



INIX Technologies Holdings Berhad

200401027289

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT

FOR THE QUARTER ENDED 30 September 2021



CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Quarter Ended 30 September 2021

	Note	Current Quarter		Year-to-date 3 Months Ended	
		30 Sept 2021 unaudited RM'000	30 Sept 2020 unaudited RM'000	30 Sept 2021 unaudited RM'000	30 Sept 2020 audited RM'000
Revenue	A9	6,480		6,480	
Cost of sales		(3,773)		(3,773)	
Gross profit		2,707	-	2,707	-
Other income		102		102	
Selling and marketing expenses		-		-	
Administrative expenses		(1,777)		(1,777)	
Research and development expenses		-	-	-	-
Finance Costs		(13)	-	(13)	-
Share of associates profit/(loss)		-	-	-	-
Profit / (Loss) for the period		1,019	-	1,019	-
Taxation	B5	(27)	-	(27)	-
Profit / (Loss) for the period		992	-	992	-
Owners of the company		(20)	-	(20)	-
Non-controlling interest		1,012		1,012	
Profit / (Loss) for the period		992	-	992	-
(Loss)/profit per share attributable to ordinary equity holders of the Company (sen)					
Basic	B13	(0.00)	-	(0.00)	-
Diluted	B13	(0.00)	-	(0.00)	-

Note:

- The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.
- The financial year end of the Group was changed from 31 January 2021 to 30 June 2021. The audited accounts for the period ended 30 June 2021 was for seventeen months which was from 1 February 2020 to 30 June 2021. As such, there will be no comparative financial information available for the current financial year ended 30 June 2022.



CONDENSED CONSOLIDATES STATEMENT OF FINANCIAL POSITION

as at 30 September 2021

	<i>Note</i>	<i>As at 30 Sept 2021 unaudited RM'000</i>	<i>As at 30 June 2021 audited RM'000</i>
ASSETS			
Non-Current Assets			
Intangible assets		-	-
Property, plant and equipment		14,646	13,796
Rights of Use Assets		2,609	2,772
Investment in associates		-	-
Goodwill in consolidation		6,319	6,319
Other investment		3,850	3,850
		27,424	26,737
Current Assets			
Amount due from associates		-	-
Inventory		1,165	768
Trade receivables		3,620	1,916
Other receivables, deposits and prepayments		14,688	7,309
Amount due from directors		20	-
Fixed deposit with a financial institution		500	-
Cash and bank balances		3,499	1,260
		23,492	11,253
TOTAL ASSETS		50,916	37,990
EQUITY AND LIABILITIES			
Attributable to Equity Holders of the Company			
Share capital		68,700	64,536
Accumulated losses		(30,220)	(30,200)
		38,480	34,336
Non-controlling interest		(7,815)	(8,826)
		30,665	25,510
Non Current Liabilities			
Lease Liabilities		1,793	2,425
Finance Lease Payables		310	443
Deferred Tax Liabilities		445	445
		2,548	3,313
Current liabilities			
Trade payables		3,204	722
Other payables and accruals		4,020	5,502
Amount due to directors		1,192	2,215
Lease Liabilities		874	418
Finance Lease Payables		215	112
Short term loan		8,000	-
Provision for taxation		198	198
		17,703	9,167
TOTAL EQUITY AND LIABILITIES		50,916	37,990
Net assets per share attributable to ordinary equity holders of the Company (RM)			
		0.0750	#DIV/0!

Note:

- The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.
- The financial year end of the Group was changed from 31 January 2021 to 30 June 2021. The audited accounts for the period ended 30 June 2021 was for seventeen months which was from 1 February 2020 to 30 June 2021. As such, there will be no comparative financial information available for the current financial year ended 30 June 2022.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For The Quarter Ended 30 September 2021

	<i>Attributable to equity holders of the Company</i>				Total	Non-Controlling interest	Total Equity
	<i>Share capital</i>	<i>Share premium</i>	<i>SIS Option reserve</i>	<i>Accumulated losses</i>			
	RM'000	RM'000	RM'000	RM'000			
At 1 February 2020 (audited)	42,274	-	-	(18,806)	23,468	(9,824)	13,644
Issuance of Shares under ESOS	12,514	-	-	-	12,514	-	12,514
Issuance of Shares under Private Placement	9,748	-	-	-	9,748	-	9,748
Change in Stake	-	-	-	-	-	257	257
Loss for the period	-	-	-	(11,394)	(11,394)	740	(10,654)
At 30 June 2021 (audited)	64,536	-	-	(30,200)	34,336	(8,827)	25,509
At 1 July 2021 (audited)	64,536	-	-	(30,200)	34,336	(8,827)	25,509
Issuance of Shares under ESOS	-	-	-	-	-	-	-
Issuance of Shares under Private Placement	4,164	-	-	-	4,164	-	4,164
Conversion of Warrants	-	-	-	-	-	-	-
Change in Stake	-	-	-	-	-	-	-
Loss for the period	-	-	-	(20)	(20)	1,012	992
At 30 September 2021 (unaudited)	68,700	-	-	(30,220)	38,480	(7,815)	30,665

Note:

- The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.
- The financial year end of the Group was changed from 31 January 2021 to 30 June 2021. The audited accounts for the period ended 30 June 2021 was for seventeen months which was from 1 February 2020 to 30 June 2021. As such, there will be no comparative financial information available for the current financial year ended 30 June 2022.



CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The Quarter Ended 30 June 2021

	<i>3 months ended</i> 30 June 2021 <i>unaudited</i> RM'000	<i>17 months ended</i> 30 June 2021 <i>audited</i> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	992	(10,011)
<i>Adjustments:</i>		
Bad debts written off	-	991
Deposit Written off	-	0
Depreciation:		
Property, plant and equipment	164	572
Right-of-use assets	130	310
Dividend income	-	-
Impairment loss:		
- Property, plant and equipment	-	1,110
- Other Investment	-	3,850
- Trade receivables	-	144
- Other receivables	-	3,950
Interest Expenses	3	10
Interest income	-	(3)
Lease Liability Interest	19	46
Reversal of impairment on trade receivable	-	(657)
Share of results of associates	-	-
Operating profit/(loss) before working capital changes	1,308	312
Increase in inventories	-	(768)
Decrease/(Increase) in trade receivables	(1,704)	(974)
Decrease/(Increase) in other receivables, deposits and prepayments	(7,379)	(5,485)
Decrease/(Increase) in amount due from associates	-	-
Decrease/(Increase) in amount due by directors	(20)	-
Increase/(Decrease) in trade payables	7	(401)
Increase/(Decrease) in other payables and accruals	(1,482)	(993)
Increase/(decrease) in amount due to director	88	2,069
Increase/(decrease) in provision for taxation	-	-
<i>Cash used in operations</i>		(6,240)
Interest received	-	2
Interest paid	(3)	(10)
Net cash generated from/(used in) operating activities	(9,182)	(6,248)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additional investment/acquisition of subsidiary company	-	(3,946)
Drawdown of Lease	61	-
Purchase of property, plant and equipment	(5,228)	(11,641)
Net cash generated from/(used in) investing activities	(5,167)	(15,587)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of employees share issuance scheme	22,262	12,514
Proceeds from exercise of warrants	-	9,747
Interest paid on lease liabilities	(19)	(45)
Repayment of finance lease liabilities	(33)	(45)
Repayment of lease liabilities	(195)	(239)
Net cash generated from/(used in) financing activities	22,262	21,932
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	7,913	97
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,260	1,163
CASH AND CASH EQUIVALENTS AT END OF PERIOD	9,173	1,260
Cash and Cash equivalents comprises:-		
Fixed Deposits with a financial institution	500	500
Cash and bank balances	760	760
	1,260	1,260

Notes:

1 The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

2 The financial year end of the Group was changed from 31 January 2021 to 30 June 2021. The audited accounts for the period ended 30 June 2021 was for seventeen months which was from 1 February 2020 to 30 June 2021. As such, there will be no comparative financial information available for the current financial year ended 30 June 2022.



EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT For The Quarter Ended 30 June 2021

A Pursuant to FRS 134: Interim Financial Reporting

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2021.

A2 Changes in accounting policies

The significant accounting policies adopted in the preparation of this Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 30 June 2021. As at the date of authorisation of this Condensed Report, the following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group:

The adoption of these MFRSs and Amendments to MFRSs that have been issued but not yet effective are applicable to the Group and the Company are not expected to have a material impact to the financial statements of the Group and of the Company.

Amendment to MFRS 16 Leases – Covid 19-Related Rent Concessions

Amendments to MFRS 3 Business Combinations – Reference to the Conceptual Framework

Amendments to MFRS 116 Property, Plant and Equipment – Property, Plant and Equipment - Proceeds before intended use

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – cost of fulfilling a contract

Annual Improvements to MFRS Standards 2018 - 2020

Amendments to MFRS 101 Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current

Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

Amendments to MFRS112 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

A3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 30 June 2021 was unqualified.

A4 Seasonal or cyclical factors

The results of the Group were not materially affected by any significant seasonal or cyclical factors during the current quarter and financial year-to-date under review.

A5 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year-to-date.

A6 Significant estimates and changes in estimates

There were no changes in estimates that have a material effect in the current quarter and financial year-to-date.



EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT For The Quarter Ended 30 June 2021

A7 Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares during the financial year-to-date under review: except for the changes in ordinary share capital as stated in note B8.

A8 Dividends paid

No dividends were paid during the financial year-to-date.

A9 Segmental information

(a) Operating segments

	<i>Software & Books</i>	<i>Piling Works</i>	<i>Dredging</i>	<i>Corporate</i>	<i>Glove</i>	<i>Adjustments</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
17 months ended 30 June 2021 (Audited)							
Revenue							
External customers	7,650	-	-	-	10,585	-	18,235
Inter-segment	-	-	-	-	-	-	-
Total revenue	<u>7,650</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,585</u>	<u>-</u>	<u>18,235</u>
Results							
Depreciation	(89)	(244)	-	(26)	(213)	-	(572)
Fixed Assets written off	-	-	-	-	-	-	-
Impairment loss on PPE	-	(1,109)	-	-	-	-	(1,109)
Impairment Loss on Investment	-	-	-	-	-	-	-
Segment profit/(loss)	<u>438</u>	<u>(1,625)</u>	<u>(9)</u>	<u>(11,697)</u>	<u>1,301</u>	<u>939</u>	<u>(10,653)</u>
Segment assets	<u>6,735</u>	<u>30</u>	<u>141</u>	<u>24,849</u>	<u>26,061</u>	<u>(19,826)</u>	<u>37,990</u>
Segment liabilities	<u>20,165</u>	<u>302</u>	<u>15</u>	<u>1,867</u>	<u>23,878</u>	<u>(33,747)</u>	<u>12,480</u>

	<i>Software & Books</i>	<i>Piling Works</i>	<i>Dredging</i>	<i>Corporate</i>	<i>Glove</i>	<i>Adjustments</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Three Months ended 30 September 2021							
Revenue							
External customers	1,056	-	-	-	5,424	-	6,480
Inter-segment	-	-	-	-	-	-	-
Total revenue	<u>1,056</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,424</u>	<u>-</u>	<u>6,480</u>
Results							
Depreciation	(19)	-	-	(7)	(138)	-	(164)
Amortisation	-	-	-	-	-	-	-
Fixed Assets written off	-	-	-	-	-	-	-
Impairment loss on PPE	-	-	-	-	-	-	-
Segment profit/(loss)	<u>334</u>	<u>0</u>	<u>-</u>	<u>(817)</u>	<u>1,501</u>	<u>-</u>	<u>1,018</u>
Segment assets	<u>6,761</u>	<u>30</u>	<u>141</u>	<u>27,589</u>	<u>37,018</u>	<u>(20,623)</u>	<u>50,916</u>
Segment liabilities	<u>16,220</u>	<u>302</u>	<u>15</u>	<u>861</u>	<u>19,834</u>	<u>(18,277)</u>	<u>20,251</u>



EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT For The Quarter Ended 30 June 2021

(b) Geographical information

	Non-current assets			Current asset	
	Revenue	Profit/(Loss) before taxation	Property, plant and equipment	Intangible assets	Trade receivables
	RM'000	RM'000	RM'000	RM'000	RM'000
Two months ended 30 June 2021					
Malaysia	6,480	1,019	14,646	-	3,620

A10 Carrying value of revalued assets

There has been no revaluation of property, plant and equipment during the financial year-to-date.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group during the financial year-to-date.

A12 Capital commitments

Capital commitments of the Group in respect purchase of steel and stainless steel (for structural framework of the rubber glove manufacturing lines); purchase of other components to equip the manufacturing lines (i.e., auto-stripping machine, former holder track and former holder, conveyor chain tracks and conveyor chain, compressor, chiller, heating burner, infrared burner and motor); and building systems which enable the supply of utilities (i.e., electricity and water) and chlorination system to treat wastewater arising from manufacture of gloves, ovens and dipping tanks as at 30 June 2021 are as follows:

	RM'000
Approved and not contracted for	<u>124,000</u>

A13 Changes in contingent liabilities and contingent assets

There were no changes in other contingent liabilities or contingent assets since the last annual balance sheet as at 30 September 2021.

A14 Significant related party transactions

There were no items, transaction or event of a material and unusual nature which has arisen which would substantially affect the results of the Group and the Company for the period between 30 September 2021 and the date of this report.

A15 Subsequent events

No significant events.



EXPLANTORY NOTES TO THE INTERIM FINANCIAL REPORT For the Quarter Ended 30 September 2021

B Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market

B1 Performance review

For the first quarter ended 30 September 2021, the group recorded revenue of RM6,480 million compared. The group recorded at profit before taxation of RM1,019 million during the first quarter ended 30 September 2021.

B2 Material change in profit/(loss) before tax

	<i>Current quarter ended 30 Sept 2021</i>	<i>Preceding quarter ended 30 Sept 2020</i>
	RM'000	RM'000
Revenue	6,480	-
(Loss)/Profit before taxation	1,019	-

The group recorded a loss before taxation of RM9.426 million for the seventh quarter ended 31 January 2021 as compared to a profit before taxation of RM2,901 million registered in the preceding quarter.

B3 Prospects

The Group venture into the glove manufacturing has resulted in the group making profit during the 1st quarter of 2021. The group is expecting to maintain its profitability during the current financial year eventhough currently there has been significant fluctuation in the glove prices.

B4 Profit forecast or profit guarantee

No profit forecast or profit guarantee was published.

B5 Taxation

For both the current quarter as well as financial year-to-date, tax is calculated on estimated assessable profits for the financial year.

B6 Quoted securities

There were no acquisitions or disposals of quoted securities during the current quarter and financial year-to-date.

B7 Unquoted securities

There were no acquisitions or disposals of unquoted securities during the current quarter and financial year-to-date.

B8 Corporate proposals

There were no corporate proposals during the financial period under review.

B9 Borrowing and debt securities

There were no borrowings and debt securities outstanding and/or issued as at the end of the reporting period.

B10 Off Balance sheet Financial instruments

There were no off balance sheet financial instruments as at the date of this report.



EXPLANTORY NOTES TO THE INTERIM FINANCIAL REPORT For the Quarter Ended 30 September 2021

B11 Changes in Material Litigation

Vide Kuala Lumpur High Court Suit No: WA-23NCvC-49-07/2020, Inix Technologies Holdings Berhad (“Inix”) was served with a Writ dated 16 July 2020 by its former Non-Independent and Non-Executive Director, Mohd Anuar bin Mohd Hanadzlah (“Plaintiff”). The Plaintiff claimed that Inix had made defamatory statements against him for, among others, its announcement in Bursa over the suspension of the Plaintiff from his position in Inix due to alleged abuse of power and/or misconduct pending the outcome from the Investigative Working Group. Inix had attempted to strike out the said Writ by its application under Order 18 Rule 19 of the Rules of Court 2012 which was then dismissed by the High Court. Currently, Inix is appealing to the Court of Appeal vide Appeal No: W-02(IM)(NCVC)-296-02/2021 to reverse the High Court decision on the merit that the announcement in Bursa was made in compliance and aligned to the Bursa Malaysia Securities Berhad: Ace Market Listing Requirement. The appeal is scheduled on 2 December 2021 before the Court of Appeal. Meanwhile, the Kuala Lumpur High Court has fixed 20 October 2021 till 22 October 2021 for trial subsequently it postpone until further date.

B12 Dividend payable

No interim ordinary dividend has been declared for the financial period under review.

B13 Earnings per share

The basic/diluted earnings per share are computed based on the net profit attributable to ordinary shareholders and the weighted average/adjusted weighted average number of ordinary shares outstanding during the year as follows:

	<i>Three Months ended</i>		<i>Three months ended</i>	
	<i>30 Sept 2021</i>	<i>30 Sept 2020</i>	<i>30 Sept 2021</i>	<i>30 Sept 2020</i>
Basic:				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	(20)	-	(20)	-
Weighted average number of ordinary shares in issue ('000)	513,264	-	513,264	-
<i>Basic earnings/(loss) per ordinary share (sen)</i>	<i>(0.00)</i>	<i>-</i>	<i>(0.00)</i>	<i>-</i>
Diluted:				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	(20)	-	(20)	-
Weighted average number of ordinary shares in issue ('000)	513,264	-	513,264	-
Number of shares issuable under ESOS ('000)	-	-	-	-
Number of shares that would have been issued at fair value ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares in issue ('000)	513,264	-	513,264	-
<i>Diluted earnings/(loss) per ordinary share</i>	<i>(0.00)</i>	<i>-</i>	<i>(0.00)</i>	<i>-</i>

B14 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated