206,217</u>	<u>10,626,237</u>	62%	<u>39,588,541</u>	<u>29,470,623</u>	34%
Results						
Operating results						
Malaysia	1,918,668	(24,500,844)	>100%	(3,318,026)	(20,875,443)	-84%
Overseas	<u>17,304</u>	<u>(155,575)</u>	>100%	<u>14,515</u>	<u>(161,542)</u>	>100%
Finance costs	<u>1,935,972</u>	<u>(24,656,419)</u>	>100%	<u>(3,303,511)</u>	<u>(21,036,985)</u>	-84%
	<u>(187,373)</u>	<u>(115,093)</u>	63%	<u>(583,097)</u>	<u>(490,204)</u>	19%
Profit / (Loss) before tax						
- Continued operations	1,748,599	(24,771,512)	>100%	(3,886,608)	(21,527,189)	-82%
Profit / (Loss) before tax						
- Discontinued operations	(265,477)	1,650,787	<100%	(278,429)	1,601,449	<100%
Profit / (Loss) before tax	<u>1,483,122</u>	<u>(23,120,725)</u>	>100%	<u>(4,165,037)</u>	<u>(19,925,740)</u>	-79%

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2022
PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING
8. Segmental information (cont'd)

Segment revenue	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Quarter	Changes	Current Year to Date	Preceding Year to Date	Changes
	30.06.2022	30.06.2021	%	30.06.2022	30.06.2021	%
	RM	RM		RM	RM	
Engineering	17,206,217	10,626,237	62%	39,588,541	29,470,623	34%
Total revenue	<u>17,206,217</u>	<u>10,626,237</u>	62%	<u>39,588,541</u>	<u>29,470,623</u>	34%
Inter-segment elimination	-	-		-	-	
Continuing operations	17,206,217	10,626,237	62%	39,588,541	29,470,623	34%
Discontinued operations	-	-	-	-	-	-
External customers	<u>17,206,217</u>	<u>10,626,237</u>	62%	<u>39,588,541</u>	<u>29,470,623</u>	34%

Results	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Quarter	Changes	Current Year to Date	Preceding Year to Date	Changes
	30.06.2022	30.06.2021	%	30.06.2022	30.06.2021	%
	RM	RM		RM	RM	
Operating results						
Engineering	2,439,568	(16,311,296)	>100%	1,499,100	(15,670,357)	>100%
Investment holding	<u>(503,596)</u>	<u>(8,345,123)</u>	-94%	<u>(4,802,611)</u>	<u>(5,366,628)</u>	-11%
	1,935,972	(24,656,419)	>100%	(3,303,511)	(21,036,985)	-84%
Finance costs	<u>(187,373)</u>	<u>(115,093)</u>	63%	<u>(583,097)</u>	<u>(490,204)</u>	19%
Profit / (Loss) before tax						
- Continuing operations	1,748,599	(24,771,512)	>100%	(3,886,608)	(21,527,189)	-82%
- Discontinued operations	(265,477)	1,650,787	<100%	(278,429)	1,601,449	<100%
Profit / (Loss) before tax	<u>1,483,122</u>	<u>(23,120,725)</u>	>100%	<u>(4,165,037)</u>	<u>(19,925,740)</u>	-79%

9. Material subsequent events

Other than those disclosed in Note B6 and B8, there were no other material subsequent events after the period ended 30 June 2022.

10. Changes in the composition of the Group

Save as disclosed below, there were no other changes in the composition of the Group in the current period under review.

(i) On 30 November 2021 the Company has completed the subscription of 70% equity interest in Sinaran PPA Sdn Bhd ("SPSB") whereby SPSB shall subsequently be a subsidiary of the Company; and

(ii) During the financial period, the Company has deconsolidated its wholly subsidiaries namely, Anhui Lai'an Metronic Water Supply Co. Ltd. and Metronic Engineering Pvt. Ltd., for loss of control due to resignation of local key management personnel and high cost to re-deploy local resources. The companies are also inactive for more than three years. Notwithstanding that, the Company remains as a shareholder.

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2022**PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING****11. Contingent liabilities**

Contingent liabilities of the Group are as follows:

	Group	
	As at 30.06.2022	As at 30.06.2021
	RM	RM
(a) Secured		
Performance and financial guarantees issued by the banks to third parties	8,799,461	8,890,014
(b) Unsecured		
Corporate guarantees given to licensed banks for credit facilities granted to subsidiaries	39,800,000	29,800,000
Corporate guarantees given to performance for project granted to subsidiaries	43,042,826	43,042,826

12. Capital commitments

	Group	
	As at 30.06.2022	As at 30.06.2021
	RM	RM
The total approved and committed for establishment of a joint venture company	25,152,000	25,152,000

13. Significant related party transactions

There were no significant related party transactions for the current quarter under review.

14. Loss from discontinued operations

The result of discontinued operations resulted from loss of control of subsidiaries are as follows:-

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30.06.2022	Preceding Year Quarter 30.06.2021	Changes %	Current Year to Date 30.06.2022	Preceding Year to Date 30.06.2021	Changes %
	RM	RM		RM	RM	
(Loss) / Gain on Loss of Control	(265,477)	1,650,787	<100%	(278,429)	1,601,449	<100%
(Loss) / Profit for the period	(265,477)	1,650,787	<100%	(278,429)	1,601,449	<100%
Foreign currency translation	714,702	151,389	>100%	835,880	(190,418)	>100%
Total comprehensive income for the period, net of tax	449,225	1,802,176	-75%	557,451	1,411,031	-60%
(Loss) / Profit Attribution to:						
Owners of the parent	(436,075)	1,555,863	<100%	(449,027)	1,510,917	<100%
Non controlling interest	170,598	94,924	80%	170,598	90,532	88%
	(265,477)	1,650,787	<100%	(278,429)	1,601,449	<100%
Total comprehensive income attributable to:						
Owners of the parent	278,627	1,707,252	-84%	386,853	1,320,499	-71%
Non controlling interest	170,598	94,924	80%	170,598	90,532	88%
	449,225	1,802,176	-75%	557,451	1,411,031	-60%

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**1. Performance review****Quarter and Period Ended 30 June 2022**

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Quarter	Changes %	Current Year to Date	Preceding Year to Date	Changes %
	30.06.2022	30.06.2021		30.06.2022	30.06.2021	
RM	RM		RM	RM		
Revenue	17,206,217	10,626,237	62%	39,588,541	29,470,623	34%
Operating Profit/(Loss)	1,670,495	(23,005,632)	>100%	(3,581,940)	(19,435,536)	-82%
Profit/(Loss) Before Tax	1,483,122	(23,120,725)	>100%	(4,165,037)	(19,925,740)	-79%

The Group has registered a profit before tax of RM1.48 million in the current quarter ended 30 June 2022 ("Q4FY22") as compared to a loss before tax of RM23.12 million in the corresponding quarter last year ("Q4FY21"). The favorable performance mainly due to higher revenue of RM17.21 million which was increased by RM6.58 million or 62% compared to last year of RM10.63 million. The increase in revenue and decrease in loss before tax were mainly attributed to the recognition of higher revenue and profit margin from on-going projects following the lifting of movement restrictions in Malaysia and reopening of all economic sectors. The improvement result also due to lower expenses whereby the amount has been partly offset by a reversal of impairment losses on assets amounting to RM2.52 million in Q4FY22. Included in Q4FY21 was impairment losses on assets amounting to RM8.77 million.

For the cumulative quarter ended 30 June 2022 ("FY22"), the Group's revenue has increased by RM10.12 million or 34% from RM29.47 million in preceeding year to date ("FY21") to RM39.59 million in FY22, whilst the loss before tax has decreased by RM15.76 million or 79% from RM19.93 million in FY21 to RM4.17 million in FY22. The increase in revenue and decrease in loss before tax mainly due to the reasons mentioned above.

2. Material Change in Profit Before Taxation of Current Quarter Compared with Preceding Quarter

	Individual Quarter		
	Current Year Quarter	Immediate Preceding Quarter	Changes %
	30.06.2022	31.03.2022	
RM	RM		
Revenue	17,206,217	9,514,549	81%
Operating Profit / (Loss)	1,670,495	(4,622,211)	>100%
Profit / (Loss) Before Tax	1,483,122	(4,750,714)	>100%

The Group recorded a profit before tax of RM1.48 million in Q4FY22 as compared to a loss before tax of RM4.75 million in the preceding quarter ended 31 March 2022 ("Q3FY22") mainly due to higher revenue and gross profit resulted from substantial progress for almost all on-going projects and reversal of impairment on assets amounting to RM2.52 million in Q4FY22.

3. Current year prospects

The Group is mindful of the challenges ahead for the competition in its Engineering Division, slow down in construction industries and current economic situation such as supply chain disruption and geopolitical instability domestically as well as globally. The Group will continue to pursue all the available opportunities among others, to expand into infrastructure smart system, M&E division and government projects. In addition to that, the Group continues to strengthen the team and business strategies in order to build up a strong order book, as well as its ventures into solar and E-commerce business. The Group will also continue taking various measures to enhance its operational efficiency and effective cost management in order to improve the performance of the Group.

The Group's balance order book stood at RM66.91 million and the Group is presently tendering contracts totalling RM70.56 million.

4. Profit forecast or profit guarantee

No profit forecast was published by the Group.

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**5. Taxation**

The tax expense comprises:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2022	Preceding Year Quarter 30.06.2021	Current Year To Date 30.06.2022	Preceding Year To Date 30.06.2021
	RM	RM	RM	RM
Continuing operations				
Malaysian income tax:				
- current period	38,142	282,800	38,142	282,800
- prior period - (over) / under provision	(126,729)	-	(118,399)	306,060
	<u>(88,587)</u>	<u>282,800</u>	<u>(80,257)</u>	<u>588,860</u>
Deferred tax				
- current period	-	-	-	-
- prior period - over provision	3,555,609	-	3,555,609	-
Tax expense	<u>3,467,022</u>	<u>282,800</u>	<u>3,475,352</u>	<u>588,860</u>

6. Status of On-going Corporate Developments

- a) On 7 August 2019, the Group announced that through its wholly-owned subsidiary, Metronic Engineering Sdn Bhd ("MESB"), a wholly-owned subsidiary of the Company, had entered into a joint venture agreement ("JV Agreement") with Zhuhai Singyes New Materials Technology Co. Ltd. ("Singyes") for the development of smart city solutions which will enable commercial building managers, local transportation authorities and local tourism boards to implement smart city solutions such as smart bus stop and waiting area, smart tourism booth as well as smart shelter in Malaysia and abroad.

These smart solutions are equipped with, amongst others, solar power system, mobile phone charging station, 4G / 5G and WiFi connectivity, as well as facial recognition surveillance camera and security alarm system.

The JV Agreement represents part of the Group's initiative to seek out for value accretive investments while leveraging on its existing engineering capabilities. In this regard, the Group has identified smart solutions as a new area that the Company could potentially branch out into.

The growth in adoption of smart solutions moving forward is expected to be driven by increased usage of internet and various initiatives by the government to support the adoption of smart solutions including smart city initiatives. It is also the intention of the Group in the future to extend its smart city solutions to cover other regions worldwide such as Europe, the United States, Middle East and South East Asia. Hence, the JV Agreement is expected to provide an additional source of income and contribute positively to the future earnings of the Company.

MESB and Singyes have been developing the prototype for the smart city model. In view of the global travel restriction imposed by governments worldwide, both parties have agreed to extend the JV Agreement until 31 August 2022 and may be expected to extend the JV Agreement further until the end of 2022. Subject to the loosening of global travel restrictions, both MESB and Singyes expect to complete work on the prototype by end of 2022.

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

6. Status of On-going Corporate Developments (Cont'd)

- b) On 1 October 2020, Metronic Smart Tech Sdn Bhd ("MSTSB"), a wholly-owned subsidiary of the Company, had entered into a joint venture agreement with JF Strategic Management Pte Ltd ("JFSM") to undertake the design, research, development and production of an automated storage and retrieval system based on technologies of Industry 4.0 to be used for smart factories within the estate of Jurong Town Corporate. This is in line with the Group's intention to expand its business into the provision of smart solutions services.

On 9 December 2020, a new 80% subsidiary of the Company, Metronic JF System Pte Ltd, had been incorporated in Singapore for the joint venture. This joint venture is expected to provide an additional source of income and contribute positively to the future earnings of the Company.

In the mid December 2020, MSTSB and JFTM have commenced work on this project and are currently in the final stage preparation for the proposals to be marketed to manufacturing companies operating in Singapore and expected to approach their first potential customers by the second half of 2022. The delayed from the original schedule is due to travel restrictions resulted from the COVID-19 outbreak.

- c) On 2 February 2021, Metronic Medicare Sdn Bhd ("MMSB"), a wholly-owned subsidiary of the Company, entered into a joint research and development agreement with Joysbio (Tianjin) Biotechnology Co. Ltd ("Joysbio") to undertake a research program for SARS-CoV-2 Neutralizing Antibody Test Kits ("Test Kits"). The Test Kits are expected to be able to analyse a patient's level of immunity against future COVID-19 infections post-vaccination, and are anticipated to be more efficient than traditional test kits which are currently available in the market.

On 9 February 2021, the Company announced that a periodical test report from Joysbio for the Test Kit showed an accuracy of 100%, pursuant to which, a final test on the Test Kit will be undertaken in a lab in Italy. In view of the global travel restriction imposed by governments worldwide, both parties are in the midst of extending the joint research and development agreement and the final test is expected to be carried out by the first quarter of 2023.

On 23 February 2021, the company announced that MMSB has been awarded Letters of Intent from MTPS Innotech Company Limited ("MTPS") (a company incorporated in Thailand principally involved in trading of medical devices and distribution of medical glove) and Genesprint Limited ("Genesprint") (a company incorporated in Hong Kong principally involved in genetic test analysis and trading of medical products) for the proposed purchase of the test kits valued at USD210 million and USD140 million respectively. The definitive agreements with MTPS and Genesprint have both been executed on 26 February 2021.

The Company has entered into Sale and Purchase Agreement with Genesprint on 18 May 2021 and subsequently with MTPS on 20 May 2021.

- d) On 1 July 2021, the Company announced that it had entered into a Memorandum of Agreement ("MOA") with Earthech Energy Sdn Bhd (Formerly known as Dehui Energy (M) Sdn Bhd) ("ETSB") to regulate their working relationship in the formation of a joint venture for the Solar Power Purchase Project.

Subsequently on 15 October 2021, the Company entered into a Subscription and Joint Venture Agreement ("the SJV Agreement") with ETSB and Mr Chew Keng Yaw to detail out the terms of agreements for the parties on the proposed undertaking that will include to carry out the design, research and development, production and/or installation of solar power equipment to be marketed and sold as well as to provide after-sales services support thereafter.

In pursuant to the SJV Agreement, a new joint-venture company, namely Sinaran PPA Sdn Bhd ("SPSB"), has been incorporated and the Company has subsequently acquired a 70% interest in SPSB that shall be used as a vehicle to undertake the project.

On 13 January 2022, the Group announced that the SPSB had on 7 December 2021 signed a Solar Power Agreement with Wang You Polymer Industries Sdn Bhd and Technology PP Industries (Northern) Sdn Bhd to govern the obligations of the Parties to sell and purchase solar energy under the solar leasing model.

SPSB has commenced the works as per the agreement whereby the works were partially funded by the proceeds from right issue exercise undertaken by the Group.

- e) On 15 March 2022, the Group announced the expiry of its warrant A 2019/2022 issued in pursuant to a Deed Poll dated 1 March 2019 constituting the Warrants 2019/2022 on 15 April 2022.
- f) On 23 May 2022, the Group announced the completion of its shares consolidation exercise followed by the listing and quotation of 216,857,919 Consolidated Shares on the Main Market of Bursa Securities; and
- g) On 13 July 2022, the Group announced the completion of its rights issue exercise followed by listing and quotation for 1,299,562,731 Rights Share and 433,187,525 Warrants B on the Main Market of Bursa Securities.

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**7. Utilisation of Proceeds**

- a) On 15 October 2019, the Group announced that it offered a total of 156,826,100 new shares under the private placement which represent 10% of the total number of issued shares of the company (excluding treasury shares) at RM0.06 per shares. The private placement has been completed with a total share subscribed of 113,250,000 at the offered price of RM0.0451 per share during the exercise. Following is the status utilisation of the RM5.11 million proceeds received from the private placement:

Utilization of proceeds	Timeframe for utilisation	Proposed utilisation (RM,000)	Actual utilisation (RM'000)	Balance to be utilised (RM'000)
Development of smart city solutions in Malaysia	Within 36 months	4,948	3,232	1,716
Expenses in relation to the private placement	Immediate	160	160	-
Total		5,108	3,392	1,716

- b) On 11 May 2021, Bursa Malaysia Securities approved the Group's proposal of a total of 500,428,000 new shares offered under the private placement which representing 30% of the existing total number of issued shares, to independent third-party investor(s). The private placement exercise was fully completed on 13 September 2021 with a total of RM22.71 million received. Following is the status utilisation of the proceeds from the private placement:

Utilization of proceeds	Timeframe for utilisation	Proposed utilisation (RM,000)	Actual utilisation (RM'000)	Balance to be utilised (RM'000)
Funding for business acquisition	Within 24 months	21,789	-	21,789
Expenses in relation to the private placement	Immediate	920	855	65
Total		22,709	855	21,854

- c) On 13 July 2022, the Group announced that the Rights Issue of Shares with Warrants proposed on 19 November 2021 has been completed following the listing and quotation for 1,299,562,731 Rights Share and 433,187,525 Warrants B on the Main Market of Bursa Securities. The Group has received a total of RM77.97 million from the exercise. Following is the breakdown utilisation of the right issue proceeds:

Utilization of proceeds	Timeframe for utilisation	Proposed utilisation (RM,000)
Funding for solar projects	Within 24 months	56,000
Funding for engineering projects	Within 24 months	20,000
Working capital	Within 24 months	1,224
Expenses in relation to right issues exercise	Immediate	750
Total		77,974

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

8. Material Litigations

- a) On 19 May 2016, Metronic Microsystem (Beijing) Co. Ltd (“MMBCL”), a wholly-owned subsidiary of the Company, has filed a legal claim against 英泰格瑞房地产投资顾问有限公司, which has occupied MMBCL’s property in Beijing at No. 18, Level 8, Top Fine International Centre, Dong San Huan Middle Road, Chao Yang District, Beijing, People’s Republic of China (“Beijing Property”), for outstanding rental and late payment charges amounting to RMB7.25 million (approximately RM4.77 million⁽¹⁾) (“Claim”). The amount comprises outstanding rental amounting to RMB5.81 million (approximately RM3.82 million⁽¹⁾) and late payment charges of RMB1.44 million (approximately RM0.95 million⁽¹⁾).

The case was heard before the Beijing Chaoyang Municipal Council Court on 8 December 2016 and 2 June 2017, respectively. The Beijing Chaoyang Municipal Council Court had appointed a professional valuer to conduct a valuation on the Beijing Property. Based on the valuation report provided, MMBCL had on 11 May 2018 submitted the justification of Claim to the Beijing Chaoyang Municipal Court.

On 19 October 2018, the Beijing Chaoyang Municipal Council Court had awarded the outstanding rental amounting to RMB3.97 million (approximately RM2.61 million⁽¹⁾) payable to MMBCL. The outstanding rental however has yet to be paid.

Necessary documents had been submitted to court on 10 July 2019, pending for court’s execution order for rental payment from tenant. The progress has been slow due to COVID-19 pandemic in China. Currently MMBCL is in the midst of seeking legal advice for the alternative course of action in recovering the judgement sum.

Note:-

⁽¹⁾ Based on BNM’s exchange rate of RMB1:RM0.6581 as at 30 June 2022.

- b) On 3 June 2019, the Company announced that it had initiated investigation on unauthorised transfer of one unit of office property held by its wholly owned subsidiary, MMBCL in Beijing, China at Room 801, Level 8, Top Fine International Centre, Dong San Huan, Middle Road, Chao Yang District, Beijing, China measuring 700.53 square metre. The current valuation price of the said property is at RM15.8 million.

In the announcement dated 3 June 2019, the Board informed that Mr. Tan Ew Chew (“TEC”) was advisor for the Company from 1 January 2013 to 16 May 2017 while Mr. Tan Kian Hong (“TKH”), son of TEC, was director of Metronic from 8 February 2013 to 10 April 2017. During the controlling time under both TEC and TKH in July 2016, the ownership of the above office unit in Beijing has been allegedly transferred to a third party without consent and/or Board resolution from the Company. Once the above made aware to the new Board of Directors in 2017, the Board of Directors requested lawyer in China to investigate on the above and found that the said office has been transferred to third party with the name of Shouguang Yaoweiping (“Shouguang”) in China. Subsequently in October 2018, the Court from China via documents issued, confirmed the said transfer of property to Shouguang.

The Company also announced that on 3 June 2019, it had lodged a police report on investigation against TEC and TKH on the alleged breach of trust and causing the Company from suffering a loss of more than RM15.7 million.

The case is currently under police investigation and still in the midst of gathering evidence and obtaining statements from the relevant parties. The management will seek legal advice upon receiving the police report on the findings.

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**9. Borrowings**

The Group's total borrowing as at 30 June 2022 stood at RM9.87 million, representing a gearing ratio of 0.09 to shareholders' equity. The amount increased 26.09% as compared to the previous financial year of RM7.83 million.

Breakdown by type of facilities is shown below:

	As at 30 June 2022		
	Long Term	Short term	Total borrowings
	RM	RM	RM
<u>Secured borrowings</u>			
Bank overdraft	-	5,586,677	5,586,677
Bankers' acceptances	-	3,322,022	3,322,022
Hire purchase	237,301	91,489	328,790
Margin Financing	-	636,215	636,215
Total	237,301	9,636,403	9,873,704

	As at 31 June 2021 (audited)		
	Long Term	Short term	Total borrowings
	RM	RM	RM
<u>Secured borrowings</u>			
Bank overdraft	-	2,870,683	2,870,683
Bankers' acceptances	-	3,679,150	3,679,150
Hire purchase	213,205	24,925	238,130
Margin Financing	-	1,042,797	1,042,797
Total	213,205	7,617,555	7,830,760

10. Proposed Dividend

There was no dividend proposed in the current quarter and the previous corresponding quarter.

11. (Loss) / Profit per share (EPS)**Basic EPS**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM	RM	RM	RM
(Loss) / Profit per share attributable to equity holders of the Company:				
- Continuing operations	(1,608,061)	(24,921,947)	(7,227,228)	(21,958,019)
- Discontinued operations	(436,075)	1,555,863	(449,027)	1,510,917
	<u>(2,044,136)</u>	<u>(23,366,084)</u>	<u>(7,676,255)</u>	<u>(20,447,102)</u>
Weighted average number of ordinary shares	216,856,188	169,599,435	214,635,042	140,613,005
Basic (loss) / profit per share (sen):				
- Continuing operations	(0.74)	(14.69)	(3.37)	(15.62)
- Discontinued operations	(0.20)	0.92	(0.21)	1.07
	<u>(0.94)</u>	<u>(13.77)</u>	<u>(3.58)</u>	<u>(14.55)</u>

The basic (loss) / profit per share of the Group is calculated by dividing the Group's (loss) / profit after tax for the financial period attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the period/cumulative period respectively.

METRONIC GLOBAL BERHAD (632068-V)

(Incorporated in Malaysia)

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**11. (Loss) / Profit per share (EPS) (Cont'd)****Diluted EPS**

The loss per share amount is not adjusted for the following ordinary share transactions occurred during the end of the financial year to the date of the report:

- i) issue of new ordinary shares and new warrants; and
- ii) the conversion warrants into new ordinary shares.

This is because such transactions do not affect the amount of capital used to produce profit or loss for the financial period.

12. Profit / (Loss) for the period

	Individual Quarter Current Year Quarter	Cumulative Quarter Current Year to Date
After charging/(crediting):	30.06.2022	30.06.2022
	RM	RM
Auditors' remuneration	(18,773)	169,378
Depreciation of property, plant and equipment	123,474	460,048
Depreciation of right-of-use assets	53,758	53,758
Directors' fee	129,295	351,295
Net (Gain) / Loss on disposal of		
- quoted shares	146,658	3,393,619
- property, plant and equipment	(3,317)	(4,167)
- associate company	-	(64,280)
Fair value changes of quoted shares	17,509	17,509
Impairment losses on intangible assets	21,272	21,272
Interest expenses	187,373	583,097
Interest income	(358,600)	(1,218,046)
Reversal of Impairment losses on receivables	(1,311,427)	(1,311,427)
Reversal of impairment loss on investment in associate company	(235,720)	(235,720)
Reversal of impairment losses on property development cost	(303,435)	(303,435)
Reversal of impairment losses on inventories	(673,178)	(673,178)
Staff cost	1,681,596	7,127,222

13. Audit Report

The audited financial statements of the Group for the financial year ended 30 June 2021 was not subject to any audit qualification.

14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 August 2022.