

Interim Financial Report

APPENDIX 4D – INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 JUNE 2022

Results for Announcement to the Market

Key Information	Half-year Ended 30 June 2022	Half-year Ended 30 June 2021	% Change
	RM'000	RM'000	
Revenue from ordinary activities	4,052	4,200	-4%
(Loss)/Profit after tax from ordinary activities attributable to members	(784)	75	-1045%
(Net Loss)/Profit attributable to members	(784)	75	-1045%

Explanation of Key Information

An explanation of the above figures is contained in the Review of Operations included within the attached directors' report.

Net Tangible Assets per share

	Half-year Ended 30 June 2022	Half-year Ended 30 June 2021
	RM/Share	RM/Share
Net tangible assets per share	0.28	0.28

Dividend Reinvestment Plans

The Group does not have any dividend reinvestment plans in operation.

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 30 June 2022.

Directors

The names of directors who held office during or since the end of the half-year:

Tan Sri Dr Mah King Thian

Dato' Seri Mah King Seng

Mr. Soong Swee Koon

Mr. Jack Tian Hock Tan

Mr. Lee Chong Hoe

Mr. Derrick De Souza

Dr. Jordina Siu Yi Mah (Alternate Director to Tan Sri Dr Mah King Thian)

Ms. Li-Na Mah (Alternate Director to Dato' Seri Mah King Seng)

Review of Operations for the 6 months ended 30 June 2022

The first half of 2022 was a very busy period for the Group as we strove to complete overdue maintenance works for the biogas plant. The maintenance was originally scheduled to be done in 2020 but the supply of engine spare parts had been severely disrupted by the COVID-19 Pandemic and Movement Control Orders (MCOs). Without these parts, it has been impossible to complete all the plant's maintenance work. This has resulted in increased machinery downtime which ultimately affects total power generated. Hopefully, with the overdue maintenance now completed, the Group anticipates improved performance from the biogas plant.

Below is the power generated and exported as compared to the preceding year's corresponding period.

	KWh
6 months ended 30 June 2021	8,995,845
6 months ended 30 June 2022	8,677,903

As at 30 June 2022, the Company has incurred RM1,615,619 in engines overhaul maintenance.

DIRECTORS' REPORT

Rounding of Amounts

The consolidated group has applied the relief available to it under ASIC Corporation Instrument 2016/191 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest RM1,000.

Auditor's Independence Declaration

The lead Auditor's Independence Declaration under s 307C of the *Corporations Act 2001* is set out on page 4 for the half-year ended 30 June 2022.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director

Tan Sri Dr Mah King Thian

Dated this 29 day of August 2022

Level 6
350 Kent Street
SYDNEY NSW 2000

75 Lyons Road
DRUMMOYNE NSW 2047

K.S. Black & Co.

ABN 48 117 620 556

20 Grose Street
North Parramatta NSW 2151

PO Box 2210
North Parramatta NSW 1750

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Timah Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying Half-year Financial Report of Timah Resources Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Timah Resources Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the **Consolidated Entity's** financial position as at 30 June 2022 and of its performance for the financial Half-year ended on that date; and
- b) complying with Australian Accounting Standards *AASB 134 Interim Financial Reporting and Corporations Regulations 2001*.

The **Half-year Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2022.
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Half-year ended on that date.
- Notes 1 - 4 comprising a summary of significant accounting policies and other explanatory information.
- The Directors' Declaration.

The **Consolidated Entity** comprises Timah Resources Limited (the Company and the entities it controlled at the Half-year's end or from time to time during the Half-year).

The **Half year Period** is the 6 months ended on 30 June 2022.

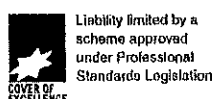
Other matters

We have not previously audited the financial statements of the Group.

We note that the market capitalisation of the Group at the date of our review report is \$7.06M compared with net assets of the Group of \$25M indicating impairment.

Notwithstanding this indication of impairment, the Group has tangible assets mitigating a negative impairment indicator.

Phone 02 8839 3000
Fax 02 8839 3055



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The directors of the company are responsible for the preparation of the Half-year Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the Half-year

Responsibilities of the Directors for the Half-year Financial Report.

The directors of the company are responsible for the preparation of the Half-year Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the Half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

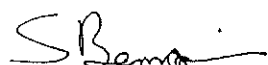
Auditor's responsibility

Our responsibility is to express a conclusion on the Half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on *Review Engagements ASRE 2410 Review of a Financial Performed by Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Half-year financial report is not in accordance with the *Corporation Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2022 and its performance for the Half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Timah Resources Limited, ASRE 2410 required that we comply with the ethical requirements relevant to the audit of the half-year financial report.

A review of a Half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is subsequently less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurances that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

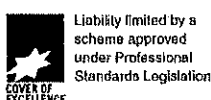
KS Black & Co
Chartered Accountants



Scott Bennison
Partner

Dated: 29/8/2022

Phone 02 8839 3000
Fax 02 8839 3055



Level 6
350 Kent Street
SYDNEY NSW 2000

75 Lyons Road
DRUMMOYNE NSW 2047

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Lead Auditors' Independence Declaration under Section 307C of the Corporations Act 2001

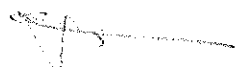
To the Director's of Timah Resources Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 30 June 2022 there has been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

The entities are in respect of Timah Resources Limited and the entities it controlled during the period.

KS Black & Co
Chartered Accountants



Scott Bennison
Partner

Dated in Sydney on this 27th day of August 2022

Phone 02 8839 3000
Fax 02 8839 3055



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scheme approved
under Professional
Standards Legislation


CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

Timah Resources Limited ABN 69 123 981 537 and Controlled Entities

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE HALF-YEAR ENDED
30 JUNE 2022

	Note	Consolidated Group	
		Half-year Ended 30 June 2022	Half-year Ended 30 June 2021
		RM'000	RM'000
Revenue	2	4,052	4,200
Cost of sales		(4,632)	(3,405)
Gross profit		(580)	795
Other income	2	572	397
Administrative expenses		(191)	(334)
Finance costs		(552)	(662)
(Loss)/Profit before income tax		(751)	196
Income tax expenses		(33)	(121)
(Loss)/Profit for the period		(784)	75
Other comprehensive income:			
Exchange differences on translation of foreign operations		4	24
Total comprehensive (loss)/income for the period		(780)	99
Earnings per share (cents)		(0.8)	0.08

The accompanying notes form part of these financial statements.

Timah Resources Limited ABN 69 123 981 537 and Controlled Entities

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2022

	Note	Consolidated Group	
		As at	As at
		30 June 2022	31 December 2021
		RM'000	RM'000
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalents		4,874	6,194
Trade and other receivables		2,641	2,637
Other assets		2,179	1,494
Inventories		180	66
TOTAL CURRENT ASSETS		9,874	10,391
NON-CURRENT ASSETS			
Property, plant and equipment		37,593	39,186
Right of use		297	308
Deferred tax assets		14,012	13,906
TOTAL NON-CURRENT ASSETS		51,902	53,400
TOTAL ASSETS		61,776	63,791
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Trade and other payables		901	674
Lease liabilities		11	11
TOTAL CURRENT LIABILITIES		912	685
NON-CURRENT LIABILITIES			
Borrowings		27,936	29,477
Lease liabilities		330	336
Deferred tax liabilities		7,537	7,399
TOTAL NON-CURRENT LIABILITIES		35,803	37,212
TOTAL LIABILITIES		36,715	37,897
NET ASSETS		25,061	25,894
EQUITY			
Issued capital		47,051	47,104
Foreign currency translation reserve		(66)	(70)
Retained earnings		(21,924)	(21,140)
TOTAL EQUITY		25,061	25,894

The accompanying notes form part of these financial statements.

Timah Resources Limited ABN 69 123 981 537 and Controlled Entities

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED
30 JUNE 2022

Consolidated Group	Ordinary Share Capital RM'000	Retained Earnings RM'000	Foreign Currency Translation Reserve RM'000	Total RM'000
Balance at 1 January 2021	47,330	(21,498)	(8)	25,824
Comprehensive income				
Share buy-back	(226)	-	-	(226)
Profit for the period	-	358	-	358
Foreign exchange translation difference	-	-	(62)	(62)
Balance at 31 December 2021	47,104	(21,140)	(70)	25,894
Balance at 1 January 2022	47,104	(21,140)	(70)	25,894
Comprehensive income				
Share buy-back	(53)	-	-	(53)
Loss for the period	-	(784)	-	(784)
Foreign exchange translation difference	-	-	4	4
Balance at 30 June 2022	47,051	(21,924)	(66)	25,061

The accompanying notes form part of these financial statements.

Timah Resources Limited ABN 69 123 981 537 and Controlled Entities

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED
30 JUNE 2022

	Consolidated Group	
	Half-year Ended 30 June 2022	Half-year Ended 30 June 2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	4,617	4,369
Payments to suppliers and employees	(3,571)	(1,972)
Interest received	1	132
Finance costs	(552)	(629)
Net cash generated from operating activities	495	1,900
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for property, plant and equipment	(236)	(76)
Net cash used in investing activities	(236)	(76)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(1,541)	(1,635)
Advances from holding company	-	-
Right to use	11	6
Share buy-back	(53)	(68)
Net cash used in financing activities	(1,583)	(1,697)
Net (decrease)/increase in cash held	(1,324)	127
Cash and cash equivalents at beginning of period	6,194	6,353
Effect of exchange rate changes on cash and cash equivalents	4	4
Cash and cash equivalents at end of period	4,874	6,484

The accompanying notes form part of these financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 30 June 2022 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Timah Resources Limited and its controlled entities (referred to as the “consolidated group” or “group”). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2021, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 29 August 2022.

The consolidated financial statements have been prepared using reverse acquisition accounting. In reverse acquisition accounting, the cost of the business combination is deemed to have been incurred by the legal subsidiary Mistral (the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent, Timah (the acquirer for accounting purposes).

The ultimate holding company of the Group is Cepatawawasan Group Berhad. Cepatawawasan Group Berhad is incorporated in Malaysia.

Functional and Presentation Currency

The functional currency of each of the group’s entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Malaysian Ringgit which is the parent entity’s functional and presentation currency.

b. Going Concern

Notwithstanding that the Group incurred a loss of RM784,143 for the half year ended 30 June 2022, the financial statements of the Group have been prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future.

The ultimate holding company has agreed to provide continue financial support to the extent that the Group will be able to meet it liabilities as and when they fall due during the next twelve months period ending 30 June 2022.

Based on the above basis, the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

c. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2022

NOTE 2: REVENUE

	Consolidated Group	
	Half-year Ended 30 June 2022	Half-year Ended 30 June 2021
	RM'000	RM'000
The following revenue items are relevant in explaining the financial performance for the interim period:		
Revenue:		
Sales of renewable energy	4,052	4,200
Other Income:		
Sales of sludge oil	550	169
Interest income	1	132
Debt forgiveness	-	96
Other income	21	-
	<u>4,624</u>	<u>4,597</u>

NOTE 3: ISSUED CAPITAL

Movements in share capital of the Company are set out below:

	No.	RM'000
Opening balance at 1 January 2021	90,695,218	47,330
Share buy-back	(999,801)	(226)
Closing balance at 31 December 2021	<u>89,695,417</u>	<u>47,104</u>
Opening balance at 1 January 2022	89,695,417	47,104
Share buy-back	(238,365)	(53)
Closing balance at 30 June 2022	<u>89,457,052</u>	<u>47,051</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2022

NOTE 4: OPERATING SEGMENTS

The Group operated in one business segment being renewal energy power generation and 2 geographical segments.

	Australia	Malaysia	Total
	RM'000	RM'000	RM'000
(i) Segment Performance			
Year Ended 30.06.2022			
Revenue	1	4,623	4,624
Total Segment Revenue			
Inter-Segment Elimination	-	-	-
Total Group Revenue	1	4,623	4,624
Segment Net Loss before tax	(155)	(629)	(784)
Year Ended 30.06.2021			
Revenue	96	4,501	4,597
Total Segment Revenue			
Inter-Segment Elimination	-	-	-
Total Group Revenue	96	4,501	4,597
Segment Net (Loss)/Profit before tax	(292)	367	75
(ii) Segment Asset			
As at 30.06.2022	2,593	59,183	61,776
As at 31.12.2021	2,823	60,968	63,791
(iii) Segment Liabilities			
As at 30.06.2022	65	36,650	36,715
As at 31.12.2021	91	37,806	37,897

NOTE 5: EVENTS AFTER THE END OF THE INTERIM PERIOD

There are no events after the end of the interim period.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Timah Resources Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 13, are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director



Tan Sri Dr Mah King Thian

Dated this 29 day of August 2022