ANNUAL REPORT
FOR THE SIXTEEN MONTH PERIOD ENDED
30 April 2022

(*Expressed in Ringgit Malaysia*)

BiON plc

www.bionplc.com

12 Castle Street, St. Helier
Jersey JE2 3RT, Channel Islands

Contents

Directors, Secretary and Advisers

DIRECTORS:
Aditya Chathli: Interim Non-Executive Chairman
Datuk Syed Nazim Syed Faisal: Non-Executive Director
Malcolm Groat: Non-Executive Director

REGISTERED OFFICE:
12 Castle Street, St. Helier, Jersey JE2 3RT, Channel Islands

COMPANY SECRETARY:
Apex Financial Services (Jersey) Limited
12 Castle Street, St. Helier, Jersey JE2 3RT, Channel Islands

NOMINATED ADVISER:
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Building 3, 566 Chiswick High Road, London W4 5YA, United Kingdom

BROKER:
Optiva Securities Limited
49 Berkeley Square, London W1J 5AZ, United Kingdom

AUDITORS:
Pointon Young
33 Ludgate Hill, Birmingham, B3 1EH, United Kingdom

REGISTRAR:
Link Group
Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom

FINANCIAL PR ADVISER:
Gracechurch Group
48 Gracechurch Street, London EC3V 0EJ, United Kingdom

Financial Summary*

- Revenue was RM1.6m (2020: RM103.7m)
- Gross loss was RM6.2m (2020: profit of RM6.3m)
- Operating loss was RM81.9m (2020: RM119.5m)
- Loss before tax was RM86.0m (2020: RM120.3m)
- Cash and cash equivalents as at 30 April 2022 were RM6k (31 December 2020: RM2.3m)
- On 19 April 2022, the operating sub-Group, BiON Ventures Sdn Bhd and its subsidiaries, were sold for a nominal sum, being £1 and accordingly the results in the consolidated statement of profit and loss and other comprehensive income are from discontinued activities
- On 20 April 2022, the Company completed a placing organised by its broker, Optiva Securities, raising £1m (RM5.5m) before expenses. As at 30 April 2022, the placing proceeds were held by the Company's custodian and accordingly are presented within trade and other receivables

* Due to the Company changing its financial year end, the 2022 results cover 16 months ended 30 April 2022 while the 2020 results cover 12 months ended 31 December 2020.

Chairman's Statement

The period under review, as with that preceding, was challenging for BiON. The COVID-19 pandemic persisted, and the corresponding preventative measures in Malaysia were in place, longer than anticipated. This severely impeded the Group's short and medium-term activity levels. In particular, the restriction of movement in Malaysia significantly impacted its ability to continue with its operations and complete projects. As a result, the prospects for a sustained recovery in activity were limited.

With regards to the Group's operations, the four existing biogas power plants were producing only 1MW out of the 7MW capacity to the electricity grid and the new 3MW plant in Indonesia remained under construction. Global macroeconomic conditions caused by the prolonged pandemic restricted the Group's access to financial support. To upgrade and repair the existing plants would have required approximately RM12m and completion of the Indonesian plant another RM10m. BiON was unable to attract this level of investment.

The Group's indebtedness of some RM80m had hitherto been guaranteed by the major shareholder, Serba Dinamik. However, they were no longer in a position to do so. The general financial difficulties had not only impacted on BiON's ability to conduct its own business but also affected its customers. In particular, the historic debtors remained unpaid as did a majority of the debtors for the more recent contract work the Group had undertaken, in aggregate approximately RM84.8m.

BiON had engaged with various parties with a view to injecting new resources into the existing business. However, this was not achieved. 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 Board concluded that the best that could be achieved would be to sell its operating business, BiON Ventures Sdn Bhd, which occurred on 19 April 2022.

In accordance with AIM Rule 15, the disposal constituted a fundamental change of business of the Group. BiON plc ceased to own, control or conduct all or substantially all, of its existing trading business, activities or assets. Accordingly, the results in the consolidated statement of profit or loss and other comprehensive income are from discontinued operations and continue to be presented in Ringgit Malaysia ("RM") as trading for the period was predominantly in RM. The functional currency of BiON will be considered in the next reporting period.

BiON plc therefore become an AIM Rule 15 cash shell and, as such, 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 or be re-admitted to trading on AIM as an investing company under the AIM Rules.

In conjunction with the disposal and BiON becoming an AIM Rule 15 cash shell, the Company's broker, Optiva Securities, raised £1m (RM5.5m) before expenses for the Company through a placing of 333,333,333 ordinary shares at a placing price of 0.3 pence per ordinary share. As at 30 April 2022, the placing proceeds were held on behalf of the Company by a custodian and as such are shown within trade and other receivables rather than cash and cash equivalents.

With effect from 7.30am on 1 July 2022, trading in the Company's ordinary shares was suspended due to the Company being unable to complete and publish the annual report within its financial reporting deadline of 30 June 2022. To reflect BiON becoming a Rule 15 cash shell, the Company extended its accounting reference date from 31 December 2021 to 30 April 2022 and on publication of this annual report, it is anticipated that trading in the Company's ordinary shares will resume as from 7.30am on 12 October 2022.

Although the Company has been actively seeking a suitable reverse candidate and assessing various business opportunities, it is highly unlikely it will be able to complete a reverse takeover within the six-month period from becoming an AIM Rule 15 cash shell. As a result, trading on AIM in the Company's ordinary shares is expected to be suspended at 7.30am on 20 October 2022. From the suspension date, BiON will have six months to complete an acquisition, or acquisitions, which constitutes a reverse takeover under AIM Rule 14 otherwise admission to trading on AIM will be cancelled.

The Directors believe there is an opportunity to generate value, predominantly through capital appreciation, by providing a route to market for a new business, which the Board hopes will be to the advantage and benefit of the existing shareholder base.

I would like to take this opportunity to thank our shareholders for their patience and hope to report progress in due course.

Aditya Chathli
Interim Non-Executive Chairman
11 October 2022

Strategic Report

OVERVIEW

The Group faced a difficult year in 2021 as the disruption to business caused by restrictions on the movement of people and supplies due to the COVID-19 pandemic continued. In particular, in Malaysia the restrictions were far more severe than those experienced in the UK, for example. These challenges were compounded by the Group's worsening financial position, without access to external funding, and operating issues such as a severe fire at the palm oil mill adjoining the Group's Malpom power plant. Accordingly, the Group was unable to progress its biogas powerplants as planned or conduct the required upgrade work. In addition, due to the difficulties experienced in collecting revenues from the Engineering, Procurement, Construction and Commissioning ("EPCC") projects that it provided in the prior year, which impeded its ability to pay its suppliers thereby impacting its debtor position, management decided to pause its pursuit of further EPCC contracts.

As a result of 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 the Interims to be published, the Company's ordinary shares were suspended from trading on AIM on 1 October 2021.

The Group's indebtedness had hitherto been guaranteed by the major shareholder, Serba Dinamik. However, they were no longer in a position to do so, which required the Company to find a solution to enable the long-term refinancing of the Group's debt.

Throughout the period from suspension, the Company engaged with various parties with a view to injecting new resources into the existing business and was close to securing an outcome in January 2022. However, 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, it would be in the best interests of shareholders to sell the Company's operating business (BiON Ventures Sdn Bhd ("BVSB"), which holds all of the Group's trading subsidiaries) for a nominal sum but without any future recourse or liability to BiON plc. On this basis, the Company's broker advised that it would be able to facilitate the conditional raising of finance to cover the BiON plc creditors and provide future working capital whilst the Company seeks a new business that is capable of sustaining the ongoing listing. The sale of the existing business rather than placing it into an insolvency process, was to better preserve the position of the other stakeholders in the business for whom the Board bear responsibility.

In accordance with AIM Rule 15, the disposal of BVSB constituted a fundamental change of business of the Company and therefore required the passing of an ordinary resolution at a general meeting of shareholders. Accordingly, as announced on 31 March 2022, the Board sought approval of shareholders at a general meeting (the "General Meeting") on 19 April 2022. Approval for the disposal was granted at the General Meeting and the disposal of BVSB was completed on 19 April 2022 following which, the Company ceased to own, control or conduct all or substantially all, of its existing trading business, activities or assets. The Company therefore became an AIM Rule 15 cash shell as described below.

In conjunction with the disposal and BiON becoming an AIM Rule 15 cash shell, the Company's broker, Optiva Securities, raised £1m (RM5.5m) before expenses for the Company through a placing of 333,333,333 ordinary shares at a placing price of 0.3 pence per ordinary share. As at 30 April 2022, the placing proceeds were held on behalf of the Company by a custodian and as such are shown within trade and other receivables rather than cash and cash equivalents.

Following the completion of the disposal, the Company was able to finalise and publish the accounts to 31 December 2020 and the interims to 30 June 2021 and trading in its ordinary shares on AIM was restored on 20 April 2022. However, as the Company was unable to publish its accounts for the year ended 31 December 2021 by the regulatory deadline of 30 June 2022, the Company's ordinary shares were suspended from trading on AIM on 1 July 2022. The Board also decided to change the Company's accounting reference date from 31 December to 30 April to reflect BiON becoming a new entity. As a result, this annual report and accounts covers the sixteen-month period to 30 April 2022.

OUTLOOK AND AIM RULE 15

On 19 April 2022, the Company disposed of its operating business (BVSB) and became 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 (including seeking re-admission as an investing company (as defined under the AIM Rules)) 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 £6 million), failing which the Company's ordinary shares would then be suspended from trading on AIM pursuant to AIM Rule 40. As noted above, although the Company has been actively seeking a suitable reverse candidate and assessing various business opportunities, it is highly unlikely it will be able to complete a reverse takeover within the six-month period from becoming an AIM Rule 15 cash shell. As a result, trading on AIM in the Company's ordinary shares is expected to be suspended at 7.30am on 20 October 2022. From the suspension date, BiON will have six months to complete an acquisition, or acquisitions, which constitutes a reverse takeover under AIM Rule 14 otherwise admission to trading on AIM will be cancelled.

OPERATIONAL REVIEW

EPCC – *discontinued activity following BVSB disposal*

The Group did not undertake any EPCC work during the sixteen months to 30 April 2022. The Group experienced difficulties in collecting revenue for the EPCC projects that it provided in 2022, 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.

Power Sales – *discontinued activity following BVSB disposal*

Biogas Power Plants

As a result of the Malaysian government's stringent COVID-19 restrictions combined with political changes in Malaysia that impeded the activities of the regulatory bodies while adjusting to a new regime, progress was delayed across the Group's biogas power plants. The visits from testers and regulators that are required to enable commencement of power sales were cancelled or postponed while some equipment parts and specialist engineers faced delays in arriving from outside Malaysia. These problems were compounded by the Group's financial constraints, which prevented investment in requisite upgrading works.

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

- Seberang Perak (2MW) received its Initial Operation Date ("IOD") date in January 2021, which enabled it to commence exporting power to Tenaga National Berhad ("TNB") electricity grid at a reduced Feed-in-Tariff ("FiT") rate. Seberang Perak was awarded the Commercial Operation Date ("COD") in May 2021, enabling it to export electricity to TNB at the full FiT rate, and received the letter of approval from Sustainable Energy Development Authority ("SEDA") in September 2021, 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 was 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) power sales were temporarily ceased early in the year due to engine downtime and scheduled maintenance while upgrading works continued. From July 2021, the plant was 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 the IOD, which was subject to a visit to the site from TNB and, accordingly, was impacted by the government restrictions on travel. This was also further delayed by a shutdown at the neighbouring mill for maintenance work from December 2021 to mid-January 2022.
- 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 BVSB was awaiting a subsequent visit to complete the re-IOD process as at period end.

In addition, 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

Revenue for the sixteen months ended 30 April 2022 was RM1.6m (2020: RM103.7m), which was generated by the sale of electricity from the Group's biogas power plant portfolio.

Gross profit

The gross loss for sixteen months ended 30 April 2022 was RM6.2m, (2020: gross profit of RM6.3m).

Operating loss

There was an operating loss for the sixteen months ended 30 April 2022 of RM81.9m (2020: RM119.5m loss). The loss before tax was RM86.0m (2020: RM120.3m loss).

Earnings/(loss) per share

On a consolidated level, the Group's basic loss per share for the sixteen months ended 30 April 2022 was RM0.20 (2020: RM0.29 loss per share) based on the weighted number of ordinary shares.

Receivables

Trade and other receivables amounted to RM5.5m as of 30 April 2022 (31 December 2020: RM17.2m) and principally comprised the placing funds.

Cash flow and financing

Cash and cash equivalents at 30 April 2022 were RM6k (31 December 2020: RM2.3m). This follows the Company raising, during the period, £1m (approx. RM5.5m) before expenses through a placing of new ordinary shares. As at 30 April 2022, these funds were held on behalf of BiON by a custodian and as such are shown within trade and other receivables rather than cash and cash equivalents.

KEY PERFORMANCE INDICATORS

Following the disposal of its operating business (BVSB), the Company no longer manages its operational performance using Key Performance Indicators ("KPIs"). As a result, performance against KPIs is not presented within these financial statements. The Company's immediate future performance criteria relate to a successful future acquisition/reverse takeover.

Aditya Chathli
Interim Non-Executive Chairman
11 October 2022

Directors' Biographies

ADITYA CHATHLI
Interim Non-Executive Chairman

Aditya Chathli was appointed as a Non-Executive Director of the Group on 29 September 2017. He assumed the role of Interim Non-Executive Chairman following the Company becoming an AIM Rule 15 cash shell on 19 April 2022.

He is an experienced capital markets expert with an approximately 27-year track record of advising global companies, organisations and government agencies. Currently, Mr. Chathli is a Director of Gracechurch Group, an independent communications consultancy that he founded, and a Director of a capital markets advisory consultancy, Access Capital Markets. He is also Chairman of Lokcom Networks Ltd, an IOT technology start-up company.

Over the past 20+ years he has advised public companies listed on the London Stock Exchange's Main market and AIM, as well as companies listed on NASDAQ and other international bourses. During this period, his extensive experience included advising on international M&A deals, IPOs, MBOs, crisis communications as well as financial PR, starting in 1998 at Brunswick Group, a global partnership advising on business-critical issues to companies in 14 countries.

DATUK SYED NAZIM TUAN SYED FAISAL
Non-Executive Director

Datuk Syed Nazim Tuan Syed Faisal was appointed to the Board on 25 September 2018 to serve as Executive Director of the Group. During the year under review and up until the Company becoming an AIM Rule 15 cash shell, he served as the Chief Executive Officer. Upon the Company becoming an AIM Rule 15 cash shell, Datuk Syed Nazim became a Non-Executive Director of BiON plc.

He is a highly experienced financial and strategic business planning professional with over 15 years in the accounting and banking sectors. He holds a Degree in Accounting, a Masters in Islamic Finance Practice and Certificate in Islamic Banking & Finance Law and is a member of the Malaysian Institute of Accountants member since 2007.

Currently, Datuk Syed Nazim is the Non-Independent Executive Director of Serba Dinamik Holdings Berhad - a Malaysian-based investment holding company that manages the Serba Dinamik Group of international energy services companies including Serba Dinamik International Limited (SDIL).

Prior to joining Serba Dinamik, he held positions at Ibdar Bank in the Kingdom of Bahrain, RHB Islamic Bank in Malaysia and KPMG Malaysia. Datuk Syed Nazim is also a Director or Partner of the following companies or partnerships: NAK Ventures Sdn Bhd, BIRR Capital Limited and PT Amorsk, Indonesia.

MALCOLM GROAT
Non-Executive Director

Mr. Malcolm Groat 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.

Directors' Report

The Directors submit their report together with the audited consolidated financial statements for the sixteen months ended 30 April 2022.

The Company's registered office address is 12 Castle Street, St Helier, Jersey JE2 3RT, Channel Islands.

PRINCIPAL ACTIVITIES

For the majority of the period under review, the Company was principally an investment holding company, whilst its subsidiaries (together referred to as the "Group") are engaged in research and development, provision of professional engineering consultancy and process design services in the areas of industrial biotechnology, pollution control and renewable energy; engineering, procurement and construction of wastewater treatment plants/systems; and the development, commercialisation, operation and maintenance of renewable energy power plants.

At the end of the period, following the disposal of the Group's operating entity, 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.

FINANCIAL RESULTS

The financial results of the Group are set out in the Consolidated Statement of Comprehensive Income together with the accompanying notes to these statements.

The Group recognised an operating loss for the sixteen months ended 30 April 2022 of RM81.9m.

DIVIDENDS

No dividend has been paid or declared since the date of incorporation of the Company and the Directors do not recommend the payment of dividends for the financial period ended 30 April 2022.

BUSINESS AND STRATEGIC REVIEW

The review of the Group's business operations, including key performance indicators, principal risks and uncertainties, research and development and future developments, are set out in the Strategic Report on pages 7 to 10 together with this Directors' Report.

DIRECTORS

The Directors who served for the sixteen months ended 30 April 2022 and up to the date of the signing of these accounts (unless otherwise stated) are as follows:

- Aditya Chathli, Interim Non-Executive Chairman*
- Datuk Syed Nazim Syed Faisal, Non-Executive Director**
- Malcolm Groat, Non-Executive Director (*appointed 19 April 2022*)
- Dato' Dr. IR. Ts. Mohd Abdul Karim Abdullah, Non-Executive Director (*resigned effective 19 April 2022)*
- Habizan Rahman Habeeb Rahman, Executive Director (*resigned effective 15 March 2022)*
- Mohd Sofiyuddin Ahmad Tabrani, Non-Executive Director (*resigned effective 15 March 2022)*
- Datuk Dr. Haji Radzali Hassan, Non-Executive Director (*resigned effective 16 March 2021*)

* Aditya Chathli was a Non-Executive Director during the period under review and up to the resignation of Dato Karim on 19 April 2022, following which he assumed the role of Interim Non-Executive Chairman

** Datuk Syed Nazim served as an Executive Director during the year under review and up to the Company becoming an AIM Rule 15 cash shell on 19 April 2022, following which he became a Non-Executive Director

At each Annual General Meeting ("AGM") of the Company, as reflected in its Articles of Association, one third of the Directors who are subject to retirement by rotation shall retire from office and such Directors may stand for re-election subject to any rules of law to the contrary.

DIRECTORS' INTERESTS

The interests of the Directors and their immediate families, both beneficial and non-beneficial, in the ordinary shares of the Company as at 30 April 2022 and 31 December 2020 and at the signing of this report as disclosed below. There are no requirements for Directors to hold shares in the Company.

	Number of Ordinary Shares		
	As at 30 April 2022	**As at the signing of this report**	**As at 31 December 2020**
Datuk Syed Nazim Syed Faisal	86,343,953	86,343,953	86,343,953
Aditya Chathli	-	-	-
Malcolm Groat	-	-	N/A[1]
Dato' Dr. IR. Ts. Mohd Abdul Karim Abdullah[2]	N/A[1]	N/A[1]	86,403,581
Habizan Rahman Habeeb Rahman[3]	N/A[1]	N/A[1]	114,361,409
Mohd Sofiyuddin Ahmad Tabrani	N/A[1]	N/A[1]	-
Datuk Dr. Haji Radzali Hassan	N/A[1]	N/A[1]	-

[1] Not a Director of the Company at this date.
[2] Dato' Karim had no direct interest in the Company's securities, however he was the Managing Director, CEO and a 21 per cent shareholder in Serba Dinamik Holdings Berhad which, via two wholly-owned subsidiaries, was interested in a total of 86,403,581 ordinary shares in the Company.
[3] Mr. Habizan Rahman had no direct interest in the Company's securities as at 31 December 2020. However, he was a Director of K2M Ventures Sdn Bhd and had agreed to purchase the shares of K2MV, completion of which was subject to certain conditions being finalised and occurred in 2021, through which he had an interest in 114,361,409 ordinary shares in the Company.

DIRECTORS' REMUNERATION

The Directors' remuneration is set out in the Remuneration Report. In addition, the Directors' and Officers' insurance policy cover has been put in place to indemnify the Directors and Officers against any legal action by third parties.

SUBSTANTIAL SHAREHOLDERS

To the best of the Company's knowledge, as at the signing of this annual report, individual registered shareholdings of more than 3% of the Company's issued capital were as follows:

Name of Shareholder	Number of Shares	Percentage of Issued Ordinary Share Capital
K2M Ventures Sdn Bhd	114,361,409	14.9
Datuk Syed Nazim Syed Faisal	86,343,953	11.3
Serba Dinamik International Ltd	51,806,000	6.8
Serba Dinamik Group Berhad	34,537,581	4.5

RESEARCH AND DEVELOPMENT

The Group's policy was to invest in research and development ("R&D") within the waste-to-energy sector and to expense R&D costs through the Consolidated Statement of Comprehensive Income. During the sixteen months ended 30 April 2022, there were no R&D costs incurred.

Following the disposal of the Group's operating entity, the Company is no longer conducting R&D activity.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the Company and the execution of the Company's strategies are subject to certain risks; however, as a result of the disposal of BVSB the Company's current operations are such that most risks are negligible. The key business risks are shown below.

Strategic risk

The key risk facing the Company is that the Board does not identify a suitable acquisition target and/or complete a reverse takeover within six months from the date of the completion of the Company's disposal of BVSB. The Directors, with support from experienced professional advisers, are committed to devoting sufficient time to ensure that a successful reverse takeover is completed within the required timeframe.

Liquidity risk

The Company is currently being maintained as an AIM Cash Shell under AIM Rule 15 and, accordingly, is not generating revenue. During the period in which the Board will seek to complete a reverse takeover, it will keep costs to a minimum in order to preserve cash and monitor expenditure against a detailed cashflow forecast.

GOING CONCERN

At the reporting date, the Company held cash and cash equivalents of RM6k (2020: RM2.3m), had current liabilities of RM3.1m (2020: RM112.8m) and was in a net asset position of RM1.6m (2020: net liability RM61.7m). Shortly prior to the reporting date, on 19 April 2022, the Company disposed of its operating entity, BiON Ventures Sdn Bhd, and became an AIM Rule 15 cash shell company for the purpose of acquiring a business that is seeking an AIM quoted platform via a reverse takeover. Subsequent to the reporting date, the Company received, from its custodian, the proceeds of the £1m (RM5.5m) fundraising (before costs) that it had completed on 20 April 2022 via the placing of new ordinary shares. Following the settlement of outstanding creditors, as at 4 October 2022, the Company held cash and cash equivalents of RM2.61m. Having disposed of its operating business, the Company has minimal ongoing costs, which reflect the costs of administrating its listing on the London Stock Exchange's AIM market.

Based on the current cash availability and predicted expenditure levels, the Directors believe the Company's resources are sufficient to allow the Company to meet its obligations as they fall due for the foreseeable future, and as a minimum for a period of at least 12 months from the date of approval of these financial statements. Consequently, the Directors will continue to prepare the financial statements on a going concern basis.

ANNUAL GENERAL MEETING

The notice for convening the Annual General Meeting ("AGM") of the Company will be disseminated in due course together with the proposed resolutions and contained in the Notice of AGM.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare Group financial statements for each financial period/year.

Under Company Law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period.

In preparing the Group financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with International Financial Reporting Standards (IFRSs) adopted by the European Union (EU) and the provision with the Companies (Jersey) Law 1991; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website Publication

The Directors are responsible for ensuring that the Directors' report and other information included in the Annual Report and the financial statements are made in accordance with applicable law. The maintenance and integrity of the BiON plc website is the responsibility of the Directors; work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITOR AND DISCLOSURE OF INFORMATION TO AUDITOR

The Directors who held office on the date of approval of this Directors' Report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware. The Directors have confirmed that they have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This report was approved by the Board and signed on its behalf.

By order of the Board of Directors.

Aditya Chathli
Interim Non-Executive Chairman
11 October 2022

Corporate Governance Report

The Directors of BiON plc have chosen to adopt the Quoted Companies Alliance Corporate Governance Code (the "QCA Code"), in line with the requirement for all AIM-listed companies to adopt and comply with a recognised corporate governance code, as the basis of the Company's governance framework.

The Board believes that good corporate governance reduces risks within the business, promotes confidence and trust amongst its stakeholders. The Board considers that the Company complies with the QCA Code so far as is practicable having regard to the size, nature and current stage of the Company's development: the business is an AIM Rule 15 cash shell and it will therefore not comply with all the rules of the QCA code as indicated below due to its status, for example the Company does not have employees and therefore cannot communicate with them. If an acquisition is completed, the Board expects to put processes in place to comply with all the QCA code requirements relevant to the business size and complexity.

The QCA Code includes 10 broad principles that the Company strives to ensure that it has the appropriate corporate governance arrangements implemented with the aim of delivering growth to its shareholders in the medium and long-term.

COMPANY'S APPLICATION OF THE QCA CODE

The Company's application of the 10 principles of the QCA Code are set below:

Principle 1:
Establish a strategy and business model which promote long-term value for shareholders

- 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.
- The Company's business model and strategy is set out in this document in the Strategic Report on pages 7 to 10 and also includes details of the key risks and challenges facing the Company.

Principle 2:
Seek to understand and meet shareholder needs and expectations

- Feedback from investors is obtained through direct interaction with the Board at shareholder meetings and via the Company's professional advisers.
- The Board members make themselves available to meet with shareholders and potential investors as and when required.

Principle 3:
Take into account wider stakeholder and social responsibilities and their implications for long-term success

- Due to the size of the Company, it does not currently have a policy for interaction with its wider stakeholder base. Nor does it have a social responsibility policy. These will both be reviewed on the successful completion of an acquisition.

Principle 4:
Embed effective risk management, considering both opportunities and threats, throughout the organisation

- The Company is an AIM Rule 15 cash shell and its risk management controls are focused on cost, cash and regulatory matters. The relevant risk management controls will be re-established once an acquisition has been executed. These controls will reflect the risks, internally and externally, that the acquisition faces and how to mitigate and control these risks to ensure the delivery of the acquisition's strategy.

Principle 5:
Maintain the board as a well-functioning, balanced team led by the chair

- The composition, roles and responsibilities of the Board and its Committees are set out on pages 18 to 20. The number of meetings of the Board and Directors' attendance is also detailed.
- At the signing of this report, the Board comprised three Non-Executive Directors being Aditya Chathli, Datuk Syed Nazim Syed Faisal and Malcolm Groat. The Board believes this structure is appropriate for the time being given the current status of the Company. Part of the role of the Board is to ensure that the composition of the Board is kept under review as the Company's business evolves.

Principle 6:
Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

- The composition of the Board and the credentials of the individual directors are outlined on page 11.
- The Board has significant and an appropriate level of experience, skill and capabilities given the nature and size of Company, but the Board does intend to appoint further independent Non-executive Directors in the future following a successful acquisition.
- The Board's skill set are appropriate to the Company as it seeks to make an acquisition. These skills cover mergers and acquisitions, investment management, finance and operational experience. All of which will be required in finding and structuring an acquisition. Given the Directors' other business interests, these skills are continually kept up to date.

Principle 7:
Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

- Due to the Company being an AIM Rule 15 cash shell, the succession plan of the Board and the evaluation of Board effectiveness has not occurred. This will be reviewed following the successful completion of an acquisition.

Principle 8:
Promote a corporate culture that is based on ethical values and behaviours

- The Board recognises its responsibility for establishing high ethical standards of behaviour and corporate governance and the Company has policies in place that are appropriate for its current situation. On acquiring a business, the Board will review the polices, including, but not limited to: health and safety; anti-bribery; environmental protection; equal opportunities; equality and diversity; training and development; whistleblowing and modern slavery, to support its approach of conducting business in an open and transparent manner that is in line with the core values. The Board will monitor these polices by formal reporting to it by the CEO/COO and CFO when they are appointed.

Principle 9:
Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

- The Corporate Governance Statement on pages 16 to 17 details the corporate governance structures and processes for the Company.

Principle 10:
Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

- The Board recognises the importance of effective communication with its shareholders. A range of corporate information is available on the Company's website, and this statement and the information within the Company's Annual Report and Accounts provide details to stakeholders on how the Company is governed.
- Company performance is communicated to its shareholders and the market in its results announcements, with further trading updates made where required and appropriate.

BOARD OF DIRECTORS AND BOARD COMMITTEES

The Board is responsible for formulating, reviewing and approving the Group's strategy, budgets and corporate actions. The Board is also responsible for ensuring a healthy corporate culture. Following the disposal of its operating business and becoming an AIM Rule 15 cash shell, the Company's employees consist of the Directors of the Board. The Board's priority is the acquisition of a business, via a reverse takeover, that can create value for shareholders.

As at the signing of these accounts, the Board consisted of three Non-Executive Directors: Aditya Chathli, Datuk Syed Nazim Syed Faisal and Malcolm Groat.

The Directors who served for the sixteen months ended 30 April 2022 and up to the signing of these accounts (unless otherwise stated) are as follows:

- Aditya Chathli, Interim Non-Executive Chairman*
- Datuk Syed Nazim Syed Faisal, Non-Executive Director**
- Malcolm Groat, Non-Executive Director (*appointed 19 April 2022*)
- Dato' Dr. IR. Ts. Mohd Abdul Karim Abdullah, Non-Executive Director (*resigned effective 19 April 2022)*
- Habizan Rahman Habeeb Rahman, Executive Director (*resigned effective 15 March 2022)*
- Mohd Sofiyuddin Ahmad Tabrani, Non-Executive Director (*resigned effective 15 March 2022)*
- Datuk Dr. Haji Radzali Hassan, Non-Executive Director (*resigned effective 16 March 2021*)

* Aditya Chathli was a Non-Executive Director during the period under review and up to the resignation of Dato Karim on 19 April 2022, following which he assumed the role of Interim Non-Executive Chairman
** Datuk Syed Nazim served as an Executive Director during the period under review and up to the Company becoming an AIM Rule 15 cash shell on 19 April 2022, following which he became a Non-Executive Director

The Board met on six occasions during the sixteen months to 30 April 2022.

The table below sets out the Board meetings as well as the Audit Committee meetings respectively held by the Company for the financial period ended 30 April 2022 and attendance of each Director:

	Board Meetings	**Audit Committee Meetings**
Datuk Syed Nazim Syed Faisal[1]	6/6	1/4
Habizan Rahman Habeeb Rahman[2]	5/6	-
Dato' Dr. IR. Ts. Mohd Abdul Karim Abdullah[3]	6/6	0/4
Aditya Chathli	6/6	4/4
Mohd Sofiyuddin Ahmad Tabrani[4]	6/6	4/4
Datuk Dr. Haji Radzali Hassan[5]	0/6	0/4
Malcolm Groat[6]	0/6	0/4

[1] Served as an Executive Director until 19 April 2022 when he became a Non-Executive Director
[2] Served as an Executive Director until he resigned from the Board effective 15 March 2022
[3] Stepped down from the Audit Committee on 26 March 2021 and resigned from the Board effective 19 April 2022
[4] Resigned from the Board effective 15 March 2022
[5] Resigned from the Board effective 16 March 2021
[6] Appointed to the Board effective 19 April 2022

The Board has established five Committees with clearly defined terms of reference and detailed below are the members of the Committees and their duties and responsibilities.

Audit Committee

The Audit Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on. It receives and reviews reports from the Group's management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group.

As at the signing of this report, the Audit Committee comprises Aditya Chathli (Chair), Datuk Syed Nazim and Malcom Groat. For the sixteen months ended 30 April 2022, the members of the Audit Committee were Aditya Chathli (chair), Mohd Sofiyuddin Ahmad Tabrani (until his resignation on 15 March 2022) and Dato' Karim (until he stepped down from the committee on 26 March 2021). Malcolm Groat joined the committee on his appointment the Board on 19 April 2022.

For the period under review, four Audit Committee meetings were held and all directors who were members of the committee at the time of the meetings were in attendance. During the period, the Audit Committee reviewed and approved the interim and full year results and annual accounts and approved the change in the Company's accounting reference date. A copy of the Audit Committee's report is included herein on pages 22 to 23.

Remuneration Committee

The Remuneration Committee reviews the performance of the Executive Directors and makes recommendations to the Board on matters relating to their remuneration packages and terms of employment.

No Director may be involved in any discussions as to his own remuneration.

As at the signing of this report, the Remuneration Committee comprises Aditya Chathli (Chair), Datuk Syed Nazim and Malcom Groat. For the sixteen months ended 30 April 2022, the members of the Remuneration Committee were Aditya Chathli (Chair), Mohd Sofiyuddin Ahmad Tabrani (until his resignation on 15 March 2022) and Dato' Karim (until he stepped down from the committee on 26 March 2021). Malcolm Groat joined the committee on his appointment the Board on 19 April 2022.

For the period under review, one Remuneration Committee meeting was held and all members of the committee were in attendance. A copy of the Remuneration Committee's report is included herein on pages 24 to 26.

AIM Compliance Committee

The role of the AIM Compliance Committee is to ensure that procedures, resources and controls are in place to ensure AIM Rules compliance by the Group is operating effectively at all times and that the Directors are communicating as necessary with the Company's Nominated Adviser regarding ongoing compliance with the AIM Rules for Companies, in particular Rules 11, 17, 18 and 19, including without limitation in relation to all announcements and notifications and proposed or potential transactions.

The AIM Compliance Committee works closely with management to ensure that the Group's Nominated Adviser is provided with any information it reasonably requests or requires in order for it to carry out its responsibilities under the AIM Rules for Companies and the AIM Rules for Nominated Advisers.

The AIM Compliance Committee currently comprises Aditya Chathli (Chair), Datuk Syed Nazim and Malcom Groat. For the sixteen months ended 30 April 2022, the members of the AIM Compliance Committee were Aditya Chathli (chair), Mohd Sofiyuddin Ahmad Tabrani (until his resignation on 15 March 2022) and Dato' Karim (until he stepped down from the committee on 26 March 2021). Malcolm Groat joined the committee on his appointment the Board on 19 April 2022.

For the year under review, one AIM Compliance Committee meeting was held and all members of the committee were in attendance.

During the period, the Company breached the AIM reporting requirements by being unable to publish its audited report and accounts for the year ended 31 December 2020 by 30 September 2021, and, as a corollary, its interim results for the six months ended 30 June 2021 by 31 October 2021, in accordance with Rule 19 of the AIM Rules for Companies. As described in the Strategic Report above, this was primarily due to financial constraints resulting from the impact of COVID-19 as well as Serba Dinamik no longer being in a position to be a guarantor of the Group's indebtedness. Subsequent to this, the AIM Compliance Committee invested significant time to work closely with management and the Group's professional advisers to find a solution to enable the publication of the Group's outstanding accounts and the re-admission to trading of the Company's shares on AIM. However, post period, as a further result of the above, the Group was unable to publish its audited report and accounts for the year ended 31 December 2021 by the regulatory deadline of 30 June 2022 and, accordingly, the Company's ordinary shares were suspended from trading on AIM from 1 July 2022.

Nomination Committee

The Nomination Committee is responsible for identifying and nominating Directors and recommending Directors to be appointed to each Committee of the Board and the Chair of each such Committee. The Committee also arranges for evaluation of the Directors.

As at the signing of this report, the Nomination Committee comprises Aditya Chathli (Chair), Datuk Syed Nazim and Malcom Groat. For the six months ended 30 April 2022, the members of the Nomination Committee were Dato' Karim (who chaired the committee until he stepped down from the committee on 15 March 2021), Mohd Sofiyuddin Ahmad Tabrani (who assumed the role of chair follow Dato' Karim stepping down until his resignation on 15 March 2022) and Aditya Chathli. Malcolm Groat joined the committee on his appointment the Board on 19 April 2022.

There was one Nomination Committee meeting held in the period under review, which was to review and approve the appointment of Malcolm Groat as a Director of the Company.

Investment Committee

The Investment Committee is responsible for reviewing strategies and capital allocation for material investment activities. The Investment Committee also assesses all risks associated with investments in order to make recommendations to the Board.

As at the signing of this report, the membership of the Investment Committee is Aditya Chathli (Chair), Datuk Syed Nazim Syed Faisal and Malcolm Groat. For the sixteen months ended 30 April 2022, the members of the Investment Committee were Mohd Sofiyuddin Ahmad Tabrani (co-chair until his resignation on 15 March 2022), Aditya Chathli (co-chair), Datuk Syed Nazim Syed Faisal and Habizan Rahman Habib Rahman (until his resignation on 15 March 2022). Malcolm Groat joined the committee on his appointment the Board on 19 April 2022.

The current focus of the Investment Committee, and the Board of Directors a whole, given the Company's position as an AIM Rule 15 cash shell, is the identification of an acquisition target that is 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.

INVESTOR RELATIONS

The Board recognises the importance of effective communication with the Company's shareholders to ensure that its strategy and performance is understood and that it remains accountable to shareholders. Due to the COVID-19 pandemic, the Company was unable to meet physically with shareholders of the Group during the period under review. However, the Directors make themselves available to meet with shareholders by phone or video conference as required. The annual report and accounts, interim results and all other announcements are published on the Company's website.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for the Group's internal control systems and for reviewing the effectiveness of the systems. The systems can only provide reasonable but not absolute assurance against material misstatements or losses as the systems are put in place to manage and minimise the risks but not to eliminate them.

The Group's internal financial control procedures and monitoring systems include the following:

- Financial policies and approval procedures with proper authorisation level and segregation of duties for financial management;
- maintenance policies and approval procedures with proper authorisation level and segregation of duties for financial management;
- an annual budgetary process to set the appropriate target for monitoring the progress of the Company;
- a detailed monthly financial reporting system that reports on operating results, cash flows, assets and liabilities with comparisons against budgets;
- reporting on any non-compliance with internal financial controls and procedures; and
- review of the audit findings report issued by the external auditor.

The Audit Committee on behalf of the Board reviews reports from the external auditor together with Management's response regarding proposed actions. The Company is bound by the Corruption (Jersey) Law 2006 (as amended), in respect of its conduct in Jersey and elsewhere, and the Company will observe the provisions of the UK Bribery Act 2010 and other laws relating to anti-corruption in other jurisdictions in which it operates.

The Board has adopted an anti-bribery and corruption policy to implement the Company's commitment to carrying on its business fairly, openly and honestly and to prevent bribery and corruption by persons associated with the Company.

Audit Committee Report

Dear Shareholders,

On behalf of the Board, I present the Audit Committee (the "Committee") report for the sixteen-month period ended 30 April 2022.

PRINCIPAL RESPONSIBILITIES OF THE COMMITTEE

- Ensuring the financial performance of the Group is properly reviewed, measured and reported;
- monitoring the quality and adequacy of internal controls and internal control systems implemented across the Group;
- receive and review reports from the Group's management and auditors relating to the interim and annual accounts;
- reviewing risk management policies and systems;
- advising on the appointment, re-appointment and remuneration of independent external auditors, besides scheduling meetings with external auditors independent of management for discussions and reviews; and
- reviewing and monitoring the extent and independence of non-audit services rendered by external auditors.

MEMBERS OF THE COMMITTEE

For the sixteen months ended 30 April 2022, the members of the Audit Committee were Aditya Chathli (Chair), Mohd Sofiyuddin Ahmad Tabrani (until his resignation on 15 March 2022) and Dato' Karim (until he stepped down from the committee on 26 March 2021). Malcolm Groat joined the committee on his appointment the Board on 19 April 2022. As at the signing of this report, the Audit Committee comprises Aditya Chathli (Chair), Datuk Syed Nazim and Malcom Groat.

For the period under review, four Audit Committee meetings were held and all directors who were members of the committee at the time of the meetings were in attendance. During the period, the Audit Committee reviewed and approved the interim and full year results and annual accounts, and approved the change of the Company's accounting reference date to 30 April, following the Company becoming an AIM Rule 15 cash shell on 19 April 2022, to reflect the Company becoming a new entity.

AUDIT PROCESS & UNDERTAKINGS FOR 2022

The audit process commences with the auditors preparing an audit plan which contains information pertaining to the due audit process, timetables, targeted areas and general scope of work. A pre-audit meeting is then scheduled with the Audit Committee for discussions and endorsement of the audit plan and to consider any pertinent matters or areas for special inclusion.

Following the audit, an Audit Findings Report is prepared by the auditors and furnished to the Audit Committee followed by a second meeting with the Audit Committee to review and discuss its contents. The Audit Committee will furnish a report to the Board together with its recommendations.

As discussed in the Strategic Report, given the various operational and financial difficulties faced during the COVID-19 pandemic, the Company was unable to publish audited financial statements for the year ended 31 December 2021 by the regulatory deadline. Accordingly, the Company's ordinary shares were suspended from trading on AIM from 1 July 2022. The Audit Committee is committed to ensuring that, going forward, the Company meets the regulatory deadlines for the publication of its financial reports and accounts.

INTERNAL AUDIT

At present, the Company does not have an internal audit function and the Committee believes that, given the Company's current status of an AIM Rule 15 cash shell, they can derive assurances as to the adequacy and effectiveness of internal controls and risk management procedures.

EXTERNAL AUDIT AND AUDIT INDEPENDENCE

The Committee is responsible for assessing the effectiveness of the external audit process, for monitoring the independence and objectivity of the external auditor and for making recommendations to the Board in relation to the appointment of the external auditor.

Pointon Young was appointed as the Company's external auditor in July 2022. The Committee has considered Pointon Young's effectiveness, independence, objectivity and scepticism from appointment through to the signing of these accounts, through its own observations and interactions with the external auditor. The Committee meet the external auditor to discuss, amongst other things, materiality, audit strategy and audit findings. The Committee is satisfied with Pointon Young's independence, suitability and performance.

RISK MANAGEMENT AND INTERNAL CONTROLS

As disclosed on pages 20 to 21 in the Corporate Governance Report, the Group has established a framework of risk management and internal control systems, policies and procedures. The Audit Committee is responsible for reviewing the risk management and internal control framework and ensuring its effectiveness.

As further noted, the Board has adopted an anti-bribery and corruption policy in its commitment to carrying on its business fairly, openly and honestly and to prevent bribery and corruption by persons associated with the Group and these policies are continuously reviewed by the Audit Committee.

During the reporting period, the Committee reviewed and recommended measures to further strengthen these policies and procedures. In particular, the Committee instigated an expansion of the financial reporting team within the Group's management to increase the frequency and detail of the provision of management accounts to the Committee. Members of the Committee consulted management on a regular basis regarding the information provided. The Committee also obtained assurances from the CEO that the Group's system of risk management and internal control was operating adequately and effectively throughout the financial year under review. Accordingly, the Committee is satisfied that the framework was operating effectively during the financial year under review.

Aditya Chathli
Audit Committee Chair
11 October 2022

Remuneration Committee Report

REMUNERATION COMMITTEE

For the sixteen months ended 30 April 2022, the members of the Remuneration Committee were Aditya Chathli (Chair), Mohd Sofiyuddin Ahmad Tabrani (until his resignation on 15 March 2022) and Dato' Karim (until he stepped down from the committee on 26 March 2021). Malcolm Groat joined the committee on his appointment the Board on 19 April 2022. As at the signing of this report, the Remuneration Committee comprises Aditya Chathli (Chair), Datuk Syed Nazim and Malcom Groat.

The terms of reference of the Committee are reviewed periodically by the Board. The Remuneration Committee is responsible for determining the Group's policy on the remuneration of Senior Executives and specific remuneration packages for Executive Directors, including pension rights and compensation payments.

For the period under review, one Remuneration Committee meeting was held, and all members of the committee were in attendance.

REMUNERATION POLICY

At present, having become an AIM Rule 15 cash shell, the Company's directors are all Non-executive Directors. While the Company's Remuneration Policy for Executive Directors – which was in place during the year under review – is outlined below, the Remuneration Committee believes that it should retain the flexibility to adjust the Remuneration Policy in accordance with the changing needs of the business. Any changes in the policy in subsequent years will be detailed in future reports on remuneration.

The objective of the Remuneration Policy is to attract, retain and motivate high calibre executives to deliver outstanding shareholder returns and at the same time maintain an appropriate compensation balance with the other employees of the Group.

The normal remuneration arrangements for Executive Directors consists of base salary, performance bonuses and other benefits as determined by the Board. During the year under review, each of the Executive Directors had a service agreement that could be terminated at any time by either party giving to the other six months' written notice. Compensation for loss of office is restricted to base salary and benefits only.

The remuneration packages for Executive Directors are detailed below:

- **Base Salary**:
  Annual review of the base salaries of the Executive Directors are concluded after taking into account the Executive Directors' role, responsibilities and contribution to the Group performance.
- **Performance Bonus:**
  Bonus arrangements are discretionary and are payable depending on the performance of the Executive Directors in meeting their key performance indicators and in the wider context with the performance of the Group. As an AIM Rule 15 cash shell, the Company will not be awarding any payment bonuses until after the successful of a reverse takeover – at which point, the Board will establish a Remuneration Policy that is best suited to the business, with an appropriate balance between fixed and variable pay and the introduction of share incentive schemes to better align the interests of directors with those of shareholders.
- **Benefits:**
  Benefits include payments for provident funds that are mandatory and statutory pension payments as required by laws of the resident countries of the Executive Directors, health insurance and other benefits.

Non-Executive Directors are remunerated solely in the form of Director Fees, as determined by the Board, and are not entitled to pensions, annual bonuses or employee benefits. The appointments of the Non-executive Directors are to continue unless terminated by either party giving to the other six months' written notice.

The Committee believes that, during the period under review, the mix of fixed and variable pay for Executive Directors was appropriate based on the Group's risk profile, strategy and stage of development. As a relatively early-stage business that was seeking to expand into new activities, the Remuneration Policy provided sufficient flexibility to ensure that Executive Director pay could be determined alongside the Group performance as a whole as well as taking forecasts into consideration while still incentivising the director. In addition, shareholder value is delivered as bonus was linked to individual KPIs, which includes the Company's performance on AIM.

Following the Company becoming an AIM Rule 15 cash shell, only Non-executive Director fees will be paid, which is minimising cash utilisation while the Board seeks a reverse takeover target to reduce the liquidity risk and to ultimate deliver maximum shareholder value.

DIRECTORS' REMUNERATION

The tables below set out the respective Directors' remuneration:

	Salary/Fees 2022*	Benefits 2022*	Bonus 2022*	Total Remuneration 2022*
Datuk Syed Nazim Syed Faisal[1]	RM969k	RM87k	-	RM1,056k
Habizan Rahman Habeeb Rahman[2]	RM68k	-	-	RM68k
Dato' Dr. IR. Ts. Mohd Abdul Karim Abdullah[3]	RM68k	-	-	RM68k
Aditya Chathli[4]	RM92k	-	-	RM92k
Mohd Sofiyuddin Ahmad Tabrani[5]	RM68k	-	-	RM68k
Datuk Dr. Haji Radzali Hassan[6]	RM16k	-	-	RM16k
Malcolm Groat[7]	RM6k	-	-	RM5k

* For the sixteen-month period to 30 April 2022
[1] Served as an Executive Director until 19 April 2022 when he became a Non-Executive Director
[2] Executive Director; resigned from the Board effective 15 March 2022
[3] Non-Executive Director; resigned from the Board effective 19 April 2022
[4] Non-Executive Director
[5] Non-Executive Director; resigned from the Board effective 15 March 2022
[6] Non-Executive Director; resigned from the Board effective 16 March 2021
[7] Non-Executive Director; appointed to the Board effective 19 April 2022

	Salary/Fees 2020*	Benefits 2020*	Bonus 2020*	Total Remuneration 2020*
Executive Directors				
Datuk Syed Nazim Syed Faisal	RM425k	RM44k	-	RM469k
Habizan Rahman Habeeb Rahman[1]	RM43k	-	-	RM43k
Saravanan Rasaratnam[2]	-	-	-	-
Navindran Balakrishnan[2]	-	-	-	-
Non-Executive Directors				
Datuk Dr. Haji Radzali Hassan	RM65k	-	-	RM65k
Aditya Chathli	RM65k	-	-	RM65k
Dato' Dr. IR. Ts. Mohd Abdul Karim Abdullah[1]	RM43k	-	-	RM43k
Mohd Sofiyuddin Ahmad Tabrani[3]	RM8k	-	-	RM8k

* For the twelve-month period to 31 December 2020
[1] Appointment effective 30 April 2020
[2] Resigned effective 31 January 2020
[3] Appointment effective 13 November 2020

The Company does not have, and has not had in the past, a long-term incentive programme. As noted above, Executive Directors' remuneration consists of salary, performance bonus and benefits and Non-executive Directors' remuneration consists of director fees only.

For the majority of the period under review, Directors' remuneration and related cost were paid via its Group's subsidiary, BiON Ventures Sdn Bhd, and Directors fees' were paid via BiON plc. Following the Company's disposal of BVSB on 19 April 2022, Directors' remuneration is paid wholly through BiON plc.

Aditya Chathli
Remuneration Committee Chair
11 October 2022

Independent Auditor’s Report

Disclaimer of opinion

We were engaged by BiON Plc (“the Company”) to audit the financial statements of BiON Plc and its subsidiary undertakings (together “the Group”) for the sixteen-month period ended 30 April 2022, which comprise:

- the Consolidated Statement of Financial Position;
- the Consolidated Statement of Profit or Loss and Other Comprehensive Income;
- the Consolidated Statement of Changes in Equity;
- the Consolidated Statement of Cash Flows; and
- the notes to the Consolidated Financial Statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted International Financial Reporting Standards (IFRSs).

We do not express an opinion on the accompanying financial statements of the Group. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

During the audit process we became aware that the directors were unable to provide sufficient appropriate audit evidence for the full sixteen-month period for which we were engaged to audit. Following the disposal of BiON Ventures Sdn Bhd (and its trading subsidiaries) on 19 April 2022, the directors no longer have access to the systems containing the financial data and supporting information necessary for the audit to be carried out.

Consequently, we were unable to determine whether any adjustments might have been found necessary in the elements making up the consolidated financial statements (consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements), which we were engaged to audit.

In addition, we are unable to rely on the work of the previous auditors for the opening balances in the consolidated financial statements as a disclaimer of opinion was given in the audit report for the financial statements for the year ended 31 December 2020. The prior year disclaimer related in particular to property, plant and equipment, trade receivables, related party balances, revenue recognition on contracts, potential unrecorded liabilities, contingent liabilities, capital commitments and going concern.

An overview of the scope of our audit

Our audit scope included obtaining an understanding of the Group and its environment, including the Group’s system of internal control, and assessing the risks of material misstatement at the Group level.

The Group included, until 19 April 2022, BiON Plc and it’s trading subsidiaries, as detailed in Note 1. BiON Ventures Sdn Bhd and BiON Sdn Bhd were considered to be material and significant and hence were subject to a full scope audit by us. Our Energy Group (M) Sdn Bhd and BiON Suria SB were not considered to be significant or material subsidiaries to the Group and as such were not subject to audit. The Company was not audited as a standalone entity as an audit of the Company is not required under Jersey Law, however, we performed a level of review on the Company, equivalent to that of an audit, to obtain sufficient audit evidence over the inputs into the consolidation and disclosures.

Our application of materiality

The scope and focus of our audit were influenced by our risk assessment and application of materiality. We define materiality as the magnitude of misstatement that could reasonably be expected to influence the readers and the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Materiality for the financial statements as a whole was set at RM75,000, determined by reference to 1.5% of the Group's draft consolidated gross assets. The principal focus of stakeholders is considered to be profit but as both operating and net profit or loss are impacted by exceptional items within administrative expenditure, we do not consider these to be an appropriate benchmark for calculating materiality. Accordingly, we have based materiality on gross assets, which has not been impacted by exceptional items, and is considered a more representative measure of the Group's underlying performance following the disposal of the trading entities. Our planning materiality equates to 1.4% of final gross assets which remains within the appropriate benchmark range and we therefore maintained our planning materiality throughout the audit testing and completion.

We have reported to the audit committee any corrected or uncorrected misstatements arising exceeding RM4,000. Performance materiality was set at RM56,000, being 75% of materiality.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We are unable to report in this regard based on our disclaimer of opinion detailed above.

Matters on which the auditor is required to report by exception

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the strategic report of the directors' report.

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 15, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the Group's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the valuation of property, plant and equipment, revenue recognition and impairment of receivables. We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the AIM rules, Companies (Jersey) Law 1991 and tax regulations, Malaysian tax regulations, and General Data Protection Regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures planned to be performed by the engagement team included:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and the audit committee concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Article 110 Paragraph 2 of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Rakesh Chauhan FCCA (Senior Statutory Auditor)
for and on behalf of:
Pointon Young Chartered Accountants
Statutory Auditor
33 Ludgate Hill
Birmingham
B3 1EH

11 October 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30.04.2022 RM'000	31.12.2020 RM'000
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	**5**	-	722
Property, plant and equipment	**6**	-	88,713
Right-of-use assets	**12 (a)**	-	4,826
Total non-current assets		**-**	**94,261**
CURRENT ASSETS			
Trade and other receivables	**7**	**5,471**	17,148
Amount due from customer contracts	**8**	**-**	401
Amounts due from related parties	**9**	**-**	1,786
Cash and cash equivalents	**10**	**6**	2,287
Total current assets		**5,477**	**21,622**
Total assets		**5,477**	**115,883**
EQUITY			
Stated capital	**11**	**74,928**	69,458
Foreign translation reserve	**26**	**(234)**	(2,586)
Retained loss		**(73,116)**	(124,685)
Merger reserve	**26**	**-**	(4,028)
Total shareholders' equity		**1,578**	(61,841)
Non-controlling interests		**-**	148
Total equity		**1,578**	**(61,693)**
CURRENT LIABILITIES			
Trade and other payables	**13**	**3,116**	108,280
Lease liabilities	**12 (b)**	**-**	457
Short-term borrowings	**14**	**-**	2,590
Income tax liabilities	**22**	**-**	1,429
Total current liabilities		**3,116**	**112,756**
NON-CURRENT LIABILITY			
Government grants deferred income	**15**	**-**	83
Long-term borrowings	**14**	**-**	56,690
Lease liabilities	**12 (b)**	**-**	5,636
Amounts due to directors	**23**	**783**	2,329
Deferred taxation	**16**	**-**	82
Total non-current liabilities		**783**	**64,820**
Total liabilities		**3,899**	**177,576**
Total liabilities and equity		**5,477**	**115,883**

The notes to the financial statements form an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 11 October 2022 and were signed on its behalf by:

Aditya Chathli

Malcolm Groat

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	PERIOD ENDED 30.04.2022* RM'000	YEAR ENDED 31.12.2020 RM'000
Revenue	**17**	1,599	103,673
Cost of sales		(7,805)	(97,408)
Gross (loss)/profit		**(6,206)**	**6,265**
Other income	**18**	3,792	6,481
Less: operating expenses			
Administrative expenses		(81,928)	(132,199)
Operating loss		**(84,342)**	**(119,453)**
Finance income	**19**	2,226	1,982
Finance costs	**20**	(3,897)	(2,783)
Loss before taxation	**21**	**(86,013)**	**(120,254)**
Income tax expense	**22**	-	(1,311)
Loss for the year		**(86,013)**	**(121,565)**
Other comprehensive loss			
Exchange difference on translation of foreign operations		2,353	97
Total comprehensive loss		**(83,660)**	**(121,468)**
Loss for the year attributable to: -			
- Owners of the company		(86,010)	(121,550)
- Non-controlling interest		(3)	(15)
		(86,013)	(121,565)
Total comprehensive loss attributable to: -			
- Owners of the company		(83,657)	(121,453)
- Non-controlling interest		(3)	(15)
		(83,660)	(121,468)
Loss per share:			
Basic (RM)	**25**	**(0.20)**	**(0.29)**
Diluted (RM)	**25**	**(0.20)**	**(0.29)**

The notes to the financial statements form an integral part of these financial statements.

*All amounts are derived from discontinued operations.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital	Foreign translation reserve	Merger reserve	Retained profit	Attributable to owners of the Company	Non-controlling interest	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2020		**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
Total comprehensive loss		**-**	**97**	**-**	**(121,550)**	**(121,453)**	**(15)**	**(121,468)**
Transaction with owners								
Issuance of placing shares*		8,406	-	-	-	8,406	-	8,406
Capital contribution**		-	-	-	394	394	-	394
Balance at 31 December 2020		69,458	(2,586)	(4,028)	(124,685)	(61,841)	148	(61,693)
Balance as at 1 January 2021		**69,458**	**(2,586)**	**(4,028)**	**(124,685)**	**(61,841)**	**148**	**(61,693)**
Loss for the period		-	-	-	(86,010)	(86,010)	(3)	(86,013)
Effects of disposal of subsidiary		-	-	4,028	137,579	141,607	(145)	141,462
Translation of foreign operations		-	2,352	-	-	2,352	-	2,352
Total comprehensive loss		**69,458**	**2,352**	**-**	**51,569**	**57,949**	**-**	**57,801**
Transaction with owners								
Issuance of shares*	**11**	5,470	-	-	-	5,470	-	5,470
Balance at 30 April 2022		**74,928**	**(234)**	**-**	**(73,116)**	**1,578**	**-**	**1,578**

The notes to the financial statements form an integral part of these financial statements.

* The issue of shares is recognised net of fundraising cost totaling to RM Nil.

** The capital contribution is recognised for the waiver of interest on loan from related party whom being a significant shareholder in BiON plc.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	PERIOD ENDED 30.04.2022 RM'000	YEAR ENDED 31.12.2020 RM'000
CASH FLOW FROM OPERATING ACTIVITIES			
(Loss)/profit before taxation		(86,013)	(120,254)
Adjustments for:			
Amortisation of intangible assets		55	54
Depreciation of property, plant and equipment	**6**	4,017	2,105
Depreciation of right-of-use assets		597	611
Government grant income		(13)	(13)
Impairment loss/write back		37,416	117,292
Interest expenses: -			
- Lease liabilities interest	**20**	628	645
- Loan interest	**20**	3,269	2,132
Interest income	**19**	(2,226)	(1,982)
Gain on disposal of right-of-use assets		-	(53)
Property, plant and equipment written off		3,504	1,631
Intangibles write off		237	-
Trade & other receivables write off		5,000	-
Unrealised gain on foreign exchange		410	(276)
Waived of amount due to related parties		(1,028)	(3,758)
Cash flow from/ (used in) operating activities before working capital changes		**(37,012)**	**(1,866)**
Decrease/(increase) in trade and other receivables		(13,813)	(72,721)
Increase in trade and other payables		106,156	62,417
(Increase)/decrease in amount due from related parties		3,733	1,003
Cash flow from/ (used in) operating activities		**(59,064)**	**1,570**
Interest paid		(3,272)	(1,738)
Interest received		-	-
NET CASH FLOW FROM OPERATING ACTIVITIES		**55,792**	**(12,905)**
CASH FLOW FOR INVESTING ACTIVITIES			
Proceeds from disposal of right-of-use assets		-	130
Proceeds from issuance of share		5,470	-
Purchase of property, plant and equipment	**6**	(6,086)	(36,441)
Purchase of right-of-use assets		-	(89)
NET CASH FLOW USED IN INVESTING ACTIVITIES		**(616)**	**(36,400)**

CASH FLOW FOR FINANCING ACTIVITIES

Drawdown of term loans		-	59,280
Repayment of lease liabilities		(530)	(1,241)
Repayment/reassignment of term loans		(59,280)	(6,627)
NET CASH FLOW FROM FINANCING ACTIVITIES		**(59,810)**	**51,412**
Net increase/(decrease) in cash and cash equivalents		**(4,634)**	**2,108**
Effects of foreign exchange translation		**2,353**	**97**
Cash and cash equivalents at the beginning of the year		**2,287**	**83**
Cash and cash equivalents at the end of the year	**10**	**6**	**2,287**

The notes to the financial statements form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2022

1. GENERAL INFORMATION

BiON 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 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. For the majority of 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.

Since the Company disposed of the Group's operating entity, BiON Ventures Sdn Bhd (which held the Group's trading subsidiaries) on 19 April 2022, the Company became 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") up until the date of disposal as mentioned above, including:

Name	Place of incorporation	Registered address	Principal activity	Effective interest	
				30.04.2022	**31.12.2020**
BiON Ventures Sdn Bhd (fka Green & Smart Ventures Sdn Bhd)*	Malaysia	Note 1	Holding company	-	100%
BiON Sdn Bhd (fka Green & Smart Sdn Bhd)	Malaysia	Note 1	IPP & EPCC contractor	-	100%
BiON Suria Sdn Bhd	Malaysia	Note 1	IPP & EPCC contractor	-	100%
Our Energy Group (M) Sdn Bhd	Malaysia	Note 2	IPP	-	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.

*Disposed of on 19 April 2022 by BiON plc and ceased to own, control or conduct all or substantially all, of its existing trading business, activities or assets. Therefore, all subsidiaries are no longer owned or controlled by the Company after this date, and the period end balance sheet as at 30 April 2022 is for BiON plc only.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with UK adopted International Accounting Standards, including related interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

As permitted by Companies (Jersey) Law 1991 only the consolidated financial statements are presented.

The financial statements are presented in Ringgit Malaysia ("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 ringgits ("RM'000") except where otherwise indicated.

GOING CONCERN

At the reporting date, the Company held cash and cash equivalents of RM6k (2020: RM2.3m), had current liabilities of RM3.1m (2020: RM112.8m) and was in a net asset position of RM1.6m (2020: net liability RM61.7m). Shortly prior to the reporting date, on 19 April 2022, the Company disposed of its operating entity, BiON Ventures Sdn Bhd, and became an AIM Rule 15 cash shell company for the purpose of acquiring a business that is seeking an AIM quoted platform via a reverse takeover. Subsequent to the reporting date, the Company received, from its custodian, the proceeds of the £1m (RM5.5m) fundraising (before costs) that it had completed on 20 April 2022 via the placing of new ordinary shares. Following the settlement of outstanding creditors, as at 4 October 2022, the Company held cash and cash equivalents of RM2.61m. Having disposed of its operating business, the Company has minimal ongoing costs, which reflect the costs of administrating its listing on the London Stock Exchange's AIM market.

Based on the current cash availability and predicted expenditure levels, the Directors believe the Company's resources are sufficient to allow the Company to meet its obligations as they fall due for the foreseeable future, and as a minimum for a period of at least 12 months from the date of approval of these financial statements. Consequently, the Directors will continue to prepare the financial statements on a going concern basis.

Details of the Disposal

The Company disposed of its main operational subsidiary, BVSB, which includes its trading group. 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. BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial information of the Company and its subsidiaries made up to the end of the reporting period. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The consolidated financial statements present the results of the Company and its subsidiaries and joint arrangements as if they formed a single entity. Inter-company transactions and balances between Group companies are therefore eliminated in full. The financial information of subsidiaries is included in the Group's financial statements from the date that control commences until the date that control ceases.

On 6 May 2016, the Company entered into agreements with all of the shareholders of BiON Ventures Sdn Bhd ("Green & Smart Ventures Sdn Bhd") for a share for share exchange regarding the ordinary shares in BiON plc and ordinary shares in BiON Ventures. As a result of this transaction, the ultimate shareholders in the Company received shares in BiON plc in direct proportion to their original shareholdings in BiON Ventures.

The acquisition of BiON Ventures by the Company was that of a re-organisation of entities which were under common control. As such, that combination also falls outside the scope of IFRS 3 'Business Combinations' (Revised 2008). The Directors have, therefore, decided that it is appropriate to reflect the combination using the merger basis of accounting in order to give a true and fair view. No fair value adjustments were made as a result of that combination.

BiON Ventures Sdn Bhd was disposed of on 19 April 2022 by BiON plc meaning the Company ceased to own, control or conduct all or substantially all, of its existing trading business, activities or assets. Therefore, all subsidiaries are no longer owned or controlled by the Company after this date, and the period end balance sheet as at 30 April 2022 is for BiON plc only.

CHANGES IN ACCOUNTING POLICIES

Standards and interpretations adopted during the year

There are several standards, amendments to standards, and interpretations which have been issued by IASB that became effective during the accounting period. The most significant of these are as follows:

- Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) (effective for periods commencing on or after 1 January 2022);
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) (effective for periods commencing on or after 1 January 2022);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments IFRS 1, IFRS 9, IFRS 16 and IAS 41) (effective for periods commencing on or after 1 January 2022); and
- References to Conceptual Framework (Amendments to IFRS 3) (effective for periods commencing on or after 1 January 2022).

The standards have no material impact to the Group's financial statements.

Standards, amendments, and interpretations that are not yet effective:

In January 2020, the IASB issued amendments to IAS 1, which clarify the criteria used to determine whether liabilities are classified as current or non-current. These amendments clarify that current or non-current classification is based on whether an entity has a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. The amendments also clarify that 'settlement' includes the transfer of cash, goods, services, or equity instruments unless the obligation to transfer equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument. The amendments were originally effective for annual reporting periods beginning on or after 1 January 2022. However, in May 2020, the effective date was deferred to annual reporting periods beginning on or after 1 January 2023.

The Company is currently assessing the impact of these new amendments.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group financial statements in conformity with Financial Report Standard requires the use of judgements, estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure made at the date of the financial statements including the amounts of revenue and expenses during the financial year. Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on directors and management's best knowledge of current events and actions, actual result may differ from those estimates.

The estimates and judgements that affect the application of the Group accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, revenue and expenses are discussed below:

a) Impairment of assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

b) Impairment of trade and other receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loans and receivable financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

c) Construction contracts

As described in note 4.14, the Group's accounting approach where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses in the year in which they are incurred.

The carrying amounts of the Group's construction contracts due from/(to) customers at the end of the reporting year are disclosed in note 8 including any allowance for impairment if there is a material uncertainty to fully recover costs of each contract.

d) Going Concern

The financial statements are prepared on a basis other than the going concern basis. As stated in note 2, at the reporting date, the Company held cash and cash equivalents of RM6k (2020: RM2.3m), had current liabilities of RM3.1m (2020: RM112.8m) and was in a net asset position of RM1.6m (2020: net liability RM61.7m). Shortly prior to the reporting date, on 19 April 2022, the Company disposed of its operating entity, BiON Ventures Sdn Bhd, and became an AIM Rule 15 cash shell company for the purpose of acquiring a business that is seeking an AIM quoted platform via a reverse takeover. Subsequent to the reporting date, the Company received, from its custodian, the proceeds of the £1m (RM5.5m) fundraising (before costs) that it had completed on 20 April 2022 via the placing of new ordinary shares. Following the settlement of outstanding creditors, as at 4 October 2022, the Company held cash and cash equivalents of RM2.61m. Having disposed of its operating business, the Company has minimal ongoing costs, which reflect the costs of administrating its listing on the London Stock Exchange's AIM market.

Based on the current cash availability and predicted expenditure levels, the Directors believe the Company's resources are sufficient to allow the Company to meet its obligations as they fall due for the foreseeable future, and as a minimum for a period of at least 12 months from the date of approval of these financial statements. Consequently, the Directors will continue to prepare the financial statements on a going concern basis.

e) Revenue Recognition

Revenue is recognised when the amount of revenue and cost incurred or to be incurred can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group at the point of transaction. Note 4.11 describes the Group's accounting approach when recognising revenue.

The Directors monitored the outstanding receivable balances arising from recognising the revenue. The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified (where applicable). Impairment is estimated by management based on prior experience or in light of new information and the current economic environment.

4.2 FUNCTIONAL AND FOREIGN CURRENCIES

a) Transactions and balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

b) Foreign operations

Assets and liabilities of foreign operations are translated to RM at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated at exchange rates approximating those ruling at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity under the foreign exchange translation reserve. On the disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to profit or loss.

4.3 FINANCIAL INSTRUMENTS

4.3.1 Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss ("FPVL"), held-to-maturity investments, loans and receivables financial assets, or available-for sale financial assets, as appropriate. The Group currently holds financial assets as:

Loans and receivables

These assets are non-derivative financial assets that have fixed or determinable payments that are not quoted in an active market. They arise through the provision of services to customers (trade receivables). They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost using the effective interest method less provision for impairment. The effect of discounting on these financial instruments is not considered to be material.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all the amounts due under the term's receivable. The amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the income statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

4.3.2 Financial Liabilities

All financial liabilities are initially measured at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

4.3.3 Equity Instruments

Instruments classified as equity are measured at cost and are not remeasured subsequently.

Ordinary shares

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

4.3.4 Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4.4 PROPERTY, PLANT AND EQUIPMENT

a) Owned Assets

Items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the location and condition for its intended use.

b) Assets under construction

Assets under construction are items of property, plant and equipment that are yet to be completed or ready for use. These are held at historical cost less any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is not provided until such a time that the asset is capable of operating in the manner intended by management. Upon completion of the asset, the assets will be carried at fair value determined annually by the directors.

c) Depreciation

Depreciation is charged to profit or loss (unless it is included in the carrying amount of another asset) on the straight-line basis to write off the depreciable amount of the assets net of the estimated residual values over their estimated useful lives. Assets under construction are depreciated from the date they are ready for use. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are: -

	Estimated Useful Lives
Office equipment	5 -10 years
Furniture and fittings	5 -10 years
Renovation	5 -10 years
Industrial building	20 years

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment.

d) Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from de-recognition of the asset is recognised in profit or loss.

4.5 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses (Note 5). The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with a finite life are amortised on straight-line basis over the estimated economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end.

The amortisation expense on intangible assets with finite useful lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

a) Trademark

Trademarks are stated at cost less accumulated amortisation and any impairment losses (Note 5). Trademarks are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired either individually or at cash generating unit level. Trademarks are amortised over a period of ten (10) years.

4.6 IMPAIRMENT

a) Impairment of Financial Assets

The recognition of an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit and loss ("FVPL"). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Group considers a financial asset in default when contractual payments are past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

b) Impairment of Non-Financial Assets

The carrying values of assets, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised in profit or loss immediately.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined net of amortisation and depreciation, had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

4.7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less.

4.8 LEASES

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in note 4.6 (b).

b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

4.9 TAXES

Income tax for the period comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the reporting period and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period/year and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year/period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting year/period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

4.10 EMPLOYEE BENEFITS

a) Short-term benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are measured on an undiscounted basis and are recognised in profit or loss and included in the development costs, where appropriate, in the period/year in which the associated services are rendered by employees of the Group.

b) Defined contribution plans

The Group's contribution to defined contribution plans are recognised in profit or loss in the period/year to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

4.11 REVENUE AND OTHER INCOME

Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer net of sales taxes and discounts. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(i) Revenue from construction contracts

The Group contracts with its customers for construction services. Revenue from construction contracts is recognised over time using the input method, which is based on the actual cost incurred to date on the construction project as compared to the total budgeted cost for the respective construction project.

(ii) Government grants

Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis over the period necessary to match them with the related costs which they are intended to compensate for.

Grants that compensate the Group for the costs of assets are recognised in profit or loss on a systematic basis over the expected life of the related asset.

(iii) Revenue from Sale of Electricity

Revenue from the sale of electricity generated from the renewable energy plant is recognised as and when the electricity is delivered to the off-taker, based on the invoiced value of sale of electricity, computed at a predetermined rate. Accrued unbilled revenues are reversed in the following month when actual billing occurs.

4.12 BORROWING COSTS

Borrowing costs, directly attributable to the acquisition, construction or production of a qualifying asset, are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised in the profit or loss as expenses in the period in which they are incurred. No interest costs were capitalised during the period.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

4.13 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required, or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4.14 CONSTRUCTION CONTRACTS

(i) Contract revenue

Revenue from construction contracts is recognised as described in note 4.11 (i).

(ii) Amount due from / (to) customer for contract work

Amount due from / (to) customer for contract work is the net amount of cost incurred for construction and contract-in-progress plus profit attributable to contract-in-progress less foreseeable losses, if any, and progress billings. Contract cost incurred to date include costs directly related to the contract or attributable to contract activities in general and costs specifically chargeable to the customer under the terms of the contract.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

5. INTANGIBLE ASSETS

	Trademarks RM'000	Patents RM'000	Total RM'000
Cost			
At 31 December 2020	1,319	8	1,327
Write off	(237)	-	(237)
Disposal	(1,082)	(8)	(1,090)
At 30 April 2022	-	-	-

	Trademarks RM'000	Patents RM'000	Total RM'000
Accumulated amortisation			
At 31 December 2020	598	7	605
Charge for the year	54	-	54
Disposal	(652)	(7)	(659)
At 30 April 2022	-	-	-
Net book value			
At 30 April 2022	-	-	-
At 31 December 2020	721	1	722

(a) 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 were 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 two (2) to twelve (12) years.

(b) Impairment Test

Balance at period end is RMNil therefore no impairment test required. All benefits of and rights to the trademarks and patents held were relinquished by the Company upon disposal of the equity interest in BVSB on 19 April 2022.

6. PROPERTY, PLANT AND EQUIPMENT

	Furniture & Fittings RM'000	Office Equipment RM'000	Assets under Construction RM'000	Industrial Building RM'000	Total RM'000
Cost					
At 1 January 2021	205	280	53,417	41,310	95,212
Addition	-	21	3,119	2,946	6,086
Write off	-	-	(3,504)	-	(3,504)
Transfer	-	-	(36,528)	36,528	-
Disposal	(205)	(301)	(16,504)	(80,784)	(97,794)
At 30 April 2022	-	-	-	-	-
Accumulated depreciation					
At 1 January 2021	87	157	-	6,255	6,499
Depreciation for the year	20	32	-	3,966	4,018
Disposal	(107)	(189)	-	(10,221)	(10,517)
At 30 April 2022	-	-	-	-	-
Net carrying amount					
At 30 April 2022	-	-	-	-	-
At 31 December 2020	118	123	53,417	35,055	88,713

All benefits of and rights to property, plant and equipment were relinquished by the Company upon disposal of the equity interest in BVSB on 19 April 2022.

a) 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 financial year, but total interest capitalised to date included in the industrial building amounts to RM0.54m (2020: RM0.54m).

b) Industrial building with carrying amount of approximately RMNil (2020: RM35.06m) and Assets under construction with carrying amount of approximately RMNil (2020: RM53.42m) are pledged against the banking facility (Note 14).

c) Acquisition of property, plant and equipment:

	30.04.2022 RM'000	31.12.2020 RM'000
Purchase of property, plant and equipment	6,086	50,430
Finance by fixed loan	-	(32,000)
Cash paid to acquire property, plant and equipment	6,086	18,430

d) During the year the written off assets were:

	30.04.2022 RM'000	31.12.2020 RM'000
Office renovation	-	344
Assets under constructions	3,504	3,982
	3,504	4,326

Disposal of assets under constructions related to assets that were no longer in progress with no further construction.

7. TRADE AND OTHER RECEIVABLES

	30.04.2022 RM'000	31.12.2020 RM'000
Trade receivables	-	84,926
Less: allowance for impairment loss	-	(71,012)
	-	13,914
Other receivables & deposits	5,471	9,427
Less: allowance for impairment loss	-	(6,193)
	5,471	3,234
	5,471	17,148

Allowance for impairment losses		
Opening balance – Trade receivables	(71,012)	(1,435)
Allowance written back	71,012	1,435
Allowance for the year	-	(71,012)
	-	(71,012)
Opening balance – Other receivables	(6,193)	(1,371)
Allowance written back	6,193	-
Allowance for the year	-	(4,822)
	-	(6,193)
Closing balance	-	(77,205)

a) The Group's normal credit terms range from 90 to 120 days (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) Included in the Trade Receivables is an amount of RM Nil (2020: RM10.51m from CGE, which was fully repaid in April 2021).

d) The amounts in Trade Receivables are analysed as follows:

	30.04.2022 RM'000	31.12.2020 RM'000
Not past due	-	24
Past due by less than 3 months	-	69,402
Past due by less than 3 – 6 months	-	-
Past due by 6 months and above	-	15,500
	-	84,926

e) Other receivables and deposits relate primarily to balances, held at period end on behalf of BiON by a custodian, that were raised during the period from the placing of new ordinary shares.

8. DUE FROM CUSTOMERS FOR CONSTRUCTION CONTRACTS

	30.04.2022 RM'000	31.12.2020 RM'000
Aggregate cost incurred to date	-	143,816
Add: attributable profits	-	30,888
	-	174,704
Less: progress billings	-	(174,303)
	-	401
Represented by:		
Amounts due from customer contracts	-	401

9. AMOUNTS DUE FROM/(TO) RELATED PARTIES

Party	Relationship*	Trade Receivables RM'000	Other Receivables RM'000	Total RM'000
30.04.2022				
Megagreen Energy Sdn Bhd	Associate	-	-	-
Less: Allowance for impairment loss		-	-	-
		-	-	-
K2M Ventures Sdn Bhd	Ultimate holding co.	-	-	-
Less: Allowance for impairment loss		-	-	-
		-	-	-
		-	-	-

Party	Relationship*	Trade Receivables RM'000	Other Receivables RM'000	Total RM'000
31.12.2020				
Megagreen Energy Sdn Bhd	Associate	32,507	15,924	48,431
Less: Allowance for impairment loss		(32,507)	(14,147)	(46,654)
		-	1,777	1,777
K2M Ventures Sdn Bhd	Ultimate holding co.	-	10	10
Less: Allowance for impairment loss		-	(1)	(1)
		-	9	9
		-	1,786	1,786

* Relationship

Up until the date of disposal of 19 April 2022:

a) The Group via its subsidiary, BiON Sdn Bhd, held 15% shares in Megagreen Energy Sdn Bhd and Datuk Syed Nazim Syed Faisal 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. He resigned as a Director of BiON plc on 31 January 2020.

c) K2M Ventures Sdn Bhd, holds 32.52% of the share's capital in BiON plc.

	30.04.2022 RM'000	31.12.2020 RM'000
Allowance for impairment losses		
Opening balance	(46,654)	(3,762)
Allowance written back	46,654	-
Allowance for the year	-	(42,892)
Closing balance	-	(46,654)

Amounts due from related parties principally comprise trade debts due from Megagreen Energy Sdn Bhd ("MGE"). The amounts due are collectible in cash, have arisen in the ordinary course of the business of the Group and are subject to credit terms of 30 days. The amounts owing, before impairment, are analysed as follows:

	30.04.2022 RM'000	31.12.2020 RM'000
Not past due		-
Past due by less than 3 months	-	-
Past due by less than 3 – 6 months	-	-
Past due by 6 months and above	-	32,507
	-	32,507

Other than trade debts, the amount due from MGE also arose from non-trade activities. These amounts due are collectible in cash, have arisen in the ordinary course of the business of the Group and are subject to credit terms of 30 days. The amounts owing, before impairment, are analysed as follows:

	30.04.2022 RM'000	31.12.2020 RM'000
Not past due	-	-
Past due by less than 3 months	-	-
Past due by less than 3 – 6 months	-	-
Past due by 6 months and above	-	15,924
	-	15,924

During 2020, MGE has made repayment totaling to RM18.99m, partly by offsetting some of the balance against the acquisition of two (2) BPP's amounting to RM13.99m and the balance via cash.

The outstanding amount had been fully written-down as the Company did not expect any recovery of this debt.

10. CASH AND CASH EQUIVALENTS

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

	30.04.2022 RM'000	31.12.2020 RM'000
Cash and bank balances	6	2,287

During the period, the Company raised £1m (RM5.5m) before expenses through a placing of new ordinary shares. As at 30 April 2022, these funds were held on of behalf of BiON by a custodian and as such are shown within trade and other receivables.

11. STATED CAPITAL

	No. of shares	RM'000
Issued and Fully Paid-Up at no par value		
31 December 2020	431,719,765	69,458
Issuance of shares:		
On 25 April 2022	333,333,333	5,470
30 April 2022	765,053,098	74,928

On 19 April 2022, it was announced that conditional to the passing of the Resolution and Re-trading, the Group raised £1m through the placing of 333,333,333 placing shares at the placing price of 0.3 pence per placing share. Concurrent with the resumption of trading in the Group's ordinary shares, the placing completed and shares were admitted to trading on AIM on 20 April 2022.

12. 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

	Land RM'000	Motor Vehicles RM'000	Total RM'000
Cost			
At 1 January 2021	6,979	781	7,760
Additions	237	-	237
Disposal	(7,216)	(781)	(7,997)
At 30 April 2022	-	-	-
Accumulated depreciation			
At 1 January 2021	2,672	262	2,934
Depreciation	459	138	597
Disposal	(3,131)	(400)	(3,531)
At 30 April 2022	-	-	-

Net carrying amount at 30 April 2022	-	-	-
Net carrying amount at 31 December 2020	4,307	519	4,826

During the financial year, the Group made the following cash payments to purchase right-of-use assets:

	2022 RM'000	2020 RM'000
Purchase of right-of-use assets	237	551
Finance by lease liabilities	(237)	(462)
Cash payment on purchase of right-of-use assets	-	89

The net carrying amount of motor vehicles under hire purchase are RM Nil (2020: RM0.52m).

b) Lease liabilities

The carrying amount of lease liabilities is as follows: -

	2022 RM'000	2020 RM'000
Minimum hire purchase and lease liabilities		
– not later than 1 year	-	1,071
- later than one year and not later than five years	-	4,234
- Later than 5 years	-	5,248
	-	9,553
Less: Future interest charges	-	(3,460)
At 30 April/31 December	-	6,093
Repayable as follows:		
Current liabilities		
– not later than 1 year	-	457
Non-current liabilities		
- later than one year and not later than five years	-	2,318
- Later than 5 years	-	3,318
	-	5,636
	-	6,093
Summarised as follows:		
Motor vehicle under hire purchase	-	570
Land lease	-	5,523
	-	6,093

c) Amounts recognised in profit or loss

	2022 RM'000	2020 RM'000
Depreciation of right of use assets	597	611
Interest expenses on lease liabilities	628	645
Lease expenses not capitalised in lease liabilities:		
- Expenses related to low value assets	1	12
- Expenses related to short term lease	852	649
At period end / year end	2,078	1,917

d) Total cash outflow

The Group had a total cash outflows for leases of RM0.5m in the current financial year. (2020: RM1.24m).

13. TRADE AND OTHER PAYABLES

	30.04.2022 RM'000	31.12.2020 RM'000
Trade payables	-	89,043
Other payables and accruals	3,116	19,237
	3,116	108,280

The normal credit terms granted to the Group by the suppliers are 30 to 90 days (2020: 30 to 90 days) from invoice date. Other credit terms are assessed and varied on a case-by-case basis.

14. BORROWINGS

	30.04.2022 RM'000	31.12.2020 RM'000
Short-term borrowings		
Mezzanine loan (Note 14.1)	-	-
Term loans (Note 14.2)	-	-
Term loans (Note 14.3)	-	750
Term loans (Note 14.4)	-	1,840
	-	2,590
Long-term borrowings		
Term loan (Note 14.3)	-	48,530
Term loan (Note 14.4)	-	8,160
	-	56,690
Maturity of borrowings:		
Not later than 1 year	-	2,590
Later than 1 year but not later than 5 years	-	16,369
Later than 5 years	-	40,321
	-	59,280

14.1 Mezzanine loan

a) During 2020, the interest free loan of RM8.40m with Datuk Syed Nazim Syed Faisal was fully converted into ordinary shares.

b) During 2020, the 6-month loan of approximately RM0.51m with a UK-based lender at an interest rate of 1.5% per month was fully repaid.

14.2 Term loan

During 2020, term loan with Malaysian Debt Ventures (MDV) has been fully repaid. Inconsideration of the full settlement, MDV irrevocably and unconditionally releasees, reassigns and discharges the Charged Assets and all security created under the Debenture and all rights, interest, titles and benefits of MDV under the Debenture shall cease and terminate.

14.3 Term loan

On 24 February 2020, SME Bank Development Malaysia Bhd (SME) has approved bank borrowing (Islamic bank facilities) of RM55.3m for the Group via its subsidiary, BiON Sdn Bhd:

Bank Borrowing	RM '000	Purpose
Facility 1	32,000	To part finance the acquisition of 2 biogas power plant
Facility 2	6,200	To redeem existing facility from MDV
Facility 3	12,100	To part finance remaining project cost of biogas power plant
Revolving credit	5,000	For working capital requirement

During 2020, SME had successfully disbursed the following:

Bank Borrowing	RM'000
Facility 1	32,000
Facility 2	6,200
Facility 3 (part)	11,080
	49,280

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 as stated under industrial building and assets under construction;
(iv) Joint and severally guaranteed by the Directors/Shareholders of the Company;
(v) Corporate guarantee by the ultimate holding company.

The term loan is repayable over period of 15 years and bear interest rate of 1.5% above bankers base financing rate per annum.

14.4 Loan from related company

The loan from related company is unsecured, repayable over period of 5 years and bear an interest at rate of 5% per annum.

15. DEFERRED GRANT INCOME

The Group received a government grant in financial years 2007 and 2008 which was provided for the project "Greenpak", to develop a new individual septic tank using Upflow Anaerobic Sludge Blanket principle. The grant income is amortised on a systematic basis over the useful life of the related patent.

During the period ended 30 April 2022, an amortised amount of RM13,000 was recognised (2020: RM13,000) as other income in profit or loss.

16. DEFERRED TAXATION

	30.04.2022 RM'000	31.12.2020 RM'000
At beginning of the year	82	82
Amounts written off	(82)	-
At end of the period/year	-	82

17. REVENUE

	30.4.2022 RM'000	31.12.2020 RM'000
Contract revenue	-	103,649
Sale of electricity	1,599	24
	1,599	103,673

18. OTHER INCOME

	30.04.2022 RM'000	31.12.2020 RM'000
Deferred grant income	13	13
Insurance claim	-	452
Wage subsidy	71	140
Rental income	-	10
Gain on disposal of right-of-use assets	-	53
Impairment loss written back	2,663	1,435
Realised gain on foreign exchange	5	39
Unrealised gain on foreign exchange	-	580
Waiver of debts	1,029	6,759
Refund of penalty / costs	11	-
	3,792	6,481

19. 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 24 for detail).

20. FINANCE COSTS

	30.04.2022 RM'000	31.12.2020 RM'000
Bank charges	4	6
Bank interest	-	-
Mezzanine loan interest	-	55
Term loan interest	3,265	2,077
	3,269	2,132
Interest on lease liabilities	628	645
	3,897	2,783

21. LOSS BEFORE TAXATION

	30.04.2022 RM'000	31.12.2020 RM'000
Loss before taxation is arrived at after charging/(crediting): -		
Auditors' remuneration		
Fees payable to Company's auditor and its associates for the audit of the consolidated financial statements	115	262
Amortisation of intangible assets	54	54
Depreciation of property, plant and equipment	4,017	2,105
Depreciation of right-of-use assets	597	611
Gain on disposal of right-of-use assets	-	(53)
Government grant income	(13)	(13)
Impairment loss on receivables and related parties	37,416	118,727
Impairment loss on trade receivables written back	(2,864)	(1,435)
Rental of premises	680	224
Rental of equipment	173	12
Rental of motor vehicles	-	201
Unrealised gain on foreign exchange – net trade	410	(276)
Realised gain on foreign exchange	(5)	(39)
Employees provident fund expense	394	305

22. TAXATION

	30.04.2022 RM'000	31.12.2020 RM'000
Loss before taxation	(86,013)	(120,254)
Tax at the statutory tax rate of 24% (2020: 24%)	(20,643)	(28,861)

23. DIRECTORS' EMOLUMENTS

The amount of remuneration received by each director in the period was as follows:

	Remuneration RM'000	Fees RM'000	Approved contribution RM'000	Total RM'000
30.04.2022				
Datuk Syed Nazim bin Syed Faisal	901	68	86	1,055
Aditya Chathli	-	92	-	92
Dato' Dr. IR. Ts. Mohd Karim Abdullah	-	68	-	68
Habizan Rahman Habeeb Rahman	-	68	-	68
Mohd Sofiyuddin Ahmad Tabrani	-	68	-	68
Datuk Dr. Haji Radzali Hassan	-	16	-	16
Malcom Groat	-	6	-	6
	901	386	86	1,373

	Remuneration RM'000	Fees RM'000	Approved contribution RM'000	Total RM'000
31.12.2020				
Datuk Syed Nazim bin Syed Faisal	360	65	44	469
Datuk Dr. Haji Radzali Hassan	-	65	-	65
Aditya Chathli	-	65	-	65
Dato' Dr. IR. Ts. Mohd Karim Abdullah	-	43	-	43
Habizan Rahman Habeeb Rahman	-	43	-	43
Mohd Sofiyuddin Ahmad Tabrani	-	8	-	8
	360	289	44	693

24. RELATED PARTY TRANSACTIONS

a) Identities of Related Parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

Other than those disclosed elsewhere in the financial statements, the Group also carried out the following significant transactions with the related parties during the financial period: -

	30.04.2022 RM'000	31.12.2020 RM'000
i) Megagreen Energy Sdn. Bhd.		
- Contract revenue		-
- Interest income	1,985	1,982
- Allowance for impairment loss	-	46,654
- Amount due from (net of impairment)	-	1,777
ii) K2M Ventures Sdn Bhd		
- Other income (waive of debts)		-
- Allowance for impairment loss		1
- Amount due from (net of impairment)		9
iii) Serba Dinamik group of companies		
- Contract revenue	-	29,367
- Other income (waive of debts)	-	3,737
- Services rendered from	-	6,379
- Allowance for impairment loss	-	480
- Capital contribution (waive of interest on loan)	-	394
- Term loan payable	-	10,000
- Amount due to (net trade and non-trade)	-	9,332
- Allowance for impairment loss	-	1,607
iv) Datuk Syed Nazim Syed Faisal		
- Director advance	-	1,085

- Director fees due	225	148
- Director fees	68	65
v) Datuk Dr. Hj. Radzali Hassan		
- Director fees due	68	367
- Director fees	68	65
vi) Aditya Chathli		
- Director fees due	394	313
- Director fees	92	65
vii) Dato' Dr. IR. Ts. Mohd Abdul Karim Abdullah		
- Director fees due	-	44
- Director fees	68	43
viii) Habizan Rahman Habeeb Rahman		
- Director fees due	-	44
- Director fees	68	43
ix) Mohd Sofiyuddin Ahmad Tabrani		
- Director fees due	-	8
- Director fees	68	8
x) Malcom Groat		
- Director fees due	6	-
- Director fees	6	-

Related parties: -

i) The Group, via its subsidiary, BiON Sdn Bhd, held 15% of the share capital of Megagreen Energy Sdn Bhd.
ii) K2M Ventures Sdn Bhd ("K2M"), holds 14.9% shares in BiON plc.
iii) Serba Dinamik group of companies, one of the significant shareholders in BiON plc for the period end 30 April 2022 and year ended 31 December 2020.
iv) Datuk Syed Nazim Syed Faisal, being an Executive Director in BiON plc for the period end 30 April 2022 and year ended 31 December 2020.
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 31 December 2020 and became Interim Non-Executive Chairman 19 April 2022.
vii) Dato' Dr. IR. Ts. Mohd Karim Abdullah was appointed as a Non-Executive Director of BiON plc on 30 April 2020 and resigned 19 April 2022.
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.
xi) Mr. Saravanan Rasaratnam, no longer a related party by virtue of his resignation as an Executive Director on 31 January 2020.

xii) Mr. Navindran Balakrishnan, no longer a related party by virtue of his resignation as an Executive Director on 31 January 2020.
xiii) Mr. Sivadas Kumar, no longer a related party by virtue of his resignation on 25 October 2018.

b) Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the year are as follows: -

	30.04.2022 RM'000	31.12.2020 RM'000
Short-term employee benefits	1,570	933
Defined contribution plan (EPF)	120	75
	1,690	1,008
Included in the total key management personnel compensation is: -		
Directors' remuneration	901	360
Executive Directors Fees	136	108
Non-Executive Directors Fees	250	181
	1,287	649

The key management personnel are those personnel having authority and responsibility for planning, directing and controlling the activities within the Group, either directly or indirectly.

The payment of emoluments to the director is disclosed in the remuneration report.

25. EARNINGS PER SHARE

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

	30.04.2022	31.12.2020
Loss attributable to the owners of the Company (RM'000)	(86,010)	(121,550)
Weighted average number of shares	431,719,765	424,524,436
Warrant instruments	7,232,013	7,232,013
Diluted number of shares*	438,951,778	431,756,449
Basic earnings per share (RM)	(0.20)	(0.29)
Diluted earnings per share (RM)	(0.20)	(0.29)

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 earnings per share ignores the diluted number of shares and is therefore the same as the basic earnings per share, as the Group made a loss in the year.

26. RESERVES

a) Foreign currency translation reserves

The foreign currency translation reserves arose from the translation of the financial information of foreign subsidiaries and are not distributable by way of dividends.

b) Merger reserves

The accounting treatment for Group reorganisations is scoped out of IFRS 3. Accordingly, as required under IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, the Group has referred to current UK GAAP to assist its judgement in identifying a suitable accounting policy. The introduction of the holding company, BiON plc, had been accounted for as a capital reorganisation using the merger accounting principles prescribed under current UK GAAP. Therefore, the consolidated financial statements of BiON plc are presented as if the Company has always been the holding company for the Group.

The use of merger accounting principles has resulted in a balance on Group capital and reserves that have been classified as a merger reserve and included in the Group's shareholders' funds. The consolidated financial statements include the results of the Company and all its subsidiary undertakings made up to the same accounting date.

27. 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: -

	30.04.2022 RM'000	31.12.2020 RM'000
Corporate guarantee given to licensed banks for credit facilities granted to a related party	-	10,233

The Group has provided Megagreen Energy with a corporate guarantee in support of a loan facility. 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. In July 2020, the loan was partially repaid, and, on that basis, the Directors expect the exposure of BiON under the guarantee to be limited to approximately RMNil (2020: RM4.1m). As a result of the disposal on 19 April 2022, this guarantee is no longer in place.

28. CAPITAL COMMITMENTS

At 30 April/31 December, the Group had the following capital commitments in respect to plant & equipment:

	30.04.2022 RM'000	31.12.2020 RM'000
Approved and contracted for construction of property, plant and equipment	-	5,722

29. OPERATING SEGMENTS

(a) Operating segments

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 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 year are as follows:

Business Segments	**Consulting & contract RM'000**	**Power RM'000**	**Head office RM'000**	**Total RM'000**
30.04.2022				
Contract revenues	-	-	-	-
Power sold	-	1,599	-	1,599
Group revenues	-	1,599	-	1,599
Gross profit/(loss)	-	(6,206)	-	(6,206)
Net profit/(loss)	1,377	(81,701)	(5,689)	(86,013)
Segment Assets	-	-	5,478	5,478
Segment Liabilities	-	-	3,899	3,899
Capital Expenditure	-	6,086	-	6,086
Depreciation and amortisation	-	4,615		4,615
Impairment loss on receivables	2,664	200	-	2,864

Business Segments	**Consulting & contract RM'000**	**Power RM'000**	**Head office RM'000**	**Total RM'000**
31.12.2020				
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 profit/(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	-	36,281	159	36,440
Depreciation and amortisation	-	2,051	719	2,770
Impairment loss on receivables	113,902	2	4,823	118,727

(b) Information about major customers

During the year, there are two (2) major customers from Indonesia and one (1) from Malaysia whom contributed more than 10% of the total revenue for the Group (2019: Two (2) from Malaysia).

Business Segments	30.04.2022 Consulting & contract RM'000	30.04.2022 Power RM'000	31.12.2020 Consulting & contract RM'000	31.12.2020 Power RM'000
By country:				
Malaysia	-	1,599	29,367	-
Indonesia	-	-	61,938	-
	-	1,599	91,305	-

30. WARRANT INSTRUMENTS

	30.04.2022 Average exercise price per warrants	30.04.2022 Number of warrants	31.12.2020 Average exercise price per warrants	31.12.2020 Number of warrants
At 1 January	0.092p	7,232,013	0.092p	7,232,013
Expired in the period	0.092p	(1,383,333)	-	-
As at 30 April/31 December	0.092p	5,848,680	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 of 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.

1,383,33 expired during the period.

31. ULTIMATE CONTROLLING PARTIES

At the reporting date, the Directors consider there is no ultimate controlling party.

32. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risks and liquidity risks. The Group's overall financial risk management policy focuses on the unpredictability of finance market and seek to minimise potential adverse effects on the Group's financial performance by having in place adequate financial resources for the development of the Group's business whilst managing its market risk, credit risk and liquidity risk.

The Group holds the following financial instruments:

	30.04.2022 RM'000	31.12.2020 RM'000
Financial Assets		
Trade receivables	-	13,914
Other receivables and deposits	5,477	3,234
Amount due from customer contracts	-	401
Amount due from related parties	-	1,786
Cash and bank balances	-	2,287
	5,477	21,622
Financial Liabilities		
Trade payables	-	89,043
Other payables and accruals	3,116	19,237
Amount due to directors	783	2,329
Lease liabilities	-	6,093
Term loans	-	59,280
	3,899	175,982

32.1 FINANCIAL RISK MANAGEMENT POLICIES

The following sections provide details on the Group's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

32.1.1 MARKET RISK

(a) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than functional currency. The currencies giving rise to this risk are primarily the United States Dollar ("USD") and Great British Pound ("GBP"). Foreign currency risk is monitored closely on an on-going basis to ensure that the net exposure is at an acceptable level. At the end of the reporting period, the Group does not have any derivative financial instruments used to hedge foreign currency risk.

The Group exposure to foreign currency risk, based on the carrying amounts at the reporting date is as follows:

30.04.2022	USD RM'000	GBP RM'000	IDR RM'000	RM RM'000	TOTAL RM'000
Financial Assets					
Trade receivables	-	-	-	-	-
Other receivables and deposit	-	5,477	-	-	5,477
Amount due from customers contract	-	-	-	-	-
Amount due from related parties	-	-	-	-	-
Cash and bank balance	-	-	-	-	-
	-	5,477	-	-	5,477
Financial Liabilities					
Trade payables	-	-	-	-	-
Other payables and accruals	-	3,116	-	-	3,116
Amount due to directors	-	783	-	-	783
Lease liabilities	-	-	-	-	-
Term loans	-	-	-	-	-
	-	3,899	-	-	3,899
Net financial assets/(liabilities)	-	1,578	-	-	1,578
Less: Net financial liabilities denominated in the Group's functional currency	-	-	-	-	-
Currency exposure	-	1,578	-	-	1,578

31.12.2020	USD RM'000	GBP RM'000	IDR RM'000	RM RM'000	TOTAL RM'000
Financial Assets					
Trade receivables	-	-	114	13,800	13,914
Other receivables and deposits	-	82	-	3,152	3,234
Amount due from contract customers	-	-	-	401	401
Amount due from related parties	-	-	-	1,786	1,786
Cash and bank balance	1	9	-	2,277	2,287
	1	91	114	21,416	21,622
Financial Liabilities					
Trade payables	-	-	60,623	28,420	89,043
Other payables and accruals	-	1,157	-	18,080	19,237
Amount due to directors	-	924	-	1,405	2,329
Lease liabilities	-	-	-	6,093	6,093
Term loans	-	-	-	59,280	59,280
	1	2,081	60,623	113,278	175,982
Net financial assets/(liabilities)	1	(1,990)	(60,509)	(91,862)	(154,360)
Less: Net financial liabilities denominated in the Group's functional currency	-	-	-	91,862	91,862
Currency exposure	1	(1,990)	(60,509)	-	(62,498)

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial liabilities. The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

The sensitivity analysis is not presented as the sensitivity impact is immaterial because the loan has a fixed interest rate which is subsequently rolled-up into the principal.

(c) Equity Price Risk

The Group does not have any quoted investments and hence is not exposed to equity price risk.

32.1.2 CREDIT RISK

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an on-going basis.

The Group uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due, which are deemed to have higher credit risk, are monitored individually.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified (where applicable). Impairment is estimated by management based on prior experience and the current economic environment.

The Group provided a financial guarantee to financial institutions for credit facilities granted to an associate undertaking, as disclosed in note 27 to the financial statements. The Group monitored its exposure to credit risk, or the risk of counterparties defaulting, arising mainly from trade and other receivables. The Group managed its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an on-going basis.

Credit risk concentration profile

The Group's major concentration of credit risks relates to the amount owing by Nil (2020: 4) customers which constitutes approximately 0% (2020: 90%) of its trade & other receivables at the end of the reporting period.

The ageing analysis of receivables (including amount owing by associates and amount owing by affiliates) and at the end of the reporting period is disclosed in note 7 and note 9.

At the end of the reporting period, trade receivables that are individually impaired were those with significant long outstanding obligations. These receivables are not secured by any collateral or credit enhancement but have nevertheless demonstrated that they are meeting their obligations though payments have been protracted.

32.1.3 LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure as far as possible, that they will have sufficient liquidity to meet its liabilities when they fall due.

The following table sets out the maturity profile of the financial liabilities at the reporting date based on contractual undiscounted cash flows:

30.04.2022	**Effective interest rate %**	**Carrying amount RM'000**	**Contractual undiscounted cashflow RM'000**	**Within 1 year RM'000**	**1-5 years RM'000**
Trade payables		-	-	-	-
Other payables and accruals		3,116	3,116	3,116	-
Amount owing to directors		783	783	-	783
Lease liabilities		-	-	-	-
Term loans		-	-	-	-
		3,899	3,899	3,116	783

	Effective interest rate %	**Carrying amount RM'000**	**Contractual undiscounted cashflow RM'000**	**Within 1 year RM'000**	**1-5 years RM'000**
31.12.2020					
Trade payables		35,780	35,780	35,780	-
Other payables and accruals		17,011	17,011	17,011	-
Amount due to directors		2,311	2,311	-	2,311
Lease liabilities		6,227	6,227	409	5,818
Term loans	5.0-8.0	15,033	15,033	15,033	-
		76,362	76,362	68,233	8,129

32.1.4 FAIR VALUES MEASUREMENTS

The fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments.

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
30.4.2022								
Term loans	-	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	-
Amount owing to directors	-	-	-	-	-	783	783	783
31.12.2020								
Term loans	-	-	-	-	59,280	-	59,280	59,280
Lease liabilities	-	-	-	-	570	-	570	570
Amount owing to directors	-	-	-	-	-	2,329	2,329	2,329

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value.
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

FAIR VALUE OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE

The fair values, which are for disclosure purposes, have been determined using the following basis: -

(i) The fair value of term loan with fixed interest rate is determined by discounting the relevant cash flows using current market interest rate for similar instruments at the end of the reporting period. The interest rate (per annum) used to discount the estimated cash flows is as follows: -

	30.04.2022	31.12.2020
	%	%
Term loan (fixed interest rate)	-	5.0-8.0

(ii) The carrying amount of term loan with variable interest rate approximates its fair value.

(iii) The fair value of amount owing to directors (non-current) is determined by discounting the relevant cash flows using current market interest rates for similar instruments at rates of 4.5% per annum.

33. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that it will be able to maintain an optimal capital structure so as to support their businesses and maximize shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulations, if any. The debt-to-equity ratio is calculated as total borrowings from financial institutions divided by total equity.

There was no change in the Group's approach to capital management during the financial year.

The debt-to-equity ratio of the Group at the end of the reporting period was as follows:

	30.04.2022 RM'000	31.12.2020 RM'000
Lease liabilities payables	-	570
Term loans	-	59,280
Less: Cash and bank balances	-	(2,287)
Net debt	-	57,563
Total shareholders' equity	1,578	(61,841)
Debt-to-equity ratio	-	(0.93)

34. SIGNIFICANT EVENTS OCCURING AFTER THE REPORTING PERIOD

Other than as set out below, there have been no further events after the reporting date that require adjustment or disclosure in line with IAS10 events after the reporting period.

Following the completion of the disposal, the Company was able to finalise and publish the accounts to 31 December 2020 and the interims to 30 June 2021 and trading in its ordinary shares on AIM was restored on 20 April 2022. However, as the Company was unable to publish its accounts for the year ended 31 December 2021 by the regulatory deadline of 30 June 2022, the Company's ordinary shares were suspended from trading on AIM on 1 July 2022. The Board also decided to change the Company's accounting reference date from 31 December to 30 April to reflect BiON becoming a new entity. As a result, this annual report and accounts covers the sixteen-month period to 30 April 2022.

Following publication of this annual report and accounts, it is anticipated that trading in the Company's ordinary shares will resume as from 7.30am on 12 October 2022.

Although the Company has been actively seeking a suitable reverse candidate and assessing various business opportunities, it is highly unlikely it will be able to complete a reverse takeover within the six-month period from becoming an AIM Rule 15 cash shell. As a result, trading on AIM in the Company's ordinary shares is expected to be suspended at 7.30am on 20 October 2022. From the suspension date, BiON will have six months to complete an acquisition or acquisitions which constitutes a reverse takeover under AIM Rule 14 otherwise admission to trading on AIM will be cancelled.