

INTERIM FINANCIAL REPORT**DATASONIC GROUP BERHAD**

Registration No. 200801008472 (809759-X)

Incorporated in Malaysia

The Directors are pleased to present the Interim Financial Report for the period ended 31 March 2021 as follows:

SUMMARY OF KEY INFORMATION**FOR THE FOURTH QUARTER ENDED 31 MARCH 2021**

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 31.03.2021 RM'000	Preceding Year Quarter 31.03.2020 RM'000	Current Year to-date 31.03.2021 RM'000	Preceding Year to-date 31.03.2020 RM'000
1 Revenue	25,824	50,715	138,414	247,540
2 (Loss)/Profit before tax	(5,004)	11,976	11,089	63,395
3 (Loss)/Profit for the year	(5,633)	12,256	7,284	60,369
4 (Loss)/Profit after tax attributable to owners of the Company	(5,627)	12,273	7,302	60,322
5 Basic (loss)/earnings per share (sen)	(0.21)	0.46	0.28	2.24
6 Diluted (loss)/earnings per share (sen)	(0.14)	0.46	0.18	2.24
7 Proposed/Declared dividend per share (sen)	0.05	0.50	1.05	3.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
8 Net assets per share attributable to owners of the Company (RM)	0.0862		0.1939	

Remarks:

In the fourth quarter of the current financial year ending 31 March 2021, a fourth interim single-tier tax exempt dividend of 0.05 sen per share was declared on 27 May 2021, the Entitlement Date of which will be determined and announced in due course. This dividend has not been reflected in the financial statements for the financial period under review but it will be accounted for in shareholders' equity as an appropriation of retained profits for the next quarter ending 30 June 2021.

ADDITIONAL INFORMATION

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 31.03.2021 RM'000	Preceding Year Quarter 31.03.2020 RM'000	Current Year to-date 31.03.2021 RM'000	Preceding Year to-date 31.03.2020 RM'000
1 Gross interest income	257	604	1,091	1,303
2 Gross interest expense	(517)	(1,300)	(3,063)	(6,290)

**AUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Quarter 31.03.2021 (RM'000)	Preceding Quarter 31.03.2020 (RM'000)	Current Year To Date 31.03.2021 (RM'000)	Preceding Year To Date 31.03.2020 (RM'000)
Continuing Operations				
Revenue	25,824	50,715	138,414	247,540
Operating expenses	(30,604)	(38,036)	(125,687)	(179,387)
Other income	293	597	1,425	1,532
(Loss)/Profit from operations	(4,487)	13,276	14,152	69,685
Finance costs	(517)	(1,300)	(3,063)	(6,290)
(Loss)/Profit before tax	(5,004)	11,976	11,089	63,395
Income tax expense	(629)	280	(3,805)	(3,026)
(Loss)/Profit after tax	(5,633)	12,256	7,284	60,369
Other comprehensive income/(loss), net of tax				
- Foreign currency translation differences	5	(244)	176	(211)
Total comprehensive (loss)/income for the quarter	(5,628)	12,012	7,460	60,158
(Loss)/Profit after taxation attributable to:				
Owners of the Company	(5,627)	12,273	7,302	60,322
Non-controlling interests	(6)	(17)	(18)	47
	(5,633)	12,256	7,284	60,369
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(5,625)	12,029	7,475	60,111
Non-controlling interests	(3)	(17)	(15)	47
	(5,628)	12,012	7,460	60,158
(Loss)/Earnings per share (sen) attributable to owners of the Company :				
- Basic (Note B12a)	(0.21)	0.46	0.28	2.24
- Diluted (Note B12b)	(0.14)	0.46	0.18	2.24

The Audited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to these interim financial statements.

AUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	As at 31.03.2021 (RM'000)	As at 31.03.2020 (RM'000)
NON-CURRENT ASSETS		
Property, plant and equipment	134,370	138,255
Right-of-use assets	13,209	29,859
Other investment	110	110
Goodwill	4,162	4,162
Development expenditures	20,341	23,614
Trade receivables (2)	5,294	5,533
	<u>177,486</u>	<u>201,533</u>
CURRENT ASSETS		
Projects-in-progress	2,203	2,170
Inventories	48,281	43,313
Trade receivables	33,272	82,445
Other receivables, deposits and prepayments	8,596	9,664
Tax recoverable	2,399	2,585
Short-term investments	31,449	27,409
Deposits with licensed banks	6,103	6,117
Cash and bank balances	10,742	12,854
	<u>143,045</u>	<u>186,557</u>
TOTAL ASSETS	<u>320,531</u>	<u>388,090</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	135,000	135,000
Treasury shares	(37,580)	(26,134)
Merger deficit	(11,072)	(11,072)
Foreign exchange translation reserve	(94)	(267)
Retained profits	139,760	158,783
Equity attributable to owners of the Company	<u>226,014</u>	<u>256,310</u>
Non-controlling interests	302	317
TOTAL EQUITY	<u>226,316</u>	<u>256,627</u>
NON-CURRENT LIABILITIES		
Long-term borrowings	45,974	58,439
Lease liabilities	155	913
Deferred taxation	4,007	2,294
	<u>50,136</u>	<u>61,646</u>
CURRENT LIABILITIES		
Trade payables	1,048	2,325
Other payables and accruals	29,263	27,972
Short-term borrowings	13,011	35,678
Lease liabilities	757	3,842
	<u>44,079</u>	<u>69,817</u>
TOTAL LIABILITIES	<u>94,215</u>	<u>131,463</u>
TOTAL EQUITY AND LIABILITIES	<u>320,531</u>	<u>388,090</u>
Net assets per share attributable to ordinary owners of the Company (RM)	0.0862	0.1939

Notes:

- (1) The Audited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to these interim financial statements.
- (2) These represent revenue earned for work performed and goods delivered but related invoices have yet to be issued in accordance with contractual terms.

AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021

	Share Capital RM'000	Treasury Shares RM'000	Merger Deficit RM'000	Non- distributable Foreign Exchange Translation Reserve RM'000	Distributable Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
At 1 April 2020	135,000	(26,134)	(11,072)	(267)	158,783	256,310	317	256,627
Profit after taxation for the financial year	-	-	-	-	7,302	7,302	(18)	7,284
Other comprehensive income for the financial year:								
- Foreign exchange translation	-	-	-	173	-	173	3	176
Total comprehensive income for the financial year	-	-	-	173	7,302	7,475	(15)	7,460
Contributions by and distributions to owners of the Company								
- purchase of treasury shares	-	(11,446)	-	-	-	(11,446)	-	(11,446)
- dividends (Note B11)	-	-	-	-	(26,325)	(26,325)	-	(26,325)
Total transactions with owners	-	(11,446)	-	-	(26,325)	(37,771)	-	(37,771)
At 31 March 2021	135,000	(37,580)	(11,072)	(94)	139,760	226,014	302	226,316

The Audited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to these interim financial statements.

AUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021

	CUMULATIVE QUARTERS	
	Current Year	Preceding Year
	To Date	To Date
	31.03.2021	31.03.2020
	(RM'000)	(RM'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	11,089	63,395
Adjustments for :		
Allowance for impairment losses on:		
- inventories	49	168
- trade receivables	297	1,059
Amortisation of development expenditure	3,273	7,497
Depreciation of property, plant and equipment	9,725	14,136
Depreciation of right-of-use assets	975	2,933
Fair value loss on trade receivable	114	-
Gain on disposal of property, plant and equipment	(63)	(8)
Interest expense:		
Interest income	(1,091)	(1,303)
- interest expense on lease liabilities	284	921
- other interest expense	2,779	5,369
Inventories written off	-	114
Property, plant and equipment written off	#	11
Share of results from an associate	-	#
Unrealised (gain)/loss on foreign exchange	(830)	1,174
Writeback of impairment losses on:		
- inventories	(83)	(3)
- trade receivables	(3)	-
Operating profit before changes in working capital	26,515	95,463
Changes in projects-in-progress	(33)	991
Changes in inventories	7,400	8,913
Changes in trade and other receivables	50,753	40,299
Changes in trade and other payables	27	(9,210)
Cash generated from operations	84,662	136,456
Income tax paid	(2,928)	(3,813)
Income tax refund	1,019	3,279
Interest paid	(3,063)	(6,290)
Net cash from operating activities	79,690	129,632
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiary, net of cash and cash equivalents	-	3
Investment in an associate	-	(#)
Interest received	1,091	1,303
Proceeds from disposal of property, plant and equipment	103	14
Purchase of property, plant and equipment	(2,255)	(10,992)
Withdrawal of deposits pledged to licensed banks	15	345
Net cash for investing activities	(1,046)	(9,327)

AUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021 (CONT'D)

	CUMULATIVE QUARTERS	
	Current Year	Preceding Year
	To Date	To Date
	31.03.2021	31.03.2020
	(RM'000)	(RM'000)
CASH FLOWS FOR FINANCING ACTIVITIES		
Acquisition of non-controlling interests	-	(#)
Net proceeds from issuance of ordinary shares in subsidiaries to non-controlling interest	-	316
Dividends paid	(26,325)	(47,091)
Purchase of treasury shares	(11,446)	(26,134)
Repayment of lease liabilities	(3,843)	(7,524)
Drawdown of trade financing	24,278	56,336
Repayment of trade financing	(47,355)	(69,888)
Drawdown of term loans	-	472
Repayment of term loans	(10,751)	(15,928)
Repayment of term financing	(1,304)	(1,226)
Net cash for financing activities	(76,746)	(110,667)
Net increase in Cash and Cash Equivalents	1,898	9,638
Effects of foreign exchange translation	30	(26)
Cash and Cash Equivalents at beginning of the financial period	40,263	30,651
Cash and Cash Equivalents at end of the financial period	<u>42,191</u>	<u>40,263</u>
Cash and Cash equivalents at the end of the financial year comprise the following:		
Deposits with licensed banks	6,103	6,117
Cash and bank balances	10,742	12,854
Short-term investments	31,449	27,409
	<u>48,294</u>	<u>46,380</u>
Less: deposits pledged to licensed banks	(6,103)	(6,117)
	<u>42,191</u>	<u>40,263</u>

The Audited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to these interim financial statements.

Note:

- Amount less than RM1,000.

DATASONIC GROUP BERHAD

Registration No. 200801008472 (809759-X)

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING

A1 Accounting Policies and Basis of Preparation

a) Basis of Preparation

The interim financial statements are audited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standard 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and Issuers Communication No. 1/2017 - Guidance on Disclosures in Notes to Quarterly Report issued by Bursa Malaysia. The condensed consolidated interim financial statements also complies with International Accounting Standard 34: Interim Financial Reporting issued by the International Accounting Standards Board.

These interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2020.

These interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and financial performance of the Company and its subsidiaries ("The Group") since the financial year ended 31 March 2020.

b) Changes in Accounting Policies

The significant accounting policies adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements as disclosed in the audited financial statements for the year ended 31 March 2020.

During the current financial year, the Group has adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

Amendment to MFRS 3: Definition of a Business

Amendment to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9

Amendment to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform

Amendment to MFRS 101 and MFRS 108: Definition of Material

Amendments to references to the Conceptual Framework in MFRS Standards

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING

A1 Accounting Policies and Basis of Preparation (Cont'd)

b) Changes in Accounting Policies (Cont'd)

The Group has not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial quarter:

Malaysian Financial Reporting Standards ("MFRS") and IC Interpretations (including the Consequential Amendments)	<u>Effective Date</u>
MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendment to MFRS 16: Covid-19 - Related Rent Concessions	1 June 2020
Amendment to MFRS 16: Covid-19 - Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendment to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendment to MFRS 108: Definition of Accounting Estimates	1 January 2023
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 adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial applications.

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING

A2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements of the Group for the financial year ended 31 March 2020 was not qualified.

A3 Comments about Seasonality or Cyclicity

The Group did not experience any significant cyclical or seasonal sales cycle factors during the current financial quarter under review.

A4 Unusual Items Due to Their Nature, Size or Incidence

There were no significant unusual items affecting assets, liabilities, equity, net income, or cash flows for the current financial quarter under review.

A5 Changes in Estimates

There were no changes in estimates that have a material effect on the results of the current financial quarter under review.

A6 Debt and Equity Securities

(i) Warrants

The Company had on 6 July 2018 issued 675,000,000 free Warrants on the basis of one (1) Warrant for every two (2) existing ordinary shares. The Warrants are constituted by a Deed Poll dated 18 June 2018.

The salient terms of the Warrants 2018/2023 are as follows:-

- (a) Each Warrant entitles the registered holder to subscribe for one (1) new ordinary share in the Company at any time on or before the maturity date, 5 July 2023, falling five (5) years from the date of issue of the Warrants. Unexercised Warrants after the exercise period will thereafter lapse and cease to be valid;
- (b) The exercise price of the Warrants is fixed at RM0.545 per Warrant;
- (c) The new ordinary shares to be issued upon the exercise of the Warrants shall rank pari passu in all respects with the existing ordinary shares of the Company; and
- (d) The Warrants were listed and quoted on the Main Market of Bursa Securities on 12 July 2018.

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING

A6 Debt and Equity Securities (Cont'd)

(i) Warrants (Cont'd)

Following the completion of the Bonus Issue on 2 October 2020, the exercise price and the number of outstanding Warrants 2018/2023 had been adjusted in accordance with the provisions of the Deed Poll ("Adjustments") as follows:-

- (a) Exercise price of the Outstanding Warrants 2018/2023 = RM0.54 sen;
- (b) Number of additional Warrants 2018/2023 arising from the Adjustments = 675,000,000 Warrants 2018/2023.

Up to 27 May 2021, being the last practicable date from the date of the issue of this report, 1,350,000,000 Warrants remained unexercised.

(ii) Share Buy-Back

The Company had on 1 August 2019 obtained the approval from its shareholders at the Eleventh Annual General Meeting to purchase its own shares at any time up to 10% of the total number of issued shares quoted on Bursa Malaysia Securities Berhad ("Share Buy-Back").

On 17 September 2020, the Company obtained the approval from its shareholders at the Twelfth Annual General Meeting to renew the Share Buy-Back authority.

The Share Buy-Back shall continue to be in force until the conclusion of the next Annual General Meeting of the Company at which time the authority shall lapse unless by an ordinary resolution passed at the meeting, the authority is renewed.

The shares purchased can be retained as treasury shares, distributed as dividend, transfer, resold or subsequently cancelled in accordance with Section 127 of the Companies Act 2016.

Subsequently, on 2 October 2020, the Company announced that the Bonus Issue was completed and the total repurchased equity securities amounted to 64,084,000 at an average price of RM0.48 per share held as treasury shares.

As at 31 March 2021, the Company had repurchased, in total its equity securities of 77,195,000 ordinary shares at an average price of RM0.49 per share as treasury shares, the consideration of which amounted to RM37,579,803 with transaction costs.

None of the treasury shares was resold during the financial year.

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING

A6 Debt and Equity Securities (Cont'd)

(iii) Employees' Share Option Scheme ("ESOS")

The Company had on 6 December 2019, 24 December 2019, 20 January 2020, 4 February 2020 and 5 February 2020 made an announcements in relation to the ESOS. Unless otherwise defined, the definition set out in the Announcements shall apply therein.

The Company had on 20 February 2020 obtained the approval from its shareholders at the Extraordinary General Meeting on the proposed establishment of ESOS of up to 7.5% of the total number of issued ordinary shares of the Company and on the proposed allocation of ESOS options to the members of Boards of Directors.

On 2 September 2020, the Company announced that Bursa Securities had, vide its letter dated 1 September 2020, approved the Company's application for an extension of time until 19 January 2021 to complete the implementation of the ESOS.

The Company had on 17 September 2020 obtained the approval from its shareholders at the Twelfth Annual General Meeting for the proposed allocation of ESOS options to Dato' Sri Sharifuddin bin Ab Ghani, Dato' Ibrahim bin Abdullah, Encik Handrianov Putra bin Abu Hanifah and Cik Noor Suhaila binti Saad who were appointed to the Board on 5 February 2020.

On 18 January 2021, the Company announced that Bursa Securities had, vide its letter 15 January 2021, approved the Company's application for a further extension of time until 19 July 2021 to complete the implementation of the ESOS.

On 24 February 2021, the Company announced that Encik Wan Zalizan Bin Wan Jusoh was appointed as the Chairman of the Employees' Share Option Scheme Committee.

On 29 March 2021, the Company announced that Mr Chia Kok Khuang and Encik Safian Bin Mohd Yunus were appointed as members of the Employees' Share Option Scheme Committee.

The ESOS Committee was formed by the Board on 27 February 2020. To date of this report no share option has been offered.

(iv) Bonus Issue

On 5 August 2020, Kenanga Investment Bank Berhad ("Kenanga IB") had, on behalf of the Board, announced that the Company proposed to undertake the Bonus Issue of up to 2,176,875,000 new ordinary shares in Datasonic Group Berhad ("Datasonic Shares") ("Bonus Shares") on the basis of 1 Bonus Share for every 1 Datasonic Share held on an entitlement date to be determined and announced later.

On 18 August 2020, Kenanga IB had, on behalf of the Board, announced that Bursa Malaysia vide its letter dated 17 August 2020, resolved to approve the listing and quotation of the following:-

- (i) up to 2,176,875,000 Bonus Shares to be issued pursuant to the Proposed Bonus Issue;
- (ii) up to 675,000,000 Additional Warrants; and
- (iii) up to 675,000,000 new Datasonic Shares to be issued from the exercise of the said Additional Warrants,

on the Main Market of Bursa Securities.

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING

A6 Debt and Equity Securities (Cont'd)

(iv) Bonus Issue (Con't)

On 2 October 2020, the Bonus Issue was completed following the listing and quotation of:-

- (i) 1,350,000,000 Bonus Shares issued pursuant to the Bonus Issue; and
 - (ii) 675,000,000 Additional Warrants issued arising from the Adjustments,
- on the Main Market of Bursa Securities.

(v) Private Placement

On 20 November 2020, the Company proposed to undertake a private placement of new ordinary shares in Datasonic ("Datasonic Shares" or "Shares"), representing up to 10% of the total number of issued shares (excluding treasury shares), to independent third-party investors to be identified at a later date and at an issue price to be determined and fixed later.

The Proposed Private Placement will be implemented in accordance with the general mandate obtained from the shareholders of the Company pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act") at its 12th Annual General Meeting ("AGM") convened on 17 September 2020, whereby the Board had been authorised to allot and issue new Datasonic Shares not exceeding 10% of the total number of issued shares in the Company ("General Mandate").

The Proposed Private Placement entails the issuance of up to 405,000,000 new Datasonic Shares ("Placement Shares"), representing up to 10% of the total number of issued shares as at 19 November 2020, after taking into consideration the following:

- (a) Datasonic's existing number of issued shares of 2,633,546,000 Datasonic Shares (excluding 66,454,000 Datasonic Shares held as treasury shares by the Company ("Treasury Shares")) as at the Latest Practical Date;
- (b) assuming all Treasury Shares are resold in the open market; and
- (c) assuming full exercise of the 1,350,000,000 outstanding warrants 2018/2023 of Datasonic issued pursuant to the provisions of the deed poll dated 18 June 2018 and expiring on 5 July 2023 ("Warrants") into 1,350,000,000 new Datasonic Shares at the exercise price of RM0.54 each, prior to the implementation of the Proposed Private Placement (collectively known as "Maximum Scenario").

Under the minimum scenario, the size of the Proposed Private Placement is up to 263,354,600 Placement Shares, representing up to 10% of the existing number of issued shares of Datasonic of 2,633,546,000 (excluding Treasury Shares), assuming none of the Treasury Shares are resold and none of the Warrants A is exercised into new Datasonic Shares prior to the implementation of the Proposed Private Placement ("Minimum Scenario").

On 27 November 2020, the Company announced that an application to Bursa Securities for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities was submitted.

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING

A6 Debt and Equity Securities (Cont'd)

(v) Private Placement (Cont'd)

On 2 December 2020, the Company announced that Bursa Securities had, via its letter, approved the listing and quotation of up to 405,000,000 Placement Shares subject to the following conditions:-

- (a) Datasonic and AmInvestment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Private Placement;
- (b) Datasonic and AmInvestment Bank to inform Bursa Securities upon the completion of the Proposed Private Placement;
- (c) Datasonic to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed; and
- (d) AmInvestment Bank to furnish Bursa Securities with details of the places in accordance with paragraph 6.15 of the Listing Requirements as soon as practicable after each tranche of placement and before the listing of the new shares to be issued pursuant to the Proposed Private Placement.

On 29 March 2021, the Company announced that the Board has fixed the issue price for 262,000,000 Placement Shares at RM0.482 per Placement Shares ("Issue Price").

The Issue Price represents a discount of approximately RM0.0532 or 9.94% to the 5D-VWAP of Datasonic Shares up to and including 26 March 2021 of RM0.5352 per Datasonic Share.

On 6 April 2021, the Company received the gross proceeds amounting to RM126,284,000 from the Private Placement of 262,000,000 new ordinary shares at an issue price of RM0.482 per share of which the issued share capital of the Company was increased to RM261,284,000 comprising of 2,962,000,000 ordinary shares. The Private Placement was completed on 7 April 2021 and the new ordinary shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 8 April 2021.

There was no other issuance, cancellation, repurchase, resale or repayment of debt securities or any movement in the share capital for the current financial quarter under review.

A7 Segmental Information

The Group is organised into the following:-

31 March 2021	Customised		Investment		Consolidated (RM'000)
	Solutions (RM'000)	Manufacturing (RM'000)	Holding (RM'000)	Elimination (RM'000)	
REVENUE					
External	134,904	3,510	-	-	138,414
Inter-segment	480	360	55,936	(56,776)	-
Total Revenue	<u>135,384</u>	<u>3,870</u>	<u>55,936</u>	<u>(56,776)</u>	<u>138,414</u>
RESULT					
Profit from operations					14,152
Finance costs					<u>(3,063)</u>
Profit before tax					<u>11,089</u>

DATASONIC GROUP BERHAD**Registration No. 200801008472 (809759-X)****A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING****A8 Valuations of Property, Plant and Equipment**

The Group has not revalued its property, plant and equipment for the current financial quarter under review.

A9 Material Events During the Reporting Period

- (i) On 17 February 2021, the Company announced that Datasonic Technologies Sdn. Bhd. ("DTSB"), a wholly-owned subsidiary of the Company received and accepted the Letter of Extension ("LOE") from Kementerian Dalam Negeri ("KDN") for the supply, deliver, installation, testing, integration, commissioning and technical support of equipment, software and application for 16 units of foreigner e-gate with facial recognition system at the Malaysia-Singapore entry/exit point to the Immigration Department of Malaysia ("Contract") with a new contract sum of RM8,653,094.87 (an increase of RM1,679,968.96 for additional 6 units foreigner e-gate with facial recognition system from the previous contract sum of RM6,973,125.91) and an extension of contract period for one (1) year with effect from 15 February 2021 to 14 February 2022.
- (ii) On 26 February 2021, the Company announced that Datasonic Technologies Sdn. Bhd. ("DTSB"), a wholly-owned subsidiary of the Company received and accepted the Letter of Offer ("LOA") dated 23 February 2021 from Kementerian Dalam Negeri ("KDN") for the comprehensive maintenance services of equipment, software and application for the Facial Live Capture Image ("FLC") System at all issuing and receiving offices of Immigration Department of Malaysia ("Contract") for a period of thirty-six (36) months commencing from 25 February 2021 to 24 February 2024 for a contract sum of RM4,325,046.47.
- (iii) On 3 March 2021, the Company announced that Datasonic has entered into a Teaming Agreement with Pham Gia Ecocon Plus Vietnam Co., Ltd (Company No. 0109314332) to work together in proposing the e-Passport and/or other ICT projects to the Ministry of Public Security of the Government of Socialist Republic of Vietnam. The current population of Vietnam is approximately 97 million.

A10 Effects of changes in Composition of the Group

On 16 March 2021, an associate of the Company, Electric Vehicle Automotive (M) Sdn. Bhd. ("EVAM") had been struck off under Section 550 of Companies Act 2016.

There are no other changes in the composition of the Group in the current financial quarter under review.

DATASONIC GROUP BERHAD

Registration No. 200801008472 (809759-X)

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**A11 Capital Commitments**

	As at 31.03.2021 RM'000	As at 31.03.2020 RM'000
<u>Approved and contracted for:</u>		
Renovation	91	120
Acquisition of machineries and equipment	844	2,738

A12 Changes in Contingent Liabilities

	As at 31.03.2021 RM'000	As at 31.03.2020 RM'000
Performance guarantees extended to customers	17,174	17,693
Performance guarantees extended to suppliers	20	20
	17,194	17,713

A13 Related Party Transactions

The Group has no transaction with related parties in the current financial quarter under review.

B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B1 Review of Performance

	Individual Quarter				Cumulative Quarters			
	Current Year Quarter 31.03.2021 (RM'000)	Preceding Year Quarter 31.03.2020 (RM'000)	Variance		Current Year To Date 31.03.2021 (RM'000)	Preceding Year To Date 31.03.2020 (RM'000)	Variance	
			(RM'000)	%			(RM'000)	%
Revenue	25,824	50,715	(24,891)	-49%	138,414	247,540	(109,126)	-44%
(Loss)/Profit from operations	(4,487)	13,276	(17,763)	-134%	14,152	69,685	(55,533)	-80%
(Loss)/Profit before tax	(5,004)	11,976	(16,980)	-142%	11,089	63,395	(52,306)	-83%
(Loss)/Profit after tax	(5,633)	12,256	(17,889)	-146%	7,284	60,369	(53,085)	-88%
(Loss)/Profit after tax attributable to owners of the Company	(5,627)	12,273	(17,900)	-146%	7,302	60,322	(53,020)	-88%

Individual Quarter/Cumulative Quarter

The Group achieved a revenue of RM25.82 million in the current financial quarter which was lower when compared to RM50.72 million in the corresponding quarter of the preceding financial year.

RM21.17 million of the Group's revenue in the current financial quarter was derived from the supply of passports, maintenance services and personalisation services which was lower than that of RM46.32 million earned in the corresponding quarter of the preceding financial year which resulted from lesser supplies to customers of the said materials and services.

Consequently, the current financial quarter recorded a decreased profit from operations compared with that of the corresponding quarter of the preceding financial year.

Assets and liabilities

The decrease in total assets and liabilities as at 31 March 2021 against balances of 31 March 2020 was as follows:

	As at	As at	Variance	
	31.03.2021	31.03.2020	RM'000	%
Total assets	320,531	388,090	(67,559)	-17.4%
Total liabilities	94,215	131,463	(37,248)	-28.3%

The decrease in total assets of RM67.56 million was mainly due to higher depreciation and amortisation of applicable assets and better collections from customers.

The decrease in total liabilities of RM37.25 million principally resulted from repayment of borrowings.

Cash flow for the twelve months ended 31 March 2021

The Group achieved a cash inflow of RM79.69 million from operating activities in the financial year under review.

The net cash used in financing activities was mainly for repayment of facilities amounted to approximately RM63.25 million.

B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B2 Comparison with Immediate Preceding Quarter's Results

	Current Quarter 31.03.2021 (RM'000)	Immediate Preceding Quarter 31.12.2020 (RM'000)	Variance	
			(RM'000)	%
Revenue	25,824	29,445	(3,621)	-12%
(Loss)/Profit from operations	(4,487)	1,267	(5,754)	-454%
(Loss)/Profit before tax	(5,004)	627	(5,631)	-898%
(Loss)/Profit after tax	(5,633)	621	(6,254)	-1007%
(Loss)/Profit after tax attributable to owners of the Company	(5,627)	627	(6,254)	-997%

The Group's revenue of RM25.82 million in the current financial quarter was lower than RM29.45 million reported in the immediate preceding quarter mainly due to reduced supplies of consumables and autogate which led to decreased profit before tax for the quarter under review.

B3 Commentary on Prospects

The business operating environment in financial year 2020/2021 was extremely challenging, with the prevalent COVID-19 pandemic leading to a global recession which also impacted Malaysia.

Malaysian economy is cautiously expected to rebound in the ensuing financial year 2021/2022 following the rollout of COVID-19 vaccines to achieve herd immunity. Nevertheless, economic recovery is projected to be gradual and uneven amid selective pandemic containment measures imposed by the Government. Monetary, fiscal and economic stimulus continues to be implemented by the Government, focusing on targeted supports and interventions for individuals and businesses.

The Board is positive that the Group financial performance will be brighter particularly on revenue contribution from Government sector as the ongoing vaccination programme is expected to result in upliftment of international travel restrictions, prompting consumers renewal of the expired passports. In addition, various plans and programmes have been outlined to diversify the Group's revenue stream which include new business opportunities in the areas of security and surveillance, green technology and also e-financial services.

B4 Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee for the current financial quarter under review.

B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B5 (Loss)/Profit Before Taxation

(Loss)/Profit before taxation is derived after taking the following into consideration:-

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter	Preceding Year Quarter	Current Year Year To Date	Preceding Year Year To Date
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Allowance for impairment losses on:				
- inventories	49	3	49	168
- trade receivables	297	935	297	1,059
Amortisation of development expenditure	977	3,239	3,273	7,497
Depreciation of property, plant and equipment	2,884	3,334	9,725	14,136
Depreciation of right-of-use assets	126	733	975	2,933
Fair value loss on trade receivable	114	-	114	-
Gain on disposal of property, plant and equipment	(1)	-	(63)	(8)
Interest income	(257)	(604)	(1,091)	(1,303)
Interest expense:				
- interest expense on lease liabilities	23	190	284	921
- other interest expense	494	1,110	2,779	5,369
Inventories written off	-	31	-	114
(Gain)/Loss on foreign exchange:				
- realised	(4)	30	191	418
- unrealised	(7)	1,154	(830)	1,174
Property, plant and equipment written off	-	11	#	11
Staff costs	9,768	10,705	41,910	41,115
Writeback of impairments losses on:				
- inventories	(83)	(1)	(83)	(3)
- trade receivables	(3)	-	(3)	-

Note:

- Amount less than RM1,000.

B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B6 Income Tax Expense

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter	Preceding Year Quarter	Current Year Year To Date	Preceding Year Year To Date
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Current tax:				
- for the current financial quarter	(238)	(407)	2,273	2,966
- under/(over) provision in previous financial years	1	-	(181)	(208)
Deferred tax:				
- for the current financial quarter	866	127	1,570	697
- under/(over) provision in previous financial year	-	-	143	(429)
	<u>629</u>	<u>(280)</u>	<u>3,805</u>	<u>3,026</u>

On 6 November 2012, a wholly-owned subsidiary, Datasonic Smart Solutions Sdn Bhd was granted Multimedia Super Corridor ("MSC") status which qualifies for Pioneer Status incentive under the Promotion of Investments Act, 1986 for the period from 18 May 2012 to 17 May 2017 whereby the statutory income from approved activities are exempted from tax. The application for an extension of another five years was approved on 4 April 2018 for the extended years from 18 May 2017 to 17 May 2022.

B7 Status of Corporate Proposals

There were no corporate proposals for the current financial quarter under review except as disclosed under Note A6.

B8 Group Borrowings

31.03.2021	Effective interest rates %	Short term RM'000	Long term RM'000	Total RM'000
<u>Secured:</u>				
Contract Financing	3.92 - 4.20	-	16,699	16,699
Term Financing	3.20	1,355	3,338	4,693
Term Loans	3.05 - 4.30	4,397	25,937	30,334
Trade Financing	2.08 - 4.73	7,259	-	7,259
		<u>13,011</u>	<u>45,974</u>	<u>58,985</u>

B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B8 Group Borrowings (Cont'd)

31.03.2020	Effective interest rates	Short term	Long term	Total
	%	RM'000	RM'000	RM'000
<u>Secured:</u>				
Contract Financing	4.92 - 4.95	-	23,501	23,501
Term Financing	4.20	1,289	4,708	5,997
Term Loans	3.80 - 5.05	4,053	30,230	34,283
Trade Financing	3.40 - 5.54	30,336	-	30,336
		<u>35,678</u>	<u>58,439</u>	<u>94,117</u>

All borrowings are denominated in Ringgit Malaysia.

B9 Lease Liabilities

31.03.2021	Effective interest rates	Short term	Long term	Total
	%	RM'000	RM'000	RM'000
<u>Secured:</u>				
Leasing	4.33 - 13.40	<u>757</u>	<u>155</u>	<u>912</u>
31.03.2020				
<u>Secured:</u>				
Leasing	4.33 - 13.40	<u>3,842</u>	<u>913</u>	<u>4,755</u>

B10 Material Litigation

A wholly-owned subsidiary, Datasonic Technologies Sdn. Bhd. ("DTSB"), has on 1 August 2018 received a writ of summons together with the statement of claim dated 30 July 2018 ("Suit") filed by Percetakan Keselamatan Nasional Sdn Bhd ("PKN") against DTSB.

The Suit is in relation to a disagreement between DTSB and PKN over the price of 1,500,000 Malaysian Passport booklets supplied by PKN to DTSB as DTSB's sub-contractor for the interim period of 6 months from 1 December 2016 to 31 May 2017, before the Malaysian Passport booklets were fully printed and supplied by DTSB to the Government of Malaysia.

PKN is now claiming the following against DTSB:-

- (a) The amount of RM24,975,000.00 (inclusive of GST);
- (b) The interest at the rate of 5% per annum on the amount of RM24,975,000.00, calculated from the respective due dates until full and final payment or, alternatively, at such rate and period as the Court deems fit;
- (c) Costs; and
- (d) Any and all other reliefs as the Court deems fit.

**B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS
OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)**

B10 Material Litigation (Cont'd)

There are several case managements fixed by the court for both parties to inform the court on the status of the settlement negotiation and two mediation sessions were held in the previous financial years. However, the parties were unable to reach a mutual agreement and the case is now proceeding to trial.

For the current quarterly period under review, further developments are as follows:-

On 9 October 2020, the suit came up for Pre-Trial Case Management whereby the High Court has given the directions for trial as follows:-

- (a) The trial dates remain fixed for 9 and 10 November 2020.
- (b) That parties are to expedite the filling of the following documents:
 - (i) Case summaries by both parties;
 - (ii) Joint issued to be Tried;
 - (iii) Joint Agreed Facts;
 - (iv) List of Witnesses by both parties; and
 - (v) The Common Bundle of documents.
- (c) That the Common Bundle of Documents are to be filled with specific directions on categorisation. Parties are to agree on the categorisation of the documents in the Common Bundle of Documents and the said documents to be marked or flagged clearly.
- (d) That parties are to file the List of Witnesses and Witness Statements seven (7) days before full trial. Witnesses who are not included in the Witness Statements may be precluded from giving evidence in trial, subject to the discretion of the trial Judge.
- (e) That the Defendant's Notice of Application (Enclosure 66) to strike out the certain paragraphs of the Plaintiff's Write and Statement of Claim are given the following directions:-
 - (i) The Plaintiff is to file their Affidavit in Reply by 19 October 2020;
 - (ii) The Defendant is to file their Affidavit in Reply by 22 October 2020; and
 - (iii) The Hearing is fixed for Oral Submissions on 27 October 2020.
- (f) In the event that the appeal to the Court of Appeal fixed on 4 November 2020 is allowed then items b (i). to b (iii). are to be refiled along with amended pleadings before the trial dates.
- (g) That the Defendant is at liberty to file additional interlocutory applications but with expedition.
- (h) That the parties are to resume negotiations for settlement.

On 27 October 2020, the suit came up for a Case Management whereby the High Court has given the directions for trial as follows:-

- (a) The Hearing on 9 November 2020 has been vacated;
- (b) On the Application to Strike Out, the High Court has directed the Defendant to file an application for leave to file Affidavit in Reply as the date to file the same on 22 October 2020 has lapsed;
- (c) The interlocutory application, that is, the leave to file Affidavit in Reply for the Application to Strike Out has to be made before 4 November 2020;
- (d) The High Court has directed that further directions on the Application to Strike Out is stayed pending the Defendant's filing of the leave application, and
- (e) All directions on interlocutory applications are to be made on the next Case Management fixed on 5 November, which will be conducted via e-mail.

**B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS
OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)**

B10 Material Litigation (Cont'd)

On 28 October 2020, DTSB has been informed by the High Court whereby the High Court has given the directions as follows:-

- (a) Full Hearing for the Case Management is maintained on 10 November 2020;
- (b) The Hearing and Decision of the Defendant's Application to Strike Out will be on 10 November 2020;
- (c) The Case Management for Defendant's Application for Discovery is fixed on 10 November 2020;
- (d) Case Management for Defendant's Application for leave to file Affidavit in Reply for Application to Strike Out will be on 10 November 2020;
- (e) The High Court will not consider any interlocutory applications filed at the last minute, subject to the Judge's discretion;
- (f) Objections by any parties may be raised on 10 November 2020 before the Judge;
- (g) Case Management on 5 November 2020 is vacated.

On 4 November 2020, the suit came up for Hearing of Appeal in respect of the Plaintiff's Notice of Application to amend the Plaintiff's Writ of Summons and Statement of Claim and the Court of Appeal had unanimously overturned the High Court Judge's decision to dismiss the Plaintiff's Notice of Application to amend the Writ of Summons and Statement of Claim with costs of RM5,000.00 to be paid by the Defendant to the Plaintiff for the Court of Appeal and High Court proceedings.

The Court of Appeal had further directed the following:-

- (a) That the Plaintiff is to file the amended Statement of Claim by 9 November 2020;
- (b) That the Defendant is given an opportunity to file consequential amended Statement of Defence in reply to the amended portions of the Statement of Claim; and
- (c) That a Case Management is set before the High Court Judge on 10 November 2020 for the Defendant to obtain further instructions concerning the filing of the said amended Statement of Defence.

In light of the Court of Appeal's results as stated above, the High Court had on 5 November 2020 given the directions that the Hearing on 10 November 2020 has been vacated, and is now a Case Management Session for the Judge to give further directions on the case.

On 15 December 2020, the suit came up for Case Management whereby the High Court has given the following directions:-

- (a) Case Management is fixed on 21 January 2021 to ensure that Written Submissions for both the Defendant's Discovery Application and the Defendant's Application for the Extension of Time are filed.
- (b) For the Defendant's Application for Extension of Time, the Plaintiff's Affidavit in Reply is to be filed on 18 December 2020 and the Defendant's Affidavit in Reply is to be filed on 31 December 2020. Submissions for Defendant's Application for Extension of Time is to be filed on 11 January 2021, and Submission in Reply is to be filed on 21 January 2021.
- (c) For the Defendant's Discovery Application, the Defendant's Affidavit in Reply is to be filed on 24 December 2020. Submissions for the Defendant's Discovery Application is to be filed on 7 January 2021 and Submissions in Reply is to be filed on 21 January 2021.
- (d) Hearing/Case Management on 29 January 2021 is maintained.
- (e) All directions given during the Case Management on 15 December 2020 is final and if no Affidavits and Submissions are filed by the parties on the dates fixed, the Court will deem that parties are not interested in filing the same and the Hearing will continue as it is.

That the High Court had fixed the several interlocutory applications namely the Defendant's Application for Discovery and Application to Strike Out for Hearing on 29 January 2021. New trial dates of the suit has yet to be determined by the Court.

**B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS
OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)**

B10 Material Litigation (Cont'd)

On 29 January 2021, the suit came up for Hearing in respect of Defendant's Application for Discovery and Defendant's Application for Extension of Time to Strike Out. In respect of Defendant's Application for Discovery, the High Court had dismissed the application with costs of RM2,000 to be paid by the Defendant to the Plaintiff. The High Court had allowed the Defendant's Application for Extension of Time to Strike Out.

The suit had also come up for a Case Management whereby the High Court had further directed the following:-

- (a) Both Plaintiff and Defendant are to file their respective written submissions on 15 February 2021 in respect of Defendant's Application to Strike Out (Enclosure 70). The High Court will deliver its decision on 26 February 2021.
- (b) All other directions on the Main Suit (ie. Plaintiff's Amended Writ and Amended Statement of Claim) will be given on 26 February 2021 after the disposal of Defendant's Application to Strike Out (Enclosure 70).

On 26 February 2021, the suit came up for Hearing/Decision of Enclosure 70 and Case Management of Enclosure 96 whereby the High Court has given the following directions:-

- (a) Enclosure 70 is allowed with costs of RM3,000.00 to be paid by the Plaintiff to the Defendant;
- (b) Paragraph and/or parts of Paragraph 4, 5, 6, 7, 8, 9 and 16 of the Plaintiff's Statement of Claim is struck out by the High Court;
- (c) The Plaintiff is to file their Amended Statement of Claim by 19 March 2021;
- (d) The Defendant is to file their Amended Defence by 2 April 2021 to the latest Amended Statement of Claim;
- (e) The Plaintiff is to file their Amended Reply by 9 April 2021 to the latest Amended Statement of Defence;
- (f) Final Pre-Trial Case Management is fixed on 23 July 2021;
- (g) The following documents are to be filed by the parties before 23 July 2021:-
 - (i) The Agreed Statement of Facts;
 - (ii) The Issues to be Tried;
 - (iii) Bundle of Documents, put in Parts A, B and C, which must only contain documents which are relevant to the Issues to be Tried.
- (h) Any interlocutory applications must be filed before 23 July 2021;
- (i) Compliance with the Judge's Pre-Trial Case Management directions are subject to an Unless Order;
- (j) Directions on Witness Statements will be given on 23 July 2021; and
- (k) Hearing Dates for Full Trial are fixed on 23, 24 and 25 August 2021.

On 9 April 2021, DTSB has filed the Defendant's Amended Statement of Defence to the latest Amended Statement of Claim.

The Suit will not have any significant financial and operational impact on the Group for the financial year ended 31 March 2021. The Group estimated that the potential financial impact, if any, could be approximately RM5 million.

**B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS
OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)**

B11 Dividends

	RM'000	Date of Payment
In respect of the financial year ended 31 March 2020:		
- A fourth interim single tier tax-exempt dividend of 0.50 sen per share declared on 25 June 2020	6,595	27.07.2020
In respect of the financial year ended 31 March 2021:		
- A first interim single tier tax-exempt dividend of 0.50 sen per share declared on 28 August 2020	6,589	01.10.2020
- A second interim single tier tax-exempt dividend of 0.25 sen per share declared on 27 November 2020	6,584	29.12.2020
- A third interim single tier tax-exempt dividend of 0.25 sen per share declared on 1 March 2021	6,557	26.03.2021
	26,325	

In respect of the financial period ended 31 March 2021, the directors had on 27 May 2021 declared a fourth interim single tier tax-exempt dividend of 0.05 sen per share, the Entitlement Date will be determined and announced in due course. This dividend has not been reflected in the financial statements for the current financial period ended 31 March 2021 but it will be accounted for in shareholders' equity as an appropriation of retained profits for the next quarter ending 30 June 2021.

B12 (Loss)/Earnings per Share

(a) Basic (Loss)/Earnings Per Share

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter 31.03.2021 (RM'000)	Preceding Year Quarter 31.03.2020 (RM'000)	Current Year Year To Date 31.03.2021 (RM'000)	Preceding Year Year To Date 31.03.2020 (RM'000)
(Loss)/Profit after tax attributable to owners of the Company (RM'000)	(5,627)	12,273	7,302	60,322
Weighted average number of ordinary shares in issue ('000)	2,634,041	2,696,210	2,634,041	2,696,210
Basic (loss)/earnings per share (sen)	(0.21)	0.46	0.28	2.24

B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B12 (Loss)/Earnings per Share (Cont'd)

(b) Diluted (Loss)/Earnings Per Share

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter	Preceding Year Quarter	Current Year Year To Date	Preceding Year Year To Date
	31.03.2021 (RM'000)	31.03.2020 (RM'000)	31.03.2021 (RM'000)	31.03.2020 (RM'000)
(Loss)/Profit after tax attributable to owners of the Company (RM'000)	(5,627)	12,273	7,302	60,322
Weighted average number of ordinary shares in issue ('000)	2,634,041	2,696,210	2,634,041	2,696,210
Effect of dilution of warrants ('000)	1,350,000	1,350,000	1,350,000	1,350,000
Adjusted weighted average number of ordinary shares in issue ('000)	3,984,041	4,046,210	3,984,041	4,046,210
Diluted (loss)/earnings per share (sen)	(0.14)	0.46	0.18	2.24

B13 Fair value of changes in financial liabilities

The Group does not have any financial liabilities that are measured at fair value for the current financial quarter under review.

B14 COVID-19 Pandemic

The outbreak of COVID-19 in early 2020, has affected the business and operating environment of the Group. Several measures taken by the Government to prevent the spread of COVID-19 through implementation of movement control order ("MCO") such as introduction of various standard operating procedures ("SOP"), closure of non-essential services as well as restricted domestic and international travelling, have impacted consumers' spending pattern and the Group's operations directly and indirectly.

The Group expects the operating environment to remain challenging going forward as the disruption and full impact from the COVID-19 pandemic on the economy are still being cautiously assessed by the Government. Hence, it is not practicable to provide a reasonable estimate of COVID-19 impact on the Group's financial position, operating results and cash flows on 27 May 2021, the date of which these financial statements are approved by the Board.

By order of the Board
 Kuala Lumpur
 27 May 2021