

KOMARKCORP BERHAD

Company No.: 199601001919 (374265 - A)

Incorporated in Malaysia

INTERIM FINANCIAL STATEMENTS
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

(The figures have not been audited)

	AS AT 31/12/2022	AS AT 31/03/2022 (Audited)
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	86,614	93,418
Right of Use Assets	1,760	2,597
Other Investment	6,752	-
	<u>95,126</u>	<u>96,015</u>
Current Assets		
Inventories	10,619	13,554
Trade and Other Receivables	10,918	17,515
Tax Recoverable	140	103
Cash and Bank Balances	1,946	5,359
	<u>23,623</u>	<u>36,531</u>
Total Assets	<u>118,749</u>	<u>132,546</u>
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the parent		
Share Capital	132,927	132,927
Treasury Shares, at cost	(4)	(4)
Reserves	(36,830)	(31,504)
	<u>96,093</u>	<u>101,419</u>
Non Controlling Interest	(142)	(86)
Total Equity	<u>95,951</u>	<u>101,333</u>
Non-current liabilities		
Bank Borrowings	6,033	7,239
Leases Obligation	1,010	1,513
Post Employment Benefits	-	667
Deferred tax liabilities	380	380
	<u>7,423</u>	<u>9,799</u>
Current Liabilities		
Trade and Other Payables	13,112	17,321
Leases Obligation	834	1,121
Bank Borrowings	1,429	2,972
	<u>15,375</u>	<u>21,414</u>
Total Liabilities	<u>22,798</u>	<u>31,213</u>
Total Equity And Liabilities	<u>118,749</u>	<u>132,546</u>
Net Assets per Share (RM)	0.20	0.18

This statement should be read in conjunction with the notes to interim financial report and the Company's Annual Audited Financial Statements for the year ended 31 March 2022.

KOMARKCORP BERHAD

Company No.: 199601001919 (374265 - A)

Incorporated in Malaysia

INTERIM FINANCIAL STATEMENTS
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 31 December 2022

(The figures have not been audited)

	Current Qtr Ended 31/12/2022	Comparative Qtr Ended 31/12/2021	Cumulative 31/12/2022	Cumulative 31/12/2021
	RM'000	RM'000	RM'000	RM'000
Revenue	9,070	N/A	30,735	N/A
Cost of sales	(9,700)	N/A	(29,049)	N/A
Gross (Loss)/Profit	<u>(630)</u>	<u>N/A</u>	<u>1,686</u>	<u>N/A</u>
Other income	4,522	N/A	4,964	N/A
Employee benefits expenses	(1,022)	N/A	(3,297)	N/A
Other operating expenses	(3,077)	N/A	(6,715)	N/A
Finance costs	(122)	N/A	(417)	N/A
Loss before tax	<u>(329)</u>	<u>N/A</u>	<u>(3,779)</u>	<u>N/A</u>
Income tax expense	-	N/A	-	N/A
Loss from continuing operations	<u>(329)</u>	<u>N/A</u>	<u>(3,779)</u>	<u>N/A</u>
Discontinued operation				
Loss from discontinued operation, net of tax	(215)	N/A	(1,340)	N/A
Loss after tax	<u>(544)</u>	<u>N/A</u>	<u>(5,119)</u>	<u>N/A</u>
Other Comprehensive Loss				
Exchange difference on translating foreign operations	(96)	N/A	(263)	N/A
	<u>(96)</u>	<u>N/A</u>	<u>(263)</u>	<u>N/A</u>
Total Comprehensive Loss for the period	<u><u>(640)</u></u>	<u><u>N/A</u></u>	<u><u>(5,382)</u></u>	<u><u>N/A</u></u>
Loss attributable to:				
Equity holders of the parent	(508)	N/A	(5,063)	N/A
Non-controlling interests	(36)	N/A	(56)	N/A
	<u>(544)</u>	<u>N/A</u>	<u>(5,119)</u>	<u>N/A</u>

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INTERIM FINANCIAL STATEMENTS
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTD.)
For the period ended 31 December 2022

(The figures have not been audited)

	Current Qtr Ended 31/12/2022	Comparative Qtr Ended 31/12/2021	Cumulative 31/12/2022	Cumulative 31/12/2021
	RM'000	RM'000	RM'000	RM'000
Total Comprehensive Loss attributable to:				
Equity holders of the parent	(604)	N/A	(5,326)	N/A
Non-controlling interests	(36)	N/A	(56)	N/A
	<u>(640)</u>	<u>N/A</u>	<u>(5,382)</u>	<u>N/A</u>
Basic Loss per Ordinary Share (sen)	(0.09)	N/A	(0.88)	N/A
Diluted Loss per Ordinary Share (sen)	(0.06)	N/A	(0.62)	N/A

This statement should be read in conjunction with the notes to interim financial report and the Company's Annual Audited Financial Statements for the year ended 31 March 2022.

Note :

On 24 March 2022, the Company changed its financial year ended from 30 April 2022 to 31 March 2022 and made up its financial statements for the 11 months period ended 31 March 2022. As such, the result of correspondence 2 months and 11 months period in the prior year are not presented.

KOMARKCORP BERHAD

Company No.: 199601001919 (374265 - A)

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INTERIM FINANCIAL STATEMENTS
Condensed Consolidated Statements of Changes in Equity

For the period ended 31 December 2022

	Attributable to Equity Holders of the Parent						Total	Non Controlling Interest	Total Equity	
	Share Capital	Treasury Shares	Non- distributable			Distributable				
			General Reserve	Translation Reserve	Revaluation Surplus on PPE	Capital Reserve				Accumulated Losses
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1st April 2022	132,927	(4)	361	1,017	15,274	33,882	(82,038)	101,419	(86)	101,333
Total comprehensive loss for the period	-	-	-	(263)	-	-	(5,063)	(5,326)	(56)	(5,382)
As at 31th December 2022	132,927	(4)	361	754	15,274	33,882	(87,101)	96,093	(142)	95,951
At 1st May 2021	120,166	(4)	361	633	15,274	33,882	(71,827)	98,485	51	98,536
Issuance of ordinary shares pursuant to:										
- private placement	12,932	-	-	-	-	-	-	12,932	-	12,932
Share issue expenses	(171)	-	-	-	-	-	-	(171)	-	(171)
Total comprehensive loss for the period	-	-	-	384	-	-	(10,211)	(9,827)	(137)	(9,964)
As at 31st March 2022	132,927	(4)	361	1,017	15,274	33,882	(82,038)	101,419	(86)	101,333

This statement should be read in conjunction with the notes to interim financial report and the Company's Annual Audited Financial Statements for the year ended 31 March 2022.

KOMARKCORP BERHAD

Company No.: 199601001919 (374265 - A)

Incorporated in Malaysia

INTERIM FINANCIAL STATEMENTS
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended 31 December 2022

(The figures have not been audited)

	Period Ended	
	31/12/2022	31/12/2021
	RM'000	RM'000
Cash Flows from Operating Activities		
Loss Before Taxation		
- Continuing operations	(3,779)	N/A
- Discontinued operation	(1,340)	N/A
Adjustments for:		
Amortisation of right-of-use assets	500	N/A
Allowance of expected credit losses	5	N/A
Depreciation of property, plant and equipment	4,190	N/A
Realised/Unrealised gain on foreign exchange, net	(106)	N/A
Gain on disposal of subsidiary	(4,429)	N/A
Interest expense	417	N/A
Interest income	(1)	N/A
Impairment of inventories	1,192	N/A
Impairment loss of investment	2,348	N/A
Operating income before working capital changes	<u>(1,003)</u>	<u>N/A</u>
Changes in working capital:		
Inventories	363	N/A
Trade and other receivables	3,429	N/A
Trade and other payables	(32)	N/A
Cash Generated from Operations	<u>2,757</u>	<u>N/A</u>
Income Taxes Paid	(37)	N/A
Interest Paid	(417)	N/A
Interest Received	<u>1</u>	<u>N/A</u>
Net Cash Generated from Operating Activities	<u>2,304</u>	<u>N/A</u>
Cash Flows from Investing Activity		
Acquisition of Property, Plant and Equipment	<u>(2,638)</u>	<u>N/A</u>
Net Cash Used in Investing Activity	<u>(2,638)</u>	<u>N/A</u>

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INTERIM FINANCIAL STATEMENTS
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD.)
For the period ended 31 December 2022

(The figures have not been audited)

	Period Ended	
	31/12/2022	31/12/2021
	RM'000	RM'000
Cash Flows from Financing Activities		
Repayment of lease liabilities	(453)	N/A
Repayment of Term Loans and other Borrowings	(2,311)	N/A
	<hr/>	<hr/>
Net Cash Used in Financing Activities	(2,764)	N/A
	<hr/>	<hr/>
Net Decrease in Cash and Cash Equivalents	(3,098)	N/A
Effect of exchange rate changes	(263)	N/A
Cash and Cash Equivalents at Beginning of the Period (i)	5,307	N/A
	<hr/>	<hr/>
Cash and Cash Equivalents at End of the Period	1,946	N/A
	<hr/>	<hr/>
<u>(i) Cash and Cash Equivalents at Beginning of the Period</u>		
Cash and cash equivalents included in the cash flow statements comprise the following:-		
	RM' 000	RM' 000
Cash and Bank Balances	5,359	N/A
Less : Deposit pledged with licensed Bank	(52)	N/A
	<hr/>	<hr/>
	5,307	N/A
	<hr/> <hr/>	<hr/> <hr/>

This statement should be read in conjunction with the notes to interim financial report and the Company's Annual Audited Financial Statements for the year ended 31 March 2022.

Note :

On 24 March 2022, the Company changed its financial year ended from 30 April 2022 to 31 March 2022 and made up its financial statements for the 11 months period ended 31 March 2022. As such, the result of correspondence 2 months and 11 months period in the prior year are not presented.

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022****A1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 and Appendix 9B of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2022 which were prepared under Malaysian Financial Reporting Standards (“MFRS”). 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 financial period ended 31 March 2022.

A2. Changes in Accounting Policies

The accounting policies adopted in the preparation of the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial period ended 31 March 2022, except for the adoption of the following new MFRS, amendments to MFRSs and IC Interpretation that are effective for the financial statements effective from 1 April 2022, as disclosed below:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16: COVID-19 - Related Rent Concessions beyond 30 June 2021	1 April 2022
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

The directors expect that the adoption of the above standards and amendments will have no material impact on the financial statements in the period of initial application.

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**
A2. Changes in Accounting Policies (contd.)
Standards Issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9	1 January 2023
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred tax Related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred

The directors expect that the adoption of the above standards and amendments will have no material impact on the financial statements in the period of initial application.

A3. Audit Report

The audit report for the financial statements of the Group for the financial period ended 31 March 2022 was not subject to any qualification.

A4. Seasonal or Cyclicity of Interim Operations

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022****A5. Exceptional / Extraordinary Items**

There were no exceptional or extraordinary items for the current quarter except as disclosed in the notes to this report.

A6. Changes in Estimates

There were no significant changes in estimates of the amounts reported in the prior financial years that have a material effect in the current quarter.

A7. Change of Financial Year End

On 24 March 2022, the Group had announced that it has changed its financial year end from 30 April to 31 March. The Group's current financial reporting period is twelve (12) months commencing from 1 April 2022 to 31 March 2023.

A8. Debts and Equity Securities

There were no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares in the current quarter and financial period ended 31 December 2022.

A9. Dividend Paid

No dividend was proposed or paid during the current quarter.

A10. Segmental Information

The Group's principal activities are involved in manufacturing self-adhesive labels and OPP roll-fed and shrink sleeves and other related products for large global and small-medium customers in Malaysia, Thailand, Singapore and Indonesia and manufacturing of disposable surgical face masks.

The Group has arrived at two (2) reportable segments that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which require different business and marketing strategies. The reportable segments are summarized as follows:

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**
A10. Segmental Information (contd.)

The Group's reportable segments were identified as follows:

- (i) Label and Packaging – manufacturing of self-adhesive stickers and trading of related products
- (ii) Mask – manufacturing of disposable surgical face mask and protective apparels

Financial quarter ended 31 December 2022	Label and Packaging	Mask	Elimination	Consolidation
	RM'000	RM'000	RM'000	RM'000
Revenue	4,611	4,600	(141)	9,070
Profit				49
Unallocated Expenses				(246)
Interest Income				(10)
Finance Costs				(122)
Loss before taxation				(329)
Income Tax Expenses				-
Loss from discontinued operation, net of tax				(215)
Loss for the period				(544)

Financial year-to-date ended 31 December 2022	Label and Packaging	Mask	Elimination	Consolidation
	RM'000	RM'000	RM'000	RM'000
Revenue	17,972	14,906	(2,143)	30,735
Loss				(2,342)
Unallocated Expenses				(1,021)
Interest Income				1
Finance Costs				(417)
Loss before taxation				(3,779)
Income Tax Expenses				-
Loss from discontinued operation, net of tax				(1,340)
Loss for the period				(5,119)

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022****A11. Property, Plant and Equipment**

The revaluation of land and buildings have been brought forward, without any amendment to the previous annual financial statement.

A12. Material Events Subsequent to the Interim Period

There were no material events subsequent to the quarter ended 31 December 2022 except as disclosed in this report.

A13. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review other than as disclose in Note B8.

A14. Change in Contingent Liabilities or Contingent Assets

As at 31 December 2022, the Company has given corporate guarantee of RM7.462 million to banks and financial institutions for banking facilities extended to its subsidiaries.

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**
ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS
B1. Review of Performance

Performance of current quarter against the preceding year corresponding quarter:

	Individual Period (3 rd Quarter)		Cumulative Year	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Quarter
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Revenue	9,070	N/A	30,735	N/A
Loss Before Interest and Tax	(207)	N/A	(3,362)	N/A
Loss Before Tax	(329)	N/A	(3,779)	N/A
Loss from continuing operations	(329)	N/A	(3,779)	N/A
Loss from discontinued operation, net of tax	(215)	N/A	(1,340)	N/A
Loss After Tax	(544)	N/A	(5,119)	N/A
Loss Attributable to Holders of the Parent	(640)	N/A	(5,382)	N/A

Analysis of Quarters Performance

For current quarter ended 31 December 2022, the Group recorded a revenue of RM9.070 million and posted a loss after tax of RM0.544 million. Loss recorded in current quarter was mainly due to fair value adjustment on quoted shares investment approximately RM2.348 million.

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**
B2. Comparison with the Preceding Quarter's Results

	Current Quarter	Immediate	Changes
	31/12/2022	Preceding Quarter	
	RM'000	30/09/2022	RM'000
		RM'000	
Revenue	9,070	7,095	1,975
Loss Before Interest and Tax	(207)	(1,078)	(871)
Loss Before Tax	(329)	(1,211)	(882)
Loss from continuing operations	(329)	(1,211)	(882)
Loss from discontinued operation, net of tax	(215)	(668)	(453)
Loss After Tax	(544)	(1,879)	(1,335)
Loss Attributable to Holders of the Parent	(640)	(1,891)	(1,251)

The Group recorded a revenue of RM9.070 million as compared to RM7.095 million for the preceding quarter, representing an increase of RM1.975 million or 27.84%. Higher revenue reported for the quarter was mainly attributed to a lower revenue recorded in the preceding quarter as a result of derecognition of the revenue consolidated from Komark Thailand prior to the disposal.

The Group recorded loss before tax of RM0.329 million compared to the loss before tax of RM1.211 million for the preceding quarter. Lower losses reported for the quarter was due to gain on disposal of subsidiary, Komark Thailand, approximately RM4.429 million, partially offset by the fair value adjustment on quoted shares investment of RM2.348 million.

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022****B3. Commentary of Prospects**

The Group anticipates the economic landscape for consumer packaging and printing services to remain challenging in the near future but slowly picking up as more tenders are opening. The Group will continue to remain active in participating in these tenders to secure more jobs and expand its customer base.

Therefore, the Group will be placing more focus on developing the face mask business in order to cushion any adverse impacts from the consumer packaging and printing services industry. The Group also believe that face masks will remain essential within majority daily lives despite the lenient mandate for face masks as Malaysians will continue to be cautious and more vigilant for their own safety.

Having said, the Group will gradually expand its production capacity to up to 102 manufacturing lines for 3-ply face masks and 26 manufacturing lines to be installed for the production of respirator face masks by 2023. The Group will also be investing in new machinery for the manufacturing of surgical masks for hospitals in preparation to cater to the medical industry.

The Group will be working on increasing its efficiency and have better cost control in order to remain competitive in the market. The Group will be eyeing to penetrate into export markets to enlarge its market capitalisation through greater participation in upcoming medical expositions.

While the operating environment continues to be challenging in the near future, the Group maintains an optimistic view of its future prospects in the coming financial year. The Group believes that the synergies between both business segments can be leveraged upon to create distinctive opportunities for business growth and in return generate greater and sustainable value for all the stakeholders.

B4. Profit Forecast or Profit Guarantee

The Group did not announce or disclose any profit forecast or profit guarantee in a public document.

B5. Board of Directors Statement on Internal Targets

The Group did not announce or disclose any profit estimates, forecast, projections or internal management targets in a public document.

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**
B6. Taxation

	Current Quarter (RM'000)	Year to date (RM'000)
Income Tax		
- Current tax expenses	-	-
- Deferred tax	-	-
Total	-	-

B7. Purchase and Disposal of Quoted Securities

The details of the investment in quoted shares as at 31 December 2022 are as below:

	As at 31 December 2022 (RM'000)
At book value	9,100
At market value	6,752

B8. Status of Corporate Proposal
Proposed Rights Issue with Warrants

On 18 August 2021, the Company announced that it proposed to undertake a renounceable rights issue of up to 817,817,238 new ordinary shares in Komarkcorp together with up to 272,605,748 free detachable warrants in Komarkcorp ("Warrant D") on the basis of 3 Rights Shares together with 1 free Warrant D for every 3 existing Shares held by entitled shareholders of Komarkcorp on an entitlement date to be determined later ("the Proposal").

Bursa Securities had, vide its letter dated 5 November 2021, approved the Proposal.

The shareholders have approved the Proposals during the Extraordinary General Meetings held on 10 December 2021.

On 26 October 2022, Bursa Securities had granted the Company an extension of time until 4 May 2023 to implement the Right Issue with Warrants.

The Proposals is currently pending for price fix by the Company.

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022****B8. Status of Corporate Proposal (contd.)**

Proposed Disposal of Komark (Thailand) Co., Ltd (“Komark Thailand”), an Indirect Subsidiary of The Company

On 11 August 2022, the Group had entered into a share sale agreement (“SSA”) with D’Nonce Technology Bhd (“D’Nonce”) for the disposal of 333,997 ordinary shares, representing 99.9991% of the issued share capital in its subsidiary company, i.e. Komark Thailand for a consideration of RM9,100,000.00, which shall be fully satisfied by the allotment and issuance of D’Nonce’s shares.

The share sale agreement (“SSA”) has become unconditional on 23 December 2022 upon fulfilment of all the conditions precedent to the SSA.

The disposal was completed on 29 December 2022 following the listing and quotation of 58,709,677 new ordinary shares of D’Nonce [which were allotted to General Labels & Labelling (M) Sdn Bhd, a wholly-owned subsidiary of Komarkcorp (“GLLM”)] on the Main Market of Bursa Securities on 29 December 2022. Consequently, Komark Thailand ceased to be the subsidiary of GLLM and indirect subsidiary of Komarkcorp and GLLM holds 13.51% equity interest in D’Nonce.

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

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**
B9. Group's Bank Borrowings and Debt Securities

Group's bank borrowings and debt securities as at the end of the reporting period are as follows:

	As At 31 December 2022		
	Long Term	Short Term	Total Borrowings
	RM'000 denomination	RM'000 denomination	RM'000 denomination
Secured			
Term Loan	4,571	474	5,045
Finance Lease and Hire Purchase Liabilities	1,462	955	2,417
Total	6,033	1,429	7,462

	As at 31 March 2022					
	Long Term		Short Term		Total borrowings	
	Foreign denomination	RM'000 denomination	Foreign denomination	RM'000 denomination	Foreign denomination	RM'000 denomination
Secured						
Term Loans		4,975		439		5,414
Finance Lease and Hire Purchase Liabilities	THB 1,507,489 Exc Rate 0.1248	188	THB 4,981,449 Exc Rate 0.1248	622	THB 6,488,938 Exc Rate 0.1248	810
Finance Lease and Hire Purchase Liabilities		2,076		1,911		3,987
Total		7,239		2,972		13,211

Interest rates for the hire purchase are between 2.33% to 3.99% (2022 : 2.33% to 3.99%) per annum.

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Company No. : 199601001919 (374265-A)

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022****B10. Material Litigation****Writ and Statement of Claim against The Edge Communications Sdn Bhd**

Since the last update regarding the e-review case management held on 17 June 2021, the Edge had gone on to file its defence on 19 July 2021. On 11 August 2021, the Company had filed an application for, among others, further and better particulars in respect of the Defence, and an extension of time application to file their Reply. On 19 August 2021, the Edge filed an application to strike out the Writ and Statement of Claim.

On 13 October 2021, both applications were dismissed by the Court with costs of RM5,000.00 payable to the Company (in respect of the striking out application) and costs of RM5,000.00 payable to the Edge (in respect of the further and better particulars application). The Court further ordered the Company to file a Reply by 27 October 2021 and had advised Parties to mediate the case.

A mediation form was submitted to the Kuala Lumpur Court Mediation Centre (“KLCMC”) on 5 January 2022, and mediation has been fixed for 9 May 2022. The Company has also filed and served its Bundle of Pleadings to the Defendant. The Court had fixed tentative trial dates to fall on 5 to 9 February 2024, but the Company had requested for it to be held earlier preferably in June 2023.

During a case management on 1 July 2022, the Parties had updated the Court that they had failed to reach a settlement vide mediation and as such, trial will proceed. In the meantime, the trial dates have been maintained. The next e-review has been fixed for 12 April 2023.

Save for the above, there were no other pending material litigations against the Group as at the date of this report.

B11. Dividend Payable

No dividend has been proposed or paid for the quarter ended 31 December 2022.

B12. Loss Per Share (LPS)

The calculation of basic loss per share is based on the net loss attributable to ordinary shareholders of the parent and the weighted average number of ordinary shares in issue during the period.

	Period Ended
Loss attributable to Shareholders of Parent (RM'000)	(5,063)
Weighted Average Number of Ordinary Shares ('000)	577,347
Basic Loss Per Share (Sen)	(0.88)

KOMARKCORP BERHAD

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

B13. Notes to the Statement of Comprehensive Loss

		Period Ended	Period Ended
		December 2022	December 2021
		RM'000	RM'000
a)	Depreciation and amortization	5,338	N/A
b)	Gain on disposal of subsidiary	4,429	N/A
c)	Interest Income	(1)	N/A
d)	Interest expense	417	N/A
e)	Impairment of inventories	1,192	N/A
f)	Fair value adjustment on other investment	2,348	N/A
g)	Realised/unrealised foreign exchange gain, net	(19)	N/A

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