

19 April 2022

**BiON plc**

("BiON" or the "Company" or, together with BiON Ventures Sdn Bhd, the "Group")

**Interim Results and Directorate Change**

BiON (AIM: BION) announces its interim results for the six months ended 30 June 2021.

**Financial Summary**

- Revenue was RM0.6m (H1 2020: RM27.2m)
- Gross loss was RM3.6m (H1 2020: RM0.7m profit)
- Operating loss was RM8.4m (H1 2020: RM2.8m)
- Loss before tax was RM9.4m (H1 2020: RM2.7m)
- Cash and cash equivalents at 30 June 2021 was RM1.0m (31 December 2020: RM2.3m)
- Post period, on 19 April 2022, the operating entity of the Group, BiON Ventures Sdn Bhd ("BVSB"), was sold for a nominal sum, being £1

**Post-period Events**

- As announced earlier today, the Company has disposed of its operating entity, BVSB
- Accordingly, the Company has become an AIM Rule 15 cash shell
- The Company is now focused on making an acquisition that constitutes a reverse takeover under AIM Rule 14 on or before the date falling six months from completion of the disposal of BVSB
- As also announced today, with immediate effect, Dato' Dr. Ir. Ts. Mohd Abdul Karim Abdullah, former Chairman, has resigned from the Board; Aditya Chathli has assumed the role of Interim Chairman; Datuk Syed Nazim bin Syed Faisal (formerly CEO) has become a Non-executive Director; and Malcolm Groat has joined the Board as an Independent Non-executive Director

**Directorate Change**

Further to the announcement of 31 March 2022, the Company is pleased to confirm the appointment of Maurice James Malcolm Groat (known as Malcolm Groat), aged 61, as an Independent Non-executive Director of the Company with immediate effect.

Malcolm is a Chartered Accountant (FCA) and MBA graduate who has worked for many years as a consultant to companies in the technology, natural resources and general commerce sectors. Following an early career with PwC in London, he held CFO, COO and CEO roles in international businesses. Since 2005, Malcolm has served in non-executive director or chairman positions primarily with growth businesses traded on AIM but also with larger bodies such as Baronsmead Second Venture Trust plc. He is currently chairman of TomCo Energy Plc and of Harland & Wolff Group Holdings plc, both AIM-traded companies.

Malcolm has held the following directorships and/or partnerships over the last five years:

**Current**

Auric Global Ltd  
Baronsmead Second Venture Trust PLC  
daVictus PLC  
GS Fintech Ltd  
GS Technologies Ltd  
Harland & Wolff Group Holdings PLC

**Past**

Auric Global Pte. Limited  
Baronsmead VCT 4 PLC  
Corps of Commissionaires Management Limited  
Corps Security  
London Mining P.L.C.  
Mr Lee's Pure Foods Co. Ltd

Infrastrata PLC  
Inven PLC  
Lucyde Pte. Ltd  
Maritime House Limited  
TomCo Energy PLC  
Zaim Credit Systems PLC

NKCell Plus PLC  
Tekcapital Europe Limited  
Tekcapital PLC  
Vale International Group  
West Coast Land Ltd

Malcolm does not currently own any securities in the Company.

London Mining P.L.C. borrowed approximately \$500m to develop its iron ore mine in Sierra Leone. In 2014, the company was unable to service this debt because of, amongst other matters, the Ebola disaster in Sierra Leone and a steep drop in global commodity prices. Malcolm was a director on 16 October 2014 when London Mining P.L.C. went into administration. Secured creditors were paid approximately \$1.1m in October 2016, and unsecured creditors received \$154k in April 2017. London Mining plc was liquidated on 30 July 2017.

Malcolm was a director of Baronsmead VCT 4 PLC at the time it went into members voluntary liquidation on 11 March 2016. Declaration of solvency was filed on Companies House on 17 March 2016. The company was subsequently dissolved following voluntary liquidation on 19.07.2018.

There are no other matters required to be disclosed pursuant to paragraph (g) of Schedule Two to the AIM Rules for Companies as regards Malcolm's appointment.

*This announcement contains inside information for the purposes of Article 7 of Regulation 2014/596/EU which is part of domestic UK law pursuant to the Market Abuse (Amendment) (EU Exit) regulations (SI 2019/310).*

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## Overview

As further detailed in the Company's annual results for the year ended 31 December 2020, also announced today, the COVID-19 pandemic severely disrupted the Group's course of business and supply chain. In particular, in Malaysia, the restrictions imposed by the government on the movement of people were far more severe than those experienced in the UK, for example. This significantly impeded the Group's ability to progress its operations and compounded the financial constraints that the Group was experiencing.

With the operational and financial difficulties continuing post period, and given the liabilities within the operating business, the Board decided that it was in the best interest of shareholders to sell its operating business for a nominal sum but without any future recourse or liability to BiON plc, which was approved by shareholders at a general meeting held earlier today, 19 April 2022. Accordingly, and as discussed further below, the Company is now an AIM Rule 15 cash shell.

## Operational Review

### **Engineering, Procurement, Construction and Commissioning ("EPCC") – *discontinued activity post period following BVSB disposal***

The Group did not undertake any EPCC work during the first half of 2021. The Group experienced difficulties in collecting revenue for the EPCC projects that it provided in the prior year, which impeded its ability to pay its suppliers thereby impacting its debtor position. Accordingly, management decided to pause its pursuit of further EPCC contracts in order to limit the Group's risk exposure at a time when the market was suffering from the prolonged impact of COVID-19 as well as when the Group was unable to access funding to support new projects. As such, the Group has not generated revenue from EPCC contracts subsequent to 2020.

### **Power Sales – *discontinued activity post period following BVSB disposal***

#### *Biogas Power Plants*

A summary of the developments with the Group's biogas power plants during the first half of 2021 is as follows:

- Seberang Perak (2MW) was awarded the Commercial Operation Date ("COD") in May 2021, enabling it to export electricity to Tenaga Nasional Berhad ("TNB") electricity grid at the full Feed-in-Tariff ("FIT") rate. Post period, in September 2021, it received the letter of approval from Sustainable Energy Development Authority ("SEDA"), which enabled the Group to recognise the revenue generated from power sales (including receiving payment for revenue that had been accrued to date). Accordingly, from May 2021, Seberang Perak has been exporting 1MW to TNB – with the reduction compared with the plant's 2MW capacity being due to an insufficient supply of palm oil mill effluent ("POME") feedstock.
- Malpom (2MW) generated some power during the period, however early in 2021, power sales were temporarily ceased due to engine downtime and scheduled maintenance while upgrading works continued. In addition, post period, since July 2021, the plant has been unable to generate power as a fire incident at the neighbouring palm oil mill that supplies the POME feedstock to Malpom forced the plant to shut down. While the mill resumed operations in March 2022, the Group was unable to recommence power production as it did not have the financing available that is required for the process to re-start the plant after a prolonged period of downtime.
- Nasaruddin (1MW) continued to await the granting of an Initial Operation Date ("IOD") to enable it to commence supplying power to TNB at an initial reduced FiT rate. The granting of an IOD requires a site

visit from TNB, which was further delayed due to the Malaysian government restrictions on travel and also, post period, a shutdown at the neighbouring mill for maintenance work from December 2021 to mid-January 2022. The visit from the regulators is currently expected to take place by the end of April 2022, however, BVS B requires additional funding to be able to progress its operations at Nasaruddin.

- Kahang (2MW) recommenced operations in January 2021, but due to the prolonged period of shutdown for upgrading works, it was required to undergo a 'Re-IOD' process to be able to export power to TNB. This did not occur as a result of the government restrictions on travel preventing the regulatory visit and then a visit scheduled for December 2021 needing to be postponed due to an outbreak of COVID-19 among employees at the site. An initial visit occurred in March 2022 and BVS B is awaiting a subsequent visit to complete the re-IOD process.

In addition, post period, in July 2021, the Group entered into an agreement regarding a 3MW waste-to-energy biogas power plant in Aceh, Tamiang, Indonesia whereby it would provide EPCC services and then receive a shareholding in the plant upon completion. However, due to the financial constraints of the Group and the other parties involved, progress was impeded, with RM10m being required to complete the project. The Group nor the other parties had access to this funding.

### **Financial Review**

Revenue for the six months ended 30 June 2021 was RM0.6m (H1 2020: RM27.2m), which was generated from the sale of electricity from the Group's biogas power plants. Gross loss was RM3.6m (H1 2020: RM0.7m profit), which reflects the low revenue.

Operating loss for the period was RM8.4m (H1 2020: RM2.8m), which reflects the reduced revenue. Net finance costs were RM1.0m resulting in loss before tax of RM9.4m (H1 2020: RM2.7m).

On a consolidated basis, basic loss per share for the period was RM0.022 (H1 2020: RM0.006) based on the weighted number of ordinary shares.

Cash and cash equivalents at 30 June 2021 were RM1.0m (31 December 2020: RM2.3m).

Post period, as announced on 31 March 2022, the Company has conditionally raised £1m before expenses via the placing of new ordinary shares (the "Proposed Placing"). The Proposed Placing remains conditional on the resumption of trading in the Company's ordinary shares on AIM, which is expected to occur at 8.00am BST on 20 April 2022. The net proceeds of the Proposed Placing, following the settlement of outstanding creditors, are estimated at about £600,000.

### *Going concern*

The Group made a loss for the six months ended 30 June 2021 of RM9.5m (H1 2020: RM2.5m) and recorded a net cash outflow from operating activities of RM4.5m (H1 2020: inflow of RM8.0m). At the reporting date, the Group held cash and cash equivalents of RM1.0m (30 June 2020: RM0.3m) and had current liabilities of RM119.4m (30 June 2020: RM74.9m) and was in a net liability position of RM71.2m.

In addition, the Group's indebtedness had hitherto been guaranteed by the major shareholder, Serba Dinamik. However, they are no longer in a position to do so and that required a long-term refinancing of the debt.

This resulted in the delay in the publication of the audited accounts for the year ended 31 December 2020 (the “Accounts”) and the unaudited interim results for the period ended 30 June 2021 (the “Interims”) while the Company sought a solution to provide a stable financial operating basis that would support its listing and therefore enable the Accounts and Interims to be published. Accordingly, the Company’s ordinary shares were suspended from trading on AIM on 1 October 2021.

Throughout the period from suspension, the Company engaged with various parties with a view to injecting new resources into the existing business. However, despite pursuing a number of options, ultimately, this was not achieved, and the Board concluded that, given the liabilities within the operating business, the unpaid debtors and the operational issues and need for future financing to re-establish its business, the best outcome that could be achieved for its stakeholders would be to sell its operating business (BiON Ventures Sdn Bhd (“BVSB”)) for a nominal sum but without any future recourse or liability to BiON plc. This sale was approved by the shareholders on 19 April 2022 (see note 29).

On completion of the disposal of BVSB, BiON plc ceased to own, control or conduct all or substantially all, of its existing trading business, activities or assets. Thus, BiON plc has become an AIM Rule 15 cash shell company. Its strategy is to acquire a business that is seeking an AIM quoted platform via a reverse takeover. The Directors intend to consider opportunities in a number of sectors and will focus on an acquisition that can create value for shareholders in the form of capital growth and/or dividends.

The definition of a going concern is that of “any entity unless its management intends to liquidate the entity or to cease trading, or has no realistic alternative to liquidation or cessation of operations”. The Directors have taken the decision to cease trading through the disposal of all subsidiaries of the Company and, as such, have prepared the financial statements on a basis other than a going concern. The financial statements have been prepared on a basis that takes into account the likely realisation of assets and liabilities, but which does not take into account any liabilities to which the Company was not committed to as at 30 June 2021; for the purposes of these financial statements, this shall be referred to as a “realisation basis of preparation”. Assets have not been revalued upwards in cases where the potential realisation of assets might be greater than the value held within the financial statements, nor have write downs been made to assets or liabilities recognised which have arisen as a result of events which have occurred subsequent to 30 June 2021. The Directors do not consider that the realisation basis of preparation has given rise to any material differences compared to the financial statements being prepared on a going concern basis.

### **Outlook and AIM Rule 15 Cash Shell**

Following the disposal of its operating business (BVSB), the Company has become an AIM Rule 15 cash shell. The Company’s strategy is to acquire a business that is seeking an AIM quoted platform via a reverse takeover. The Directors intend to consider opportunities in a number of sectors and will focus on an acquisition that can create value for shareholders in the form of capital growth and/or dividends.

As an AIM Rule 15 cash shell, the Company is required to make an acquisition or acquisitions which constitutes a reverse takeover under AIM Rule 14 on or before the date falling six months from completion of the disposal of BVSB or be re-admitted to trading on AIM as an investing company under the AIM Rules (which requires the raising of at least £6m), failing which the Company’s ordinary shares would then be suspended from trading on AIM pursuant to AIM Rule 40. Admission to trading on AIM would be cancelled six months from the date of suspension should the Company fail to complete an acquisition or acquisitions which constitutes a reverse takeover under AIM Rule 14 during that period.

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at

		Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 RM'000	Audited 31.12.2020 RM'000
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Intangible assets	9	694	749	722
Property, plant and equipment	10	91,872	44,742	88,713
Right-of-use assets	17 (a)	4,759	4,534	4,826
<b>Total non-current assets</b>		<u>97,325</u>	<u>50,025</u>	<u>94,261</u>
<b>CURRENT ASSETS</b>				
Trade and other receivables	11	11,143	35,016	17,148
Amount owing by contract customers	12	-	401	401
Amount owing by related parties	13	3,029	62,544	1,786
Cash and cash equivalents	14	1,030	319	2,287
<b>Total current assets</b>		<u>15,202</u>	<u>98,280</u>	<u>21,622</u>
<b>Total assets</b>		<u>112,527</u>	<u>148,305</u>	<u>115,883</u>
<b>EQUITY</b>				
Stated capital	15	69,458	69,458	69,458
Foreign translation reserve		(2,665)	(2,463)	(2,587)
Retained loss		(134,083)	(7,146)	(124,685)
Merger reserve		(4,028)	(4,028)	(4,028)
Total shareholders' equity		<u>(71,318)</u>	<u>55,821</u>	<u>(61,842)</u>
Non-controlling interests		147	163	148
<b>Total equity</b>		<u>(71,171)</u>	<u>55,984</u>	<u>50,056</u>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	16	114,854	68,160	108,280
Lease liabilities	17 (b)	484	334	457
Short-term borrowings	18	2,590	5,865	2,590
Income tax liabilities		1,429	544	1,429
<b>Total current liabilities</b>		<u>119,357</u>	<u>74,903</u>	<u>112,756</u>
<b>NON-CURRENT LIABILITY</b>				
Government grant income		77	89	83
Lease liabilities	17 (b)	5,624	5,352	5,636
Long-term borrowings	18	56,690	10,512	56,690
Amount owing to directors	27	1,868	834	2,329
Deferred taxation		82	631	82
<b>Total non-current liabilities</b>		<u>64,341</u>	<u>17,418</u>	<u>64,820</u>
<b>Total liabilities</b>		<u>183,698</u>	<u>92,321</u>	<u>177,576</u>
<b>Total liabilities and equity</b>		<u>112,527</u>	<u>148,305</u>	<u>115,883</u>

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended

	Note	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 RM'000
Revenue	21	552	27,212
Cost of sales		(4,154)	(26,489)
<b>Gross profit/(loss)</b>		<b>(3,602)</b>	<b>723</b>
Other income	22	204	580
<b>Less: operating expenses</b>			
Administrative expenses		(5,051)	(4,076)
Other expenses		-	-
		(5,051)	(4,076)
<b>Operating loss</b>		<b>(8,449)</b>	<b>(2,773)</b>
Finance income	23	1,285	928
Finance cost	24	(2,235)	(853)
<b>Loss before taxation</b>		<b>(9,399)</b>	<b>(2,698)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(9,399)</b>	<b>(2,698)</b>
<b>Other comprehensive income/(loss)</b>			
Exchange difference on translation of foreign operations		(79)	220
<b>Total comprehensive loss</b>		<b>(9,478)</b>	<b>(2,478)</b>
<b>Loss for the period attributable to: -</b>			
- Owners of the company		(9,398)	(2,698)
- Non-controlling interest		(1)	-
		(9,399)	(2,698)
<b>Total comprehensive loss attributable to: -</b>			
- Owners of the company		(9,477)	(2,478)
- Non-controlling interest		(1)	-
		(9,478)	(2,478)
<b>Loss per share:</b>			
Basic (RM, cents)	25	<b>(0.022)</b>	<b>(0.006)</b>
Diluted (RM, cents)	25	<b>(0.022)</b>	<b>(0.006)</b>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Note	Share capital RM'000	Foreign translation reserve RM'000	Merger reserve RM'000	Retained profit RM'000	Attributable to owners of the company RM'000	Non- controlling interest RM'000	Total equity RM'000
<b>Balance as at 1 January 2020</b>		61,052	(2,683)	(4,028)	(3,529)	50,812	163	50,975
Loss for the year		-	-	-	(121,550)	(121,550)	(15)	(121,565)
Translation of foreign operations		-	97	-	-	97	-	97
<b>Total comprehensive loss</b>		-	<b>97</b>	-	<b>(121,550)</b>	<b>(121,453)</b>	<b>(15)</b>	<b>(121,468)</b>
<b>Transactions with owners</b>								
Issuance of placing shares		8,406	-	-	-	8,406	-	8,406
Capital contribution		-	-	-	394	394	-	394
<b>Balance at 31 December 2020/1 January 2021</b>		<b>69,458</b>	<b>(2,586)</b>	<b>(4,028)</b>	<b>(124,685)</b>	<b>(61,841)</b>	<b>148</b>	<b>(61,693)</b>
Loss for the period		-	-	-	(9,398)	(9,398)	(1)	(9,399)
Translation of foreign operations		-	(79)	-	-	(79)	-	(79)
<b>Total comprehensive loss</b>		-	<b>(79)</b>	-	<b>(9,398)</b>	<b>(9,477)</b>	<b>(1)</b>	<b>(9,478)</b>
<b>Transactions with owners</b>								
Issuance of placing shares	<b>15</b>	-	-	-	-	-	-	-
<b>Balance at 30 June 2021</b>		<b>69,458</b>	<b>(2,665)</b>	<b>(4,028)</b>	<b>(134,083)</b>	<b>(71,318)</b>	<b>147</b>	<b>(71,171)</b>



## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

For the six months ended

	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(9,399)	(2,698)
<b>Adjustments for:</b>		
Amortisation of intangible assets	28	27
Depreciation of right-of-use assets	304	226
Depreciation of equipment	1,973	1,144
Government grant income	(6)	(7)
Gain on disposal of PPE	-	(53)
Impairment loss – Trade receivables written back	(2)	-
Interest expenses	1,916	280
Interest expenses – lease liabilities	317	313
Interest income	(1,285)	(928)
Unrealised gain on foreign exchange – net	(191)	-
<b>Cash flow from operating activities before working capital changes</b>	<b>(6,345)</b>	<b>(1,696)</b>
Decrease/(Increase) in trade and other receivables	7,884	(17,956)
(Decrease)/Increase in trade and other payables	6,574	14,238
Decrease in amount owing by related parties	(1,704)	(3,062)
<b>Cash flow used in/(from) operating activities</b>	<b>6,409</b>	<b>(8,476)</b>
Interest paid	(1,933)	(412)
Interest received	-	928
<b>NET CASH FLOW USED IN/(FROM) OPERATING ACTIVITIES</b>	<b>4,476</b>	<b>(7,960)</b>
<b>CASH FLOW FOR INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	-	130
Purchase of property, plant and equipment	(5,132)	(1,182)
<b>NET CASH FLOW USED IN INVESTING ACTIVITIES</b>	<b>(5,132)</b>	<b>(1,052)</b>
<b>CASH FLOW FOR FINANCING ACTIVITIES</b>		
Issuance of new ordinary shares	-	8,406
Convertible short-term loan to ordinary shares	-	(8,406)
Advances from related parties	-	-
Advances from directors	-	-
Repayment of hire purchase obligations	-	(236)
Drawdown of hire purchase	-	462
Drawdown of term loans	-	10,000
Principal elements of lease liabilities	(522)	(467)
Repayment of term loans	-	(731)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(522)</b>	<b>9,028</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,178)</b>	<b>16</b>
<b>Effects on foreign exchange translation</b>	<b>(79)</b>	<b>220</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2,287</b>	<b>83</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>14</b> <b>1,030</b>	<b>319</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2021

### 1. GENERAL INFORMATION

BiON plc (formerly known as Green & Smart Holdings plc) (“the Company”) was incorporated as a public limited company in Jersey with registration number 119200 on 7 August 2015. The registered office of the Company is 12 Castle Street, St. Helier, Jersey JE2 3RT, Channel Islands.

Pursuant to a special resolution ratified at the Extraordinary General Meeting of the Company held on 30 April 2020, the Company has changed its name to BiON plc. Accordingly the change of name was taken effective from 1 May 2020, upon receiving the certificate from the Registrar of Companies in Jersey.

The Company is listed on the AIM market of the London Stock Exchange. During the period under review, the Company’s nature of operations was to act as the holding company for a group of subsidiaries that are involved in research and development, provision of professional engineering consultancy and process design services in the areas of industrial biotechnology, pollution control and renewable energy; and engineering, procurement and construction of various waste treatment plants/systems; development, commercialisation, operation and maintenance of renewable energy plants.

Post period, following the disposal of the Group’s operating entity, BiON Ventures Sdn Bhd (which holds the Group’s trading subsidiaries), the Company is an AIM Rule 15 cash shell focused on acquiring a business that is seeking an AIM quoted platform via a reverse takeover.

The consolidated financial statements include the financial statements of the Company and its controlled subsidiaries (the “Group”) as follows:

Name	Place of incorporation	Registered address	Principal activity	Effective interest	
				30.06.2021	30.06.2020
BiON Ventures Sdn Bhd (fka Green & Smart Ventures Sdn Bhd)	Malaysia	Note 1	Holding company	100%	100%
BiON Sdn Bhd (fka Green & Smart Sdn Bhd)	Malaysia	Note 1	IPP & EPCC contractor	100%	100%
Our Energy Group (M) Sdn Bhd	Malaysia	Note 2	IPP	51%	51%

Note 1 – registered address: B-1-15, Block B, 8 Avenue, Jalan Sungai Jernih 8/1, Section 8, 46050 Petaling Jaya, Selangor.

Note 2 – registered address: 3-2, 3rd. Mile Square, No. 151, Jalan Klang Lama, Batu 3 ½, 58100 Kuala Lumpur.

### 2. BASIS OF PREPARATION

The consolidated financial information for the six-month period ended 30 June 2020 has been prepared in accordance with International Financial Reporting Standards as adopted by the EU (“IFRS”) issued by the International Accounting Standards Board (“IASB”), including related interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

The consolidated financial information is unaudited and does not constitute statutory financial statements. The interim financial information has been prepared on a historical cost basis, and fair value method will be used if it is relevant.

The financial information is presented in Malaysian Ringgit (“RM”) unless otherwise stated and is the currency of the primary economic environment in which the Group operates. All values are rounded to the nearest thousand ringgit (“RM’000”) except where otherwise indicated.

The interim financial information for the six months ended 30 June 2021 was approved by the Directors on 19 April 2022.

### **Going Concern**

The Group made a loss for the six months ended 30 June 2021 of RM9.5m (H1 2020: RM2.5m) and recorded a net cash outflow from operating activities of RM4.5m (H1 2020: inflow of RM8.0m). At the reporting date, the Group held cash and cash equivalents of RM1.0m (30 June 2020: RM0.3m) and had current liabilities of RM119.4m (30 June 2020: RM74.9m) and was in a net liability position of RM71.2m.

In addition, the Group’s indebtedness had hitherto been guaranteed by the major shareholder, Serba Dinamik. However, they are no longer in a position to do so and that required a long-term refinancing of the debt.

This resulted in the delay in the publication of the audited accounts for the year ended 31 December 2020 (the “Accounts”) and the unaudited interim results for the period ended 30 June 2021 (the “Interims”) while the Company sought a solution to provide a stable financial operating basis that would support its listing and therefore enable the Accounts and Interims to be published. Accordingly, the Company’s ordinary shares were suspended from trading on AIM on 1 October 2021.

Throughout the period from suspension, the Company engaged with various parties with a view to injecting new resources into the existing business. However, despite pursuing a number of options, ultimately, this was not achieved, and the Board concluded that, given the liabilities within the operating business, the unpaid debtors and the operational issues and need for future financing to re-establish its business, the best outcome that could be achieved for its stakeholders would be to sell its operating business (BiON Ventures Sdn Bhd (“BVSB”)) for a nominal sum but without any future recourse or liability to BiON plc. This sale was approved by the shareholders on 19 April 2022 (see note 29).

On completion of the disposal of BVSB, BiON plc ceased to own, control or conduct all or substantially all, of its existing trading business, activities or assets. Thus, BiON plc has become an AIM Rule 15 cash shell company. Its strategy is to acquire a business that is seeking an AIM quoted platform via a reverse takeover. The Directors intend to consider opportunities in a number of sectors and will focus on an acquisition that can create value for shareholders in the form of capital growth and/or dividends.

The definition of a going concern is that of “any entity unless its management intends to liquidate the entity or to cease trading, or has no realistic alternative to liquidation or cessation of operations”. The Directors have taken the decision to cease trading through the disposal of all subsidiaries of the Company and, as such, have prepared the financial statements on a basis other than a going concern. The financial statements have been prepared on a basis that takes into account the likely realisation of assets and liabilities, but which does not take into account any liabilities to which the Company was not committed to as at 30 June 2021; for the purposes of these financial statements, this shall be referred to as a “realisation basis of preparation”. Assets have not been revalued upwards in cases where the potential realisation of assets might be greater than the value held within the financial statements, nor have write downs been made to assets or liabilities recognised which have arisen as a result of events which have occurred subsequent to 30 June 2021. The Directors do not consider that the realisation basis of preparation has given rise to any material differences compared to the financial statements being prepared on a going concern basis.

#### *Details of the Disposal*

The Company disposed of its main operational subsidiary, BVSB, which includes its trading group. Therefore, the Company has executed the Disposal Agreement as at the date of approving this report.

Under the terms of the Disposal Agreement, Minnos Ventures Inc, acquired the entire issued capital of BVSB for a total consideration of £1.00.

The disposal represented a fundamental change of business for the Company.

### 3. SEASONAL OR CYCLICAL FACTORS

There are no seasonal factors that materially affect the operations of any company in the Group.

### 4. ITEMS OF AN UNUSUAL NATURE

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the financial period ended 30 June 2021.

### 5. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

The preparation of unaudited interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses for the current and its corresponding financial period under review. Actual results may differ from these estimates.

In preparing the unaudited interim financial information, the significant judgements made by the management in applying the Group's accounting policies and the sources of estimates uncertainty were consistent as those applied to the 2020 Audited Financial Statements.

There were no changes in estimates of amounts of the Group that may have a material effect on the financial period ended 30 June 2021.

### 6. DIVIDENDS

No interim dividend was recommended by the Directors during the financial period under review.

### 7. SEGMENTAL REPORTING

Operating segments are prepared in a manner consistent with the internal reporting provided to the management as its chief operating decision maker in order to allocate resources to segments and to assess their performance. Currently the Group operates under two operating segments, providing consulting and contract services to customers in the renewable energy sector and the supply of power to the National Grid.

Information on geographical segments is not presented as the Group operates wholly in Malaysia where all of its assets and liabilities are located.

The information provided to management for the reportable segments during each period/year are as follows:

<b>Business Segments</b>	<b>Consulting &amp; contract RM'000</b>	<b>Power RM'000</b>	<b>Head office RM'000</b>	<b>Total RM'000</b>
<b>30.06.2021</b>				
Contract revenues	-	-	-	-
Power sold	-	552	-	552
Group revenues	-	552	-	552
Gross Loss	-	(3,602)	-	(3,602)

Net (Loss)/profit	(779)	(10,041)	1,421	(9,399)
Segment Assets	5,810	99,199	7,518	112,527
Segment Liabilities	89,724	19,481	75,495	184,701
Capital Expenditure	-	5,132	-	5,132
Depreciation and amortisation	-	1,973	332	2,305

<b>Business Segments</b>	<b>Consulting &amp; contract RM'000</b>	<b>Power RM'000</b>	<b>Head office RM'000</b>	<b>Total RM'000</b>
<b>30.06.2020</b>				
Contract revenues	27,212	-	-	27,212
Power sold	-	-	-	-
Group revenues	27,212	-	-	27,212

Gross Loss	2,870	(2,147)	-	723
Net Loss	(2,670)	(28)	-	(2,698)

Segment Assets	92,782	51,861	3,662	148,305
Segment Liabilities	34,371	21,264	36,686	92,321
Capital Expenditure	-	1,182	-	1,182
Depreciation and amortisation	-	1,276	121	1,397

<b>Business Segments</b>	<b>Consulting &amp; contract RM'000</b>	<b>Power RM'000</b>	<b>Head office RM'000</b>	<b>Total RM'000</b>
<b>31.12.2020</b>				
Contract revenues	103,649	-	-	103,649
Power sold	-	24	-	24
Group revenues	103,649	24	-	103,673

Gross Profit/(Loss)	12,306	(6,041)	-	6,265
Net Loss	(101,436)	(15,306)	(4,823)	(121,565)

Segment Assets	15,932	96,674	3,277	115,883
Segment Liabilities	84,699	17,063	75,814	177,576
Capital Expenditure	-	36,440	-	36,440
Depreciation and amortisation	-	2,105	665	2,796
Impairment loss on receivables	75,834	-	-	75,834

## 8. TAXATION

The Company is regarded as resident for tax purposes in Jersey and on the basis that the Company is neither a financial service company nor a utility company for the purpose of the Income Tax (Jersey) Law 1961, as amended, the Company is subject to income tax in Jersey at a rate of zero per cent.

BiON Sdn Bhd is granted BioNexus status by a government agency, namely Malaysian Bioeconomy Development Corporation Sdn Bhd (previously known as Malaysian Biotechnology Corporation Sdn. Bhd). Therefore, BiON Sdn Bhd is entitled to tax exemption on the statutory business income derived from approved activities over five consecutive years of assessment commencing from the first year in which BiON

Sdn Bhd generates statutory income from the relevant approved activities. The tax exemption expired in the financial period ended 31 December 2018. No further exemption has been granted thereafter.

## 9. INTANGIBLE ASSETS

	<b>Trademarks RM'000</b>	<b>Patents RM'000</b>	<b>Total RM'000</b>
<b>Cost</b>			
At 1 January 2020	1,319	8	1,327
Addition	-	-	-
At 30 June 2020	1,319	8	1,327
Addition	-	-	-
At 31 December 2020	1,319	8	1,327
Addition	-	-	-
At 30 June 2021	1,319	8	1,327
<b>Accumulated depreciation</b>			
At 1 January 2020	544	7	551
Charge for the period	27	-	27
At 30 June 2020	571	7	578
Charge for the period	27	-	27
At 31 December 2020	598	7	605
Charge for the period	28	-	28
At 30 June 2021	626	7	633
<b>Net book value</b>			
At 30 June 2020	748	1	749
At 31 December 2020	721	1	722
At 30 June 2021	693	1	694

### Trademark

The trademarks "GRASS", "POME-MAS" and "GREENPAK" are registered in Malaysia in respect of patented wastewater and bio-waste treatment technologies. These trademarks have been granted for an indefinite period, however, they are being amortised over ten (10) years in line with Management's best estimate of their expected useful life.

The remaining amortisation period of trademarks is between one (1) to two (2) years, the remaining amortisation period of patents is between three (3) to ten (10) years.

## 10. PROPERTY, PLANT AND EQUIPMENT

	Furniture & Fittings RM'000	Renovation RM'000	Office Equipment RM'000	Capital Work in Progress RM'000	Industrial Building RM'000	Motor Vehicle RM'000	Total RM'000
<b>At Cost</b>							
At 1 January 2021	205	-	280	53,417	41,310	-	95,212
Addition	-	-	16	2,193	2,923	-	5,132
Disposal	-	-	-	-	-	-	-
Reclassification	-	-	-	(36,528)	36,528	-	-
At 30 June 2021	205	-	296	19,082	80,761	-	100,344
<b>Accumulated Depreciation</b>							
At 1 January 2021	88	-	156	-	6,255	-	6,499
Charge for the period	10	-	17	-	1,946	-	1,973
Disposal	-	-	-	-	-	-	-
At 30 June 2021	98	-	173	-	8,201	-	8,472
<b>Carrying Amount</b>							
At 30 June 2021	107	-	123	19,082	72,560	-	91,872

	Furniture & Fittings RM'000	Renovation RM'000	Office Equipment RM'000	Capital Work in Progress RM'000	Industrial Building RM'000	Motor Vehicle RM'000	Total RM'000
<b>At Cost</b>							
At 1 January 2020	159	344	167	7,542	40,896	807	49,915
Addition	45	-	8	515	63	551	1,182
Disposal	-	-	-	-	-	(577)	(577)
At 30 June 2020	204	344	175	8,057	40,959	781	50,520
<b>Accumulated Depreciation</b>							
At 1 January 2020	68	136	122	-	4,204	604	5,134
Charge for the period	9	17	15	-	1,023	80	1,144
Disposal	-	-	-	-	-	(500)	(500)
At 30 June 2020	77	153	137	-	5,227	184	5,778
<b>Carrying Amount</b>							

At 30 June 2020	127	191	38	8,057	35,732	597	44,742
	<b>Furniture &amp; Fittings RM'000</b>	<b>Renovation RM'000</b>	<b>Office Equipment RM'000</b>	<b>Capital Work in Progress RM'000</b>	<b>Industrial Building RM'000</b>	<b>Motor Vehicle RM'000</b>	<b>Total RM'000</b>
<b>At Cost</b>							
At 1 January 2020	159	344	167	7,542	40,896	-	49,108
Addition	46	-	113	49,857	414	-	50,430
Reclassification	-	(344)	-	(3,982)	-	-	(4,326)
At 31 December 2020	205	-	280	53,417	41,310	-	95,212
<b>Accumulated Depreciation</b>							
At 1 January 2020	68	136	122	-	4,204	-	4,530
Charge for the year	19	-	35	-	2,051	-	2,105
	-	(136)	-	-	-	-	(136)
At 31 December 2020	87	-	157	-	6,255	-	6,499
<b>Carrying Amount</b>							
At 31 December 2020	118	-	123	53,417	35,055	-	88,713

- a) Included in the assets of the Group at the end of the reporting period were motor vehicles with a total net book value of RM0.44m which were acquired under hire purchase terms. Motor vehicles relate to vehicles under hire purchase, which have been retrospectively reclassified to right of use assets as appropriate under IFRS 16.
- b) Assets under construction represents biogas power plant under construction. It is subject to depreciation only when completed and ready for use. No interest was capitalised during the period.
- c) Industrial building with carrying amount of approximately RM35.1m are pledged against the banking facility (note 20).
- d) Acquisition of plant and equipment: -

	<b>Unaudited 30.06.2021 RM'000</b>	<b>Unaudited 30.06.2020 RM'000</b>	<b>Audited 31.12.2019 RM'000</b>
Cash paid to acquire property, plant and equipment	<u>5,132</u>	<u>1,182</u>	<u>18,430</u>



## 11. TRADE AND OTHER RECEIVABLES

	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 RM'000	Audited 31.12.2020 RM'000
Trade receivables	74,739	33,173	84,926
Less: allowance for impairment loss	(71,009)	(1,435)	(71,012)
	<u>3,730</u>	<u>31,738</u>	<u>13,914</u>
Other receivables & deposits	13,606	4,649	9,427
Less: allowance for impairment loss	(6,193)	(1,371)	(6,193)
	<u>7,413</u>	<u>3,278</u>	<u>3,234</u>
	<u>11,143</u>	<u>35,016</u>	<u>17,148</u>
<b>Allowance for impairment losses</b>			
Opening balance – Trade receivables	(71,012)	(1,435)	(1,435)
Allowance written back	3	-	1,435
Allowance for the period/year	-	-	(71,012)
	<u>(71,009)</u>	<u>(1,435)</u>	<u>(71,012)</u>
Opening balance – Other receivables	(6,193)	(1,371)	(1,371)
Allowance written back	-	-	(4,822)
Allowance for the period/year	-	-	-
	<u>(6,193)</u>	<u>(1,371)</u>	<u>(6,193)</u>
Closing balance	<u>(77,202)</u>	<u>(2,806)</u>	<u>(77,205)</u>

- a) The Group's normal credit terms range from 90 to 120 days (H1 2020: 90 to 120 days). Other credit terms are assessed and varied on a case-by-case basis.
- b) Trade and other receivables that are individually determined to be impaired relate to customers that have defaulted on payments or the amount due from third parties considered irrecoverable.
- c) The amounts in Trade Receivables are analysed as follows:

	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 RM'000	Audited 31.12.2020 RM'000
Not past due	457	11,171	24
Past due by less than 3 months	-	6,233	69,402
Past due by less than 3 – 6 months	-	-	-
Past due by 6 months and above	74,282	15,769	15,500
	<u>74,739</u>	<u>33,173</u>	<u>84,926</u>

## 12. AMOUNT OWING BY CONTRACT CUSTOMERS

	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 RM'000	Audited 31.12.2020 RM'000
Aggregate cost incurred to date	143,816	52,669	143,816
Add: attributable profits	30,888	18,386	30,888
	<u>174,704</u>	<u>71,055</u>	<u>174,704</u>
Less: progress billings	(174,704)	(70,654)	(174,303)
	<u>-</u>	<u>401</u>	<u>401</u>

### Represented by:

Amount due from customer contracts	-	401	401
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## 13. AMOUNTS OWING BY / (TO) RELATED PARTIES

Party	Relationship*	Trade Receivables RM'000	Other Receivables RM'000	Total RM'000
<b>30.06.2021</b>				
Megagreen Energy Sdn Bhd	Related party	32,507	17,167	49,674
Less: Allowance for impairment loss		(32,507)	(14,147)	(46,654)
		<u>-</u>	<u>3,020</u>	<u>3,020</u>
K2M Ventures Sdn Bhd	Related party	-	10	10
Less: Allowance for impairment loss		-	(1)	(1)
		<u>-</u>	<u>9</u>	<u>9</u>
		<u>-</u>	<u>3,029</u>	<u>3,029</u>
<b>30.06.2020</b>				
Megagreen Energy Sdn Bhd	Related party	51,497	14,800	66,297
Less: Allowance for impairment loss		(3,762)	-	(3,762)
		<u>47,735</u>	<u>14,800</u>	<u>62,535</u>
Makmur Hidro Sdn Bhd.	Related party	-	9	9
		<u>47,735</u>	<u>14,809</u>	<u>62,544</u>

**31.12.2020**

Megagreen Energy Sdn Bhd	Related party	32,507	15,924	48,431
Less: Allowance for impairment loss		(32,507)	(14,147)	(46,654)
		<u>-</u>	<u>1,777</u>	<u>1,777</u>
K2M Ventures Sdn Bhd	Ultimate holding co.	-	10	10
Less: Allowance for impairment loss		-	(1)	(1)
		<u>-</u>	<u>9</u>	<u>9</u>
		<u>-</u>	<u>1,786</u>	<u>1,786</u>

**\* Relationship**

- a) The Group via its subsidiary, BiON Sdn Bhd holds 15% shares in Megagreen Energy Sdn Bhd and Syed Nazim Syed Faisal, being the Executive Director of BiON plc, was appointed as Director effective 3 July 2020.
- b) Mr. Saravanan, who was a director in BiON Plc for the year to 31 December 2019 and is a significant shareholder in BiON Plc, is also one of the appointed Directors in Makmur Hydro Sdn Bhd, resigned on 31 January 2020.
- c) K2M Ventures Sdn Bhd, holds 26.02% of the share capital in BiON plc at the end of reporting period.

**14. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the cash flow statement comprise the following amounts:

	<b>Unaudited 30.06.2021 RM'000</b>	<b>Unaudited 30.06.2020 RM'000</b>	<b>Audited 31.12.2020 RM'000</b>
Cash and bank balances	<u>1,030</u>	<u>319</u>	<u>2,287</u>

**15. STATED CAPITAL**

	<b>No. of shares</b>	<b>RM'000</b>
<b>Issued and Fully Paid-Up</b>		
1 January 2021	431,719,765	69,458
Issuance of shares	-	-
Less: transaction costs	-	-
30 June 2021	<u>431,719,765</u>	<u>69,458</u>

On 24 January 2020, the Group announced that, at the Extraordinary General Meeting ("EGM"), the Resolution placed in respect of the approval of the waiver under Rule 9 of the City Code and taken by Independent Shareholders on a poll was approved in regards to loan conversion to ordinary shares.

On 27 January 2020, upon relevant approved application, the loan of RM8.4 million from Syed Nazim Syed

Faisal was converted into 86,343,953 new Ordinary Shares representing 20 per cent (20%) of the enlarged share capital at an effective share price of approximately 1.85 pence.

## 16. TRADE AND OTHER PAYABLES

	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 RM'000	Audited 31.12.2020 RM'000
Trade payable	94,956	45,232	89,043
Other payable and accruals	19,898	22,928	19,237
	<u>114,854</u>	<u>68,160</u>	<u>108,280</u>

The normal credit terms granted to the Group by the suppliers are 90 days (H1 2020: 90 days) from invoice date.

## 17. LEASES

### Group as a lessee

The Group has lease contracts for lands. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets. The Group also has certain leases of office equipment with low value. The Group applies the 'lease of low-value assets' recognition exemptions for these leases.

#### a) Right-of-use assets

	Total RM'000
Cost at 1 January 2020	7,786
Additions	551
Disposal	(577)
At 31 December 2020	<u>7,760</u>
Additions	237
At 30 June 2021	<u>7,997</u>
Accumulated Depreciation at 1 January 2020	2,823
Charge for the year	612
Disposal	(501)
At 31 December 2020	<u>2,934</u>
Charge for the period	304
At 30 June 2021	<u>3,238</u>
Net carrying amount at 31 December 2020	<u>4,826</u>
Net carrying amount at 30 June 2021	<u>4,759</u>

#### b) Lease liabilities

The carrying amount of lease liabilities is as follows: -

	30.06.2021 RM'000	31.12.2020 RM'000
Current liabilities		
– not later than 1 year	484	457
Non-current liabilities:		

- later than one year and not later than five years	1,973	2,318
- Later than 5 years	3,651	3,318
	<u>5,624</u>	<u>5,636</u>

c) Amounts recognised in profit or loss

	<b>30.06.2021</b>	<b>31.12.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Depreciation of right-of-use assets	304	611
Interest expenses on lease liabilities	317	645
Lease expenses not capitalised in lease liabilities:		
- Expenses related to low value assets	2	12
- Expenses related to short term lease	171	649
	<u>794</u>	<u>1,917</u>

d) Total cash outflow

The Group had a total cash outflows for leases of RM0.52m in current financial period.

## 18. BORROWINGS

a) Short-term borrowings

	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>30.06.2021</b>	<b>30.06.2020</b>	<b>31.12.2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Mezzanine loan	-	-	-
Hire purchase payables (note 19)	-	101	-
Term loans (note 20)	2,590	5,764	2,590
	<u>2,590</u>	<u>5,865</u>	<u>2,590</u>

b) Long-term borrowings

	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>30.06.2021</b>	<b>30.06.2020</b>	<b>31.12.2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Hire purchase payables (note 19)	-	512	-
Term loans (note 20)	56,690	10,000	56,690
	<u>56,690</u>	<u>10,512</u>	<u>56,690</u>

## 19. HIRE PURCHASE PAYABLES

	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 RM'000	Audited 31.12.2020 RM'000
Minimum hire purchase payments:			
- Not later than one year	-	136	-
- Later than one year and not later than five years	-	540	-
- Later than five years	-	25	-
	-	701	-
Less: Future finance charges	-	(88)	-
	-	613	-
<u>Current</u>			
- Not later than one year	-	101	-
<u>Non-current</u>			
- Later than one year and not later than five years	-	488	-
- Later than five years	-	24	-
	-	512	-
	-	613	-

The hire purchase payables of the Group at the end of the reporting period bare effective interest rates ranging from 5.20% to 5.36% (H1 2020: 5.20% - 5.36%).

## 20. TERM LOAN

	Unaudited 30.06.2021 RM'000	Unaudited 30.06.2020 RM'000	Audited 31.12.2020 RM'000
<u>Current (note 18)</u>			
Term loan 1	-	4,742	750
Term loan 2	49,280	1,022	1,840
Term loan 3	10,000	10,000	-
	59,280	15,764	2,590

### Term loan 1 & 2

The term loans are secured against: -

- (i) Fixed and floating charges over the present and future assets;
- (ii) Assignment of all rights, interest and benefits and the proceeds from the sales of the electricity;
- (iii) Assignment of all rights, benefits interest and title under industrial building;
- (iv) A guarantee by Credit Guarantee Corporation Berhad (Term loan 1 only);
- (v) Joint and severally guaranteed by the Directors of the Company.

Term loan 1 bears effective interest rate at 8% (H1 2020: 8%) per annum and term loan 2 bears effective interest rate at 5% (H1 2020: 5%) per annum.

### Term loan 3

On 6 February 2020, the Group via its subsidiary, BiON Sdn Bhd (Borrower), entered in to a facility agreement with Serba Dinamik Sdn Bhd (Lender), to obtain a loan of RM10 million for working capital purposes.

The Group unconditionally agreed to pay profit for this facility at the rate of five per cent (5%) per annum

for a term of fifty-four (54) months commencing from 6 August 2020.

## 21. REVENUE

All revenues are derived from Malaysia.

	<b>Unaudited 30.06.2021 RM'000</b>	<b>Unaudited 30.06.2020 RM'000</b>
Contract revenue	-	27,212
Sale of electricity	582	-
	<u>582</u>	<u>27,212</u>

## 22. OTHER INCOME

	<b>Unaudited 30.06.2021 RM'000</b>	<b>Unaudited 30.06.2020 RM'000</b>
Deferred grant income	6	6
Gain on disposal of plant, property and equipment	-	53
Insurance claim	-	452
Realised gain on foreign exchange	5	-
Unrealised gain on foreign exchange	190	-
Rental income	-	7
Wage subsidy	-	62
Allowance impairment written back	3	-
	<u>204</u>	<u>580</u>

## 23. FINANCE INCOME

The finance income recognised is in relation to the interest charged for advances given to the related party, at a rate of 18% per annum (1.5% per month) (see note 27 for detail).

## 24. FINANCE COSTS

	<b>Unaudited 30.06.2021 RM'000</b>	<b>Unaudited 30.06.2020 RM'000</b>
Bank Charges	3	3
Factoring charges	-	258
Hire purchase interest	17	10
Short-term loan interest	-	54
Term loan interest	1,915	215
	<u>1,935</u>	<u>279</u>
Interest on lease liabilities	300	313
	<u>2,235</u>	<u>853</u>

## 25. EARNINGS PER SHARE

The calculation of earnings per share is based on the following earnings and number of shares:

	<b>Unaudited 30.06.2021</b>	<b>Unaudited 30.06.2020</b>	<b>Audited 31.12.2020</b>
Loss attributable to the owners of the company (RM'000)	(9,398)	(2,698)	(121,550)
Weighted average shares in issue for basic earnings per share	345,375,812	345,375,812	345,375,812
Adjustment for: Warrants instruments	7,232,013	7,232,013	7,232,013
Weighted average shares in issue for diluted earnings per share	<u>352,607,825</u>	<u>352,607,825</u>	<u>352,607,825</u>
Basic earnings per share (RM, cents)	<u>(0.022)</u>	<u>(0.012)</u>	<u>(0.29)</u>
Diluted earnings per share (RM, cents)	<u>(0.022)</u>	<u>(0.012)</u>	<u>(0.29)</u>

Earnings per share has been calculated by dividing the profit or loss for the year attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year.

The diluted number of shares includes those reserved under warrants (note 28).

## 26. CONTINGENCIES

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement: -

	<b>Unaudited 30.06.2021 RM'000</b>	<b>Unaudited 30.06.2020 RM'000</b>	<b>Audited 31.12.2020 RM'000</b>
Corporate guarantee given to licensed banks for credit facilities granted to a related party	<u>10,233</u>	<u>10,080</u>	<u>10,233</u>

The Group has provided Megagreen Energy with a corporate guarantee in support of a loan facility. As the Group has only a 15% interest in Megagreen, it has no effective control over whether any claim may be made under this guarantee. Credit Guarantee Corporation Malaysia Berhad has confirmed that repayment of the 60% of the amount borrowed by Megagreen under the facility is guaranteed by Credit Guarantee Corporation Malaysia Berhad up to June 2025 pursuant to the Green Technology Financing Scheme – established by the Malaysian government. On that basis, the Directors expect the exposure of G&S under the guarantee to be limited to approximately RM4.0m.

## 27. RELATED PARTY TRANSACTIONS

In addition to the information detailed in note 13, the Group also carried out the following significant transactions with the related parties during the period:

	<b>Unaudited 30.06.2021 RM'000</b>	<b>Unaudited 30.06.2020 RM'000</b>	<b>Audited 31.12.2020 RM'000</b>
Megagreen Energy Sdn. Bhd.			
- Contract revenue	-	-	-
- Interest income	1,454	928	1,982



- Amounts owing from (net of impairment)	2,028	62,535	1,777
K2M Ventures Sdn Bhd			
- Other income (waive of debts)	-	-	-
- Amount owing from/(to)	9	9	9
Makmur Hidro Sdn Bhd			
- Amount owing from	-	-	66
Serba Dinamik group of companies			
- Term loan	(10,000)	(10,000)	(10,000)
- Amount owing to	(26,995)	(15,253)	(9,332)
- Services rendered (nett)	7,968	(429)	(6,379)
Syed Nazim Syed Faisal			
- Mezzanine loan	-	-	-
- Director advance	(1,152)	(1,152)	(1,085)
- Director fees due	(180)	(110)	(148)
- Director fees	32	32	65
Datuk Dr. Hj. Radzali Hassan			
- Director fees due	-	(418)	(367)
- Director fees	-	32	65
Aditya Chathli			
- Director fees due	(345)	(268)	(313)
- Director fees	32	32	65
Dato' Dr. IR. Ts. Mohd Abdul Karim Abdullah			
- Director fees due	(76)	-	(44)
- Director fees	32	-	43
Habizan Rahman Habeeb Rahman			
- Director fees due	(76)	-	(44)
- Director fees	32	-	43
Mohd Sofiyuddin Ahmad Tabrani			
- Director fees due	(40)	-	(8)
- Director fees	32	-	8

Related parties: -

- i) The Group, via its subsidiary, BiON Sdn Bhd, holds 15% of the share capital of Megagreen Energy Sdn Bhd.
- ii) K2M Ventures Sdn Bhd ("K2M"), holds 32.52% shares in BiON plc.
- iii) Serba Dinamik group of companies, one of the significant shareholders in BiON plc for the year ended 30 June 2021.
- iv) Datuk Syed Nazim Syed Faisal, being an Executive Director in BiON plc for the period ended 30 June 2021.
- v) Datuk Dr. Hj. Radzali Hassan, who was a Non-Executive Director in BiON plc, resigned on 16 March 2021.
- vi) Mr. Aditya Chathli, being a Non-Executive Director in BiON plc for the year ended 30 June 2021.
- vii) Dato' Dr. IR. Ts. Mohd Karim Abdullah was appointed as a Non-Executive Director of BiON plc on 30 April 2020.
- viii) En. Mohd Habizan Habeeb Rahman was appointed as an Executive Director in BiON plc on 30 April

2020 and subsequently he has resigned on 15 March 2022.

- ix) En. Mohd Sofiyuddin Ahmad Tabrani, was appointed as a Non-Executive Director in BiON plc, on 11 November 2020 and subsequently he has resigned on 15 March 2022.
- x) Mr. Saravanan Rasaratnam, appointed director in Makmur Hidro Sdn Bhd, no longer a related party by virtue of his resignation as the Executive Director in BiON plc on 31 January 2020.

## 28. WARRANT INSTRUMENTS

	Average exercise price per warrants	Number of warrants
At 1 January	0.092p	7,232,013
Granted during the period	-	-
Exercised during the period	-	-
Forfeited during the period	-	-
As at 30 June	0.092p	7,232,013

On 6 May 2016, the Company granted 1,383,333 warrants to S.P. Angel Corporate Finance LLP, the Company's previous nominated adviser, at the exercise price of 9 pence each, which were exercisable immediately upon grant, with an expiring date of 5 May 2021.

On 19 June and 28 June 2017, the Company issued 5,848,680 warrants, at the exercise price of an average closing bid price at three trading days prior to the day of notice to exercise, to subscribers to a private placing arranged by Charles Street Securities Europe LLP ("CSS"), and to CSS as part of the fee arrangements for arranging the placement. Of the total warrants issued, 2,777,778 were issued to CSS as fees payable in connection with that placement. The warrants issued to subscribers are outside the scope of IFRS 2. In accordance with IFRS 2 the fair value of the warrants issued as fees for the placement services provided has been estimated as RM220,000. This has been recognised within the stated capital component of equity as the costs were directly incurred in raising the related equity funds.

There was no movement during the period ended 30 June 2021.

## 29. SUBSEQUENT EVENTS

Management is not aware of any significant events that occurred subsequent to the consolidated balance sheet date but prior to the filing of this report that would have a material impact on the consolidated financial statements except as follows:

### **FIRE INCIDENT AT MALPOM**

On 22 July 2021, a serious fire occurred at the neighbouring palm oil mill that supplies the POME feedstock to Malpom, such that the mill was forced to shut down. The Group's plant was undamaged, but it was also forced to shut down as it is not receiving feedstock from the mill. The Group expects the mill and the Group's Malpom plant to resume operations in Q2 2022. This event suggests that an impairment of the Group's PPE may be required. Such impairment is not appropriate to post as an adjusting event in the year to 31 December 2020 but will be considered in the period in which the incident took place. At this stage, it is not possible to accurately quantify the level of impairment that might be required, which is dependent on the timing of returning the palm oil mill back to full production.

### **GROUP RESTRUCTURING**

On 31 March 2022, the Board of Directors of BiON plc agreed to enter into a conditional Sale and Purchase Agreement ("SPA") with a third-party purchaser, Minnos Venture Inc ("MVI"), to acquire all the shares of BiON Ventures Sdn Bhd ("BVSB") for a purchase consideration of £1 (one Pound Sterling) or RM5.50. Pursuant to the SPA, MVI agreed to acquire BVSB and consequently all its controlled subsidiaries and, as a result, to assume all of BVSB's assets and liabilities.

In accordance with AIM Rule 15, the disposal of BVSB constitutes a fundamental change of business of BiON plc. The shareholders approved the sale of BVSB on 19 April 2022, and the disposal was completed, following which, BiON plc has ceased to own, control or conduct all or substantially all, of its pre-existing trading business, activities or assets. Thus, BiON plc has become an AIM Rule 15 cash shell company.