



ACE INNOVATE ASIA BERHAD
(Registration No.: 201901007350 (1316677-U))
(Incorporated in Malaysia under the Companies Act 2016)

FINANCIAL STATEMENTS FOR THE HALF-YEAR
ENDED 30 JUNE 2021

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD
("BURSA SECURITIES")**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET AND MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY ACE INNOVATE ASIA BERHAD ("AIAB" OR THE "COMPANY"). INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISK OF INVESTING IN AIAB AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.



ACE INNOVATE ASIA BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2021

	(Unaudited)		(Unaudited)	
	Individual 6 months ended		Cumulative 6 months ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Revenue	958,022	391,307	958,022	391,307
Cost of sales	<u>(952,276)</u>	<u>(382,448)</u>	<u>(952,276)</u>	<u>(382,448)</u>
Gross profit	5,746	8,859	5,746	8,859
Other income	808	(1,597)	808	(1,597)
Administrative expenses	<u>(3,820)</u>	<u>(3,548)</u>	<u>(3,820)</u>	<u>(3,548)</u>
Operating profit	2,734	3,714	2,734	3,714
Finance costs	<u>(313)</u>	<u>(80)</u>	<u>(313)</u>	<u>(80)</u>
Profit before tax	2,421	3,634	2,421	3,634
Income tax expense	<u>(761)</u>	<u>(415)</u>	<u>(761)</u>	<u>(415)</u>
Total comprehensive income for the period	<u>1,660</u>	<u>3,219</u>	<u>1,660</u>	<u>3,219</u>
Basic earnings per share (sen)	<u>0.55</u>	<u>1.89</u>	<u>0.55</u>	<u>1.89</u>

Note:

The unaudited condensed consolidated statements of comprehensive income should be read in conjunction with the Audited Financial Statements of Ace Innovate Asia Berhad and its subsidiaries (“Group”) for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.



ACE INNOVATE ASIA BERHAD
 (Registration No.: 201901007350 (1316677-U))
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UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2021

	(Unaudited)	(Audited)
	As at	As at
	30.06.2021	31.12.2020
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	4,373	4,453
Right-of-use assets	472	597
Deferred tax assets	159	159
Total non-current assets	5,004	5,209
Current Assets		
Inventories	24,542	9,643
Current tax assets	621	460
Trade and other receivables	17,244	15,433
Cash and short-term deposits	10,628	2,914
Total current assets	53,035	28,450
TOTAL ASSETS	58,039	33,659
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	23,192	23,192
Reorganisation reserve	(12,052)	(12,052)
Retained earnings	14,795	16,105
TOTAL EQUITY	25,935	27,245



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UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2021 (continued)

	(Unaudited)	(Audited)
	As at 30.06.2021	As at 31.12.2020
	RM'000	RM'000
Non-current Liabilities		
Loans and borrowings	3,138	3,224
Deferred tax liabilities	28	28
Total non-current liabilities	<u>3,166</u>	<u>3,252</u>
Current Liabilities		
Loan and borrowings	10,432	399
Trade and other payables	18,506	2,763
Total current liabilities	<u>28,938</u>	<u>3,162</u>
TOTAL LIABILITIES	<u>32,104</u>	<u>6,414</u>
TOTAL EQUITY AND LIABILITIES	<u>58,039</u>	<u>33,659</u>
Net assets per share (RM)	0.09	0.09
Number of ordinary shares ('000)	<u>300,033</u>	<u>300,033</u>

Note:

The unaudited condensed consolidated statements of financial position should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.



ACE INNOVATE ASIA BERHAD
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UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2021

	Attributable to the owners of the Company			Total equity RM'000
	Share capital RM'000	Reorganisation reserve RM'000	Retained earnings RM'000	
At 1 January 2020 (Audited)	23,192	(12,052)	12,052	23,192
Profit for the financial year, representing total comprehensive income for the financial year	-	-	4,053	4,053
At 31 December 2020 (Audited)	23,192	(12,052)	16,105	27,245
Profit for the financial period, representing total comprehensive income for the financial period	-	-	1,660	1,660
Transactions with owners				
Dividends paid on shares	-	-	(2,970)	(2,970)
Total transaction with owners	-	-	(2,970)	(2,970)
At 30 June 2021 (Unaudited)	23,192	(12,052)	14,795	25,935

Note:

The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.



ACE INNOVATE ASIA BERHAD
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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2021

	(Unaudited) 30.06.2021 RM'000	(Unaudited) 30.06.2020 RM'000
Cash flows from operating activities		
Profit before tax	2,421	3,634
Adjustments for:		
Depreciation of property, plant and equipment	249	260
Depreciation of right-of-use asset	24	23
Bad debt written off	-	6
Property, plant and equipment written off	-	271
Net unrealised gain on foreign exchange	(537)	(3)
Finance costs	313	80
Interest income	(39)	(88)
Operating profit before working capital changes	2,431	4,183
<u>Changes in working capital</u>		
Inventories	(14,899)	210
Trade and other receivables	(1,308)	(1,499)
Trade and other payables	15,745	(5,175)
Cash generated from/(used in) operations	1,969	(2,281)
Income tax paid	(923)	(356)
Interests paid	(1)	(2)
Interests received	39	88
Net cash from/(used in) operating activities	1,084	(2,551)
Cash flows from investing activities		
Purchase of property, plant and equipment	(66)	(80)
Net change in pledged deposits	-	-
Net cash used in investing activities	(66)	(80)



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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2021 (continued)

	(Unaudited) 30.06.2021 RM'000	(Unaudited) 30.06.2020 RM'000
Cash flows from financing activities		
Net change in amount due from holding company	(2)	-
Net change in amount due to related parties	10,065	-
Repayment of lease liabilities	(147)	(24)
Repayment of term loan	(32)	(83)
Drawdown of term loan	61	17
Dividends paid	(2,970)	-
Interests paid	(312)	(78)
Net cash from financing activities	6,663	(168)
Net increase/(decrease) in cash and cash equivalents	7,681	(2,799)
Cash and cash equivalents at the beginning of the financial year		
	2,678	10,706
Effects of exchange rate changes on cash and cash equivalents	33	-
Cash and cash equivalents at the end of financial period/year	10,392	7,907

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	(Unaudited) 30.06.2021 RM'000	(Unaudited) 30.06.2020 RM'000
Short-term deposits placed with licensed banks	236	236
Less: Pledged deposits	(236)	(236)
	-	-
Cash and bank balances	10,392	7,907
	10,392	7,907

Note:

The unaudited condensed consolidated statements of cash flows should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.



ACE INNOVATE ASIA BERHAD
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A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2021

A1. Compliance with Financial Reporting Standard and Listing Requirements of Bursa Securities

Basis of preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting. This is the interim financial report on the consolidated results for the half-year ended 30 June 2021 announced by the Company in compliance with the LEAP Market Listing Requirements of Bursa Securities.

This report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2020. The explanatory notes attached to this report provide an explanation of events and transactions that are significant to the understanding of changes in the financial position and performance of the Group since the financial year ended 31 December 2020.

Changes in accounting policies

The accounting policies adopted by the Group in the interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2020, except for the adoption of the following new and revised MFRSs, Amendments to MFRS and IC interpretations:

Amendments/Improvements to MFRSs

MFRS 3	Business Combinations
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases*
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 139	Financial Instruments: Recognition and Measurement

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A1. Compliance with Financial Reporting Standard and Listing Requirements of Bursa Securities (continued)

Changes in accounting policies (continued)

The Group has not adopted the following new MFRS, amendments to MFRSs and IC Interpretation effective:

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 17	Insurance Contracts	1 January 2023
<u>Amendments/Improvements to MFRSs</u>		
MFRS 1	First-time Adoption of MFRSs	1 January 2023 [#]
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023 [#]
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023 [#]
MFRS 7	Financial Instruments: Disclosures	1 January 2023 [#]
MFRS 9	Financial Instruments	1 January 2022 [^] / 1 January 2023 [#]
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023 [#]
MFRS 101	Presentation of Financial Statements	1 January 2022/ 1 January 2023 [#]
MFRS 107	Statements of Cash Flows	1 January 2023 [#]
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023 [#]
MFRS 119	Employee Benefits	1 January 2023 [#]
MFRS 128	Investments in Associates and Joint Ventures	Deferred/1 January 2023 [#]
MFRS 132	Financial instruments: Presentation	1 January 2023 [#]
MFRS 136	Impairment of Assets	1 January 2023 [#]
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2023 [#]
MFRS 138	Intangible Assets	1 January 2023 [#]
MFRS 140	Investment Property	1 January 2023 [#]
MFRS 141	Agriculture	1 January 2022 [^]

A1. Compliance with Financial Reporting Standard and Listing Requirements of Bursa Securities (continued)

Changes in accounting policies (continued)

Notes:

^ The Annual Improvements to MFRSs 2018-2021.

Amendments as to the consequence of MFRS 17 Insurance Contracts.

The adoption of the above new standard and amendments is not expected to have significant impact on the financial position and financial performance of the Group.

A2. Seasonal/ Cyclical Factors

The Group does not experience any seasonality in its business as the demand for physical gold products is not subject to major seasonal fluctuations. However, its business is subject to economic conditions and fluctuations in global gold prices, which are affected by factors including, but not limited to, market speculation of future inflation and interest rates, global and regional economic, global gold supply and consumption levels, as well as investment and trading activities in the market.

A3 Unusual Items

There were no material unusual items affecting assets, liabilities, equity, net income and cash flows for the six months ended 30 June 2021.

A4 Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial year that have a material effect during the six months ended 30 June 2021.

A5 Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the six months ended 30 June 2021.

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A6 Segmental Information

Analysis of revenue

(i) By products and services

	(Unaudited)		(Unaudited)	
	Individual 6 months ended		Cumulative 6 months ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Scrap gold bar	97,638	68,549	97,638	68,549
Cast gold bar	858,220	322,410	858,220	322,410
Minted gold bar	2,064	268	2,064	268
Assay services	86	80	86	80
Others	14	-	14	-
	<u>958,022</u>	<u>391,307</u>	<u>958,022</u>	<u>391,307</u>

(ii) By geographical location

	(Unaudited)		(Unaudited)	
	Individual 6 months ended		Cumulative 6 months ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Malaysia	914,878	306,609	914,878	306,609
Singapore	43,144	84,698	43,144	84,698
	<u>958,022</u>	<u>391,307</u>	<u>958,022</u>	<u>391,307</u>

(iii) By sales channels

	(Unaudited)		(Unaudited)	
	Individual 6 months ended		Cumulative 6 months ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
GTP platform	923,143	390,959	923,143	390,959
E-commerce	1,446	268	1,446	268
Banking	33,334	-	33,334	-
Assay services	86	80	86	80
Others	13	-	13	-
	<u>958,022</u>	<u>391,307</u>	<u>958,022</u>	<u>391,307</u>

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A7 Material Events Subsequent to the End of the Financial Period

- (a) On 6 July 2021, Ace Capital Growth Sdn. Bhd. (“ACG”), a wholly owned subsidiary of AIAB had entered into a collaboration agreement with U Mobile Services Sdn. Bhd. (“U Mobile”) for supplying, selling and providing digital gold trading platform (i.e., via the Group’s GTP platform) to U Mobile for digital gold trading.
- (b) On 9 August 2021, the Company announced that its wholly owned company, ACG had on 9 August 2021 lodged a police report on the misappropriation of cash and gold with an estimated amount of RM533,437.41 by an employee of ACG (“Losses”).

ACG had on 9 August 2021 submitted an insurance claim on the full amount of Losses to the insurance adjuster. Pending the outcome of the insurance claim, ACG will write-off the Losses in the financial year ending 31 December 2021.

- (c) The Covid-19 outbreak has brought significant economic uncertainties in Malaysia and markets in which the Group operates. The Group is unable to reasonably estimate the financial impact of Covid-19 for the financial year ending 31 December 2021 and will continue to monitor and take appropriate measures to minimise the financial impact to the Group. Other than the impact of Covid-19 pandemic.

A8 Contingent Assets and Contingent Liabilities

	(Unaudited)	(Audited)
	As at	As at
	30.06.2021	31.12.2020
	RM'000	RM'000
The amount of contingent liabilities of the Group is as follows:		
Contingent liabilities arising from misappropriation of cash and gold	533	-

There was no other contingent liability or asset as at date of this report.

A9 Changes in the Composition of the Group

- (a) On 4 January 2021, the Company announced that it has entered into a Joint Venture Cum Shareholders Agreement with TFP Solutions Berhad (“TFP”) to setup a joint venture company (40% equity interest by AIAB and 60% equity interest by TFP) for the purpose of trading precious metals such as gold.

Subsequently, the Company had on 11 February 2021 subscribed for 4 ordinary shares which represents 40% of the issued share capital of One Gold Sdn. Bhd. (“OneGold”) and the remaining shares of OneGold was subscribed by TFP, which represents 60% of the total issued share capital in OneGold.

- (b) On 16 August 2021, the Company incorporated a subsidiary, Ace Ihsan Gold Sdn. Bhd. (“Ihsan”). Ihsan is a private limited company with an issued share capital of RM100 comprising 100 ordinary shares, in which 51% are held by the Company while 49% are held by Axismas Sdn. Bhd.

A9 Changes in the Composition of the Group (continued)

- (c) On 24 August 2021, the Company incorporated a subsidiary, Ace Ikhlas Gold Sdn. Bhd. (“Ikhlas”). Ikhlas is a private limited company with an issued share capital of RM100 comprising 100 ordinary shares, in which 51% are held by the Company while 49% are held by Aseagate (M) Sdn. Bhd.

A10 Capital Commitments

There were no material capital commitments in respect of property, plant and equipment.

A11 Recurrent Related Party Transactions

The Group has no other recurrent related party transaction which would have a significant impact on the financial position and business of the Group save as disclosed below:

	(Unaudited)	(Audited)
	As at	As at
	30.06.2021	31.12.2020
	RM'000	RM'000
Interest arising due to short term loan from Gosford Leather Industries Sdn. Bhd.	65	-

B ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1 Review of Performance

Our revenue, which includes sale of scrap gold bar, cast gold bar and minted gold bar, increased by RM29.09 mil (or 42.44%), RM535.81 mil (or 166.19%) and RM1.80 mil or (670.23%), respectively, in the current six months period ended 30 June 2021 when compared to the previous year. This revenue growth was partially offset by a decrease in export sales of RM41.55 million as a result of the stringent lockdown measures imposed globally due to the Covid-19 pandemic.

GTP platform revenue increased by RM532.18 mil (or 136.12%). The sales growth primarily reflects increased sales volumes combined with slightly higher realised gold price. Increased sales volumes were driven largely by our continued efforts to provide competitive pricing which resulted in a significant increase in demand for our products.

E-commerce revenue increased by RM1.18 mil (or 439.79%), primarily as a result of the strong performance in sales of precious metals through e-commerce platforms. Our e-commerce segment has benefited from increasingly tech-savvy customers who prefer to do their shopping online. Covid-19 had led investors to diversify into safe heaven assets such as precious metals resulting in our significant growth.

Banking revenue was RM33.33 mil in the current six months period ended 30 June 2021. We had launched our first digital gold product with Maybank Islamic Berhad (“Maybank”) in December 2020. The collaboration offers digital investment opportunities for Maybank’s customers to purchase digital gold based on monetary value instead of weight at live market gold price shown on our GTP platform.

B1 Review of Performance (continued)

Despite revenue increasing by RM566.72 mil (or 144.83%) compared to the prior year, gross profit decreased by RM3.11 mil (or 35.14%) mainly due to higher cost of gold bars purchased a result of unfavourable currency movements of Ringgit Malaysia against the United States Dollar. In addition, the competitive business environment and the Group's penetration pricing strategy in the digital gold market had led to the reduction of our operating profit to RM2.73 mil.

These declines were anticipated but represented an improvement through continuous customer focus by enabling them to own physical precious metals via a cost-effective option. We have significantly broadened our customer base and established new business ventures, invested in branding and this has reduced profitability in the short term.

B2 Prospects of the Group

We saw a significant swing towards digital transactions in Malaysia as a result of the Covid-19 pandemic which changed the way we live, work and spend dramatically. We strive to be a trusted partner of our customers, providing our unique GTP platform, products and services to allow everyone to pursue trading opportunities and make investments.

A key priority going forward is to build trust-based partnerships with local Islamic banks, financial institutions, e-wallet providers and organisations to drive long-term value through commercial agreements, strategic alliances and business relationships. These organisations now include Maybank, TFP and U Mobile with additional cooperative arrangements with other organisations being formalised at the current stage. The company represents a strategic digital platform command centre for the cooperation and also a provider of physical precious metals backed digital investment products and services.

As the lockdown continues into the 2nd half of 2021, we have continued to operate safely by selling our physical gold bars via GTP platform, and digital gold and minted gold bars online through e-commerce platform and banking sector which attracting more new customers to invest in precious metals. We continuously evaluate opportunities to expand our business and focus on improving customer experience by enhancing our gold bullion minted bars range and services

B3 Profit Forecast/ Profit Guarantee

Not applicable as the Group did not publish any profit forecast or profit guarantee.

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C OTHER INFORMATION

C1 Loans and Borrowings

The Group's total borrowings as at 30 June 2021 are as follows:

	(Unaudited) As at 30.06.2021 RM'000	(Audited) As at 31.12.2020 RM'000
Non-current		
Term loans	3,120	3,144
Finance lease liabilities	18	80
	<u>3,138</u>	<u>3,224</u>
Current		
Term loans	10,242	124
Finance lease liabilities	190	275
	<u>10,432</u>	<u>399</u>
Total loans and borrowings		
Term loans	13,362	3,268
Finance lease liabilities	208	355
	<u><u>13,570</u></u>	<u><u>3,623</u></u>

C2 Material Litigation

There were no other material litigations, claims or arbitration, either as plaintiff or defendant, and the Directors have no knowledge of any proceedings pending against the Group or of any fact likely to give rise to any proceedings which might adversely and materially affect the financial position or business of the Group, save as disclosed below:

On 9 December 2020, the Company announced that ACG ("Plaintiff") commenced a civil suit at the Kuala Lumpur High Court against Kua Kee Koon ("1st Defendant"), TTT Bullion Sdn Bhd ("2nd Defendant"), Cheang Kok Keet ("3rd Defendant"), Ho Kat Ann ("4th Defendant"), Leow Chee Wai ("5th Defendant") and Leow Chee Lip ("6th Defendant").

The reliefs sought by the Plaintiff in said civil suit is seeking the following reliefs against the 1st to 6th Defendants: -

- a declaration that the 1st Defendant had acted in breach of his fiduciary and other duties to the Plaintiff;
- declaration that the 1st Defendant had acted in breach of Section 221 of the Companies Act 2016 or otherwise in failing to disclose to the Plaintiff of his personal interest in the 2nd Defendant;
- a declaration that the 1st Defendant had acted in breach of Section 213 of the Companies Act 2016 or otherwise in failing to exercise his powers for a proper purpose and in good faith in the best interest of the Plaintiff;
- a declaration that the 3rd, 4th, 5th and 6th Defendants had acted as individual co-conspirators and/or joint tortfeasors together with the 1st Defendant;
- an account be ordered to the profit made by each of the Defendants in respect of the business of the 2nd or otherwise resulting from their breach of duties or conspired acts and an order that such profits, as assessed by the Court, be paid by the said Defendants to the Plaintiff

C2 Material Litigation (continued)

- damages suffered by the Plaintiff as the result of the breach of duties by the 1st Defendant assisted by the 3rd, 4th, 5th and 6th Defendants;
- an injunction to restrain all the Defendants or acting by their directors, officers, servants, agents or any of them from doing the following acts: -
 - (i) using, divulging, disclosing and/or dealing in any manner whatsoever to which the 1st Defendant had unfettered access to the confidential information of the Plaintiff including information of a confidential, trade secret and/or proprietary character and developed by the Plaintiff, either alone or with others and pertaining to the Plaintiff's trade and Plaintiff's Business including information relating to the Plaintiff's products, customers, suppliers, pricing methods, historical, current and projected financial information, marketing information, technical data and know-how, confidential evaluations of technical and business information in the public domain ("Confidential Information").
 - (ii) soliciting, canvassing, taking and/or soliciting orders for gold bullion and/or other precious metals from any customers of the Plaintiff or person with whom the Plaintiff had a dealing or otherwise dealing with any such customer or person for the sale of products and/or services which are the same as the Plaintiff's products and/or services;

The reliefs sought by the Company in said civil suit is seeking the following reliefs against the 1st to 6th Defendants: -

- an order that the Defendants do forthwith cause to deliver up all the copies of the customers list and any confidential information and/or trade secrets of the Plaintiff, which are in the possession, power or custody of the Defendants, the use or disclosure of which would offend against the foregoing injunction or any of them;
- aggravated damages;
- exemplary damages;
- interest on all sums adjudged to be payable to the Plaintiff at such rate and for such period as this Honourable Court deems fit and proper to grant;
- cost; and
- any further and other relief, which this Honourable Court deems fit and proper to be granted.

On 20 May 2021, the Company announced that the learned judge has ordered as follows with regards to ACG's interlocutory injunction application against the Defendants: -

- That an injunction is granted against all 6 Defendants whether by themselves or their agents from soliciting or canvassing or enticing orders from any of the Plaintiff's customers and/or from soliciting, canvassing or enticing business with the vendors of the Plaintiff who were customers or vendors of the Plaintiff as at October 2020 until the disposal of the action herein; and
- That the cost of the injunction application be costs in the cause.

On 16 June 2021, the Company announced that the Court has fixed the main suit for full trial on 14 February 2022 to 18 February 2022. The Defendants' application to strike out the main suit against the 3rd to 6th Defendants has been fixed for hearing on 9 August 2021.

On 9 August 2021, the Company announced that the High Court has allowed the Defendants' applications to strike out the 3rd and 6th Defendants as parties to the main suit with cost of RM6,000.00 at the hearing.

The Court has fixed the main suit against the 1st and 2nd Defendants for case management on 11 October 2021 for the preparation and filing and the Bundle of Pleadings and the Common Bundle of Documents for the purposes of the full trial against the 1st and 2nd Defendants that is fixed on 14 February 2022 to 18 February 2022.

C3 Dividend

The following single-tier tax exempt dividend payment was made during the six months ended 30 June 2021.

	(Unaudited)	(Audited)
	As at	As at
	30.06.2021	31.12.2020
	RM'000	RM'000
In respect of the of the financial year ending 31 December 2021:		
- First interim dividend of 0.99 sen per ordinary share, paid on 27 May 2021	<u>2,970</u>	<u>-</u>

C4 Earnings Per Share

(a) Basic earnings per ordinary share

Basic earnings per share are based on the profit for the financial period attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial period, calculated as follows:

	(Unaudited)		(Unaudited)	
	Individual 6 months ended		Cumulative 6 months ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Profit attributable to owners of the Company (RM'000)	<u>1,660</u>	<u>3,219</u>	<u>1,660</u>	<u>3,219</u>
Weighted average number of ordinary shares at end of period (RM'000)	<u>300,033</u>	<u>170,698</u>	<u>300,033</u>	<u>170,698</u>
Basic earnings per ordinary share (sen)	<u>0.55</u>	<u>1.89</u>	<u>0.55</u>	<u>1.89</u>

(b) Diluted earnings per ordinary shares

The diluted earnings per share is equivalent to the basic earnings per share as the Group and the Company do not have any potential ordinary shares outstanding at the end of the reporting period.