



INIX Technologies Holdings Berhad

200401027289

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT

**INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED
MARCH 2022**

31

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 MARCH 2022

	Note	Current Quarter		Year-to-date 9 Months Ended	
		31 March 2022	31 March 2021	31 March 2022	31 March 2022
		unaudited RM'000	unaudited RM'000	unaudited RM'000	audited RM'000
Revenue	A9	5,333		19,435	
Cost of sales		(4,466)		(13,837)	
Gross profit		867	-	6,894	-
Other income		66		186	
Profit of Disposal of Subsidiary		7,484		7,484	
Selling and marketing expenses		-		-	
Administrative expenses		(3,697)		(7,637)	
Research and development expenses		-	-	-	-
Finance Costs		(108)	-	(224)	-
Share of associates profit/(loss)		-	-	-	-
Profit / (Loss) for the period		4,612	-	6,703	-
Taxation	B5	(82)	-	(109)	-
Profit / (Loss) for the period		4,530	-	6,594	-
Owners of the company		4,588	-	6,652	-
Non-controlling interest		(58)		(58)	
Profit / (Loss) for the period		4,530	-	6,594	-
Profit / (Loss) per share attributable to ordinary equity holders of the Company (sen)					
Basic	B13	0.01	-	0.01	-
Diluted	B13	0.01	-	0.01	-

Note:

- The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 January 2020 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 31 MARCH 2022

Note	As at 31 March 2022 unaudited RM'000	As at 30 June 2021 audited RM'000
ASSETS		
Non-Current Assets		
Intangible assets	-	-
Property, plant and equipment	32,101	13,796
Rights of Use Assets	3,272	2,772
Investment in associates	-	-
Goodwill in consolidation	6,319	6,319
Other investment	3,850	3,850
	45,542	26,737
Current Assets		
Inventory	4,020	768
Trade receivables	2,501	1,916
Other receivables, deposits and prepayments	5,339	7,309
Amount due from directors	-	-
Fixed deposit with a financial institution	520	-
Cash and bank balances	1,035	1,260
	13,415	11,253
TOTAL ASSETS	58,957	37,990
EQUITY AND LIABILITIES		
Attributable to Equity Holders of the Company		
Share capital	69,147	64,536
Accumulated losses	(30,239)	(30,200)
	38,908	34,336
Non-controlling interest	(8,885)	(8,826)
	30,023	25,510
Non Current Liabilities		
Lease Liabilities	2,643	2,425
Finance Lease Payables	443	443
Deferred Tax Liabilities	445	445
	3,531	3,313
Current liabilities		
Trade payables	10,570	722
Other payables and accruals	5,211	5,502
Amount due to directors	899	2,215
Lease Liabilities	700	418
Finance Lease Payables	22	112
Short term loan	8,000	-
Provision for taxation	1	198
	25,403	9,167
TOTAL EQUITY AND LIABILITIES	58,957	37,990
	-	-
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.0758	0.0736

Note:

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- 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 31 MARCH 2022

	<i>Attributable to equity holders of the Company</i>					Non-Controlling interest	Total Equity
	<i>Share capital</i>	<i>Share premium</i>	<i>SIS Option reserve</i>	<i>Accumulated losses</i>	<i>Total</i>		
	RM'000	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	4,611	-	-	-	4,611	-	4,611
Conversion of Warrants	-	-	-	-	-	-	-
Realisation of Reserves due to subsidiaries disposed during the period	-	-	-	(4,897)	(4,897)	-	(4,897)
Amount recognised directly in equity relating to disposal of subsidiaries	-	-	-	(1,736)	(1,736)	-	(1,736)
Profit / (Loss) for the period	-	-	-	6,594	6,594	(58)	6,536
At 31 March 2022 (unaudited)	69,147	-	-	(30,239)	38,908	(8,885)	30,023

Note:

- The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 January 2020 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 31 MARCH 2022

	9 months ended 31 March 2022 <i>unaudited</i> RM'000	17 months ended 30 June 2021 <i>audited</i> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	6,594	(10,011)
<i>Adjustments:</i>		
Bad debts written off	-	991
Depreciation:		
Property, plant and equipment	289	572
Right-of-use assets	153	310
Impairment loss:		
- Property, plant and equipment	-	1,110
- Other Investment	-	3,850
- Trade receivables	-	144
- Other receivables	1,000	3,950
Interest Expenses	108	10
Interest Income	-	(3)
Lease Liability Interest	25	46
Reversal of impairment on trade receivable	-	(657)
Impairment Written Back	-	-
Gain on disposal of subsidiaries during the period	(7,484)	-
Operating profit/(loss) before working capital changes	685	312
Increase in inventories	(3,252)	(768)
Decrease/(Increase) in trade receivables	(585)	(974)
Decrease/(Increase) in other receivables, deposits and prepayments	1,976	(5,485)
Increase/(Decrease) in trade payables	9,287	(401)
Increase/(Decrease) in other payables and accruals	(291)	(993)
Increase/(decrease) in amount due to director	(1,316)	2,069
Increase/(decrease) in provision for taxation	-	-
<i>Cash used in operations</i>	6,504	(6,240)
Income Tax Paid	(197)	-
Interest received	-	2
Interest paid	(30)	(10)
Net cash generated from/(used in) operating activities	6,277	(6,248)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additional investment/acquisition of subsidiary company	-	(3,946)
Drawdown of Lease	282	-
Proceed from Disposal of Subsidiaries	50	-
Purchase of property, plant and equipment	(18,805)	(11,641)
Net cash generated from/(used in) investing activities	(18,473)	(15,587)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of employees share issuance scheme	-	12,514
Proceeds from exercise of warrants	-	9,747
Proceed from issuance of private placement	4,611	-
Proceed from short term loan	8,000	-
Interest paid on lease liabilities	(30)	(45)
Repayment of finance lease liabilities	-	(45)
Repayment of lease liabilities	(90)	(239)
Net cash generated from/(used in) financing activities	12,491	21,932
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	295	97
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,260	1,163
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,555	1,260
Cash and Cash equivalents comprises:-		
Fixed Deposits with a financial institution	520	500
Cash and bank balances	1,035	760
	1,555	1,260

Notes:

1 The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 January 2020 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 31 December 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.

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.

EXPLANTORY NOTES TO THE INTERIM FINANCIAL REPORT For The Quarter Ended 31 December 2021

A8 Dividends paid

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

A9 Segmental information

(a) Operating segments

	Software & Books RM'000	Piling Works RM'000	Dredging RM'000	Corporate RM'000	Glove RM'000	Adjustments /Elimination RM'000	Total RM'000
<i>17 months ended 30 June 2021 (Audited)</i>							
Revenue							
External customers	8,072	-	-	-	10,585	-	18,657
Inter-segment	-	-	-	-	-	-	-
Total revenue	8,072	-	-	-	10,585	-	18,657
Results							
Segment profit/(loss)	438	(1,625)	(9)	(11,698)	1,302	939	(10,653)
Segment assets	6,736	30	141	24,849	26,061	(19,711)	38,106
Segment liabilities	20,165	302	15	1,867	23,878	(34,190)	12,037

	Software & Books RM'000	Piling Works RM'000	Dredging RM'000	Corporate RM'000	Glove RM'000	Adjustments /Elimination RM'000	Total RM'000
<i>Three Months ended 31 March 2022</i>							
Revenue							
External customers	423	-	-	-	4,910	-	5,333
Inter-segment	-	-	-	-	-	-	-
Total revenue	423	-	-	-	4,910	-	5,333
Results							
Segment profit/(loss)	(375)	-	-	(6,583)	298	11,271	4,611
Segment assets	6,955	-	-	20,714	47,886	(16,598)	58,957
Segment liabilities	16,803	-	-	(887)	(25,466)	(15,848)	(25,398)

EXPLANTORY NOTES TO THE INTERIM FINANCIAL REPORT For The Quarter Ended 31 December 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
Three months ended 31 March 2022					
Malaysia	5,333	4,611	32,101	-	2,501

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 31 March 2022 are as follows:

	RM'000
Approved and not contracted for	<u>112,000</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 31 December 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 31 December 2021 and the date of this report.

A15 Subsequent events

No significant events.

EXPLANTORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2022

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

B1 Performance review

For the second quarter ended 31 March 2022, the group recorded revenue of RM5,333 million. The group recorded a profit before taxation of RM4,612 million during the second quarter ended 31 December 2021. The main contributor was from the glove manufacturing segment and during the period the group recorded a profit of RM7,484 million on disposal of its subsidiaries.

B2 Material change in profit/(loss) before tax

	<i>Current quarter ended 31 March 2022</i>	<i>Preceding quarter ended 31 March 2021</i>
	RM'000	RM'000
Revenue	5,333	-
(Loss)/Profit before taxation	4,612	-

The group recorded a profit before taxation of RM0.987 million for the second quarter ended 31 December 2021. There is not comparative figure for preceding quarter.

B3 Prospects

The glove manufacturing segment has contributed profit for the group during the interim period ending 31 March 2022. The group is expecting to maintain its profitability during the current financial year even though 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 PERIOD ENDED 31 MARCH 2022

B11 Changes in Material Litigation

On 2nd December 2021 vide Civil Appeal No: W-02(IM)(NCVC)-296-02/2021, Inix Technologies Holdings Berhad (“Appellant”) has appealed to the Court of Appeal to reverse the decision of the Kuala Lumpur High Court in dismissing its application to strike out a writ filed by its former Non-Independent and Non-Executive Director, Mohd Anuar bin Mohd Hanadzlah (“Respondent”) under Order 18 Rule 19 of the Rules of Court 2012.

The writ filed by the Respondent at the Kuala Lumpur High Court vide Suit No: WA-23NCvC-49-07/2020 was to claim against the Appellant due to several defamatory statements against him for, among others, its announcement in Bursa on 18 March 2020 (“the said announcement”) in relation to the suspension of the Respondent from his position in Inix Technologies Holdings Berhad due to alleged abuse of power and/or potential breach of fiduciary duties pending the outcome from the Investigative Working Group.

The Court of Appeal has dismissed the Appellant’s appeal and maintained the decision made by the Kuala Lumpur High Court.

Therefore, parties will then proceed with full trial at the Kuala Lumpur High Court scheduled on 22nd June 2022 – 24th June 2022.

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>Nine Months ended</i>	
	<i>31-Mar-22</i>	<i>31-Mar-21</i>	<i>31-Mar-22</i>	<i>31-Mar-20</i>
Basic:				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	4,588	-	6,652	-
Weighted average number of ordinary shares in issue ('000)	513,264	-	513,264	-
<i>Basic earnings/(loss) per ordinary share (sen)</i>	0.89	-	1.30	-
Diluted:				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	4,588	-	6,652	-
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</i>	0.89	-	1.30	-



EXPLANTORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2022

B13 Profit for the period

	CURRENT PERIOD 3 Months Ended 31-Mar-22 RM'000	CUMULATIVE PERIOD 9 Months Ended 31-Mar-22 RM'000
This is arrived at after crediting / (charging):		
Depreciation and amortisation - Property, plant and equipment	(289)	(745)
Depreciation and amortisation - Right-of-use assets	(153)	(413)
Interest Expenses	(85)	(108)
Lease Liability Interest	(25)	(25)
Other Income	66	186
Gain On Disposal of Subsidiaries	7,484	7,484

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

INIX Technologies Holdings Berhad