



DIGISTAR CORPORATION BERHAD

(Co. No. 603652-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2023

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|--|--|--|---|
| | Current Year Quarter 31/12/2023 (Unaudited) RM'000 | Preceding Year Corresponding Quarter 31/12/2022 (Unaudited) RM'000 | Current Year To Date 31/12/2023 (Unaudited) RM'000 | Preceding Year Corresponding Period 31/12/2022 (Unaudited) RM'000 |
| Revenue | 11,358 | 14,068 | 11,358 | 14,068 |
| Other income | 496 | 637 | 496 | 637 |
| Cost of sales | (3,471) | (5,141) | (3,471) | (5,141) |
| Operating income | 8,383 | 9,564 | 8,383 | 9,564 |
| Administrative expenses | (3,619) | (3,973) | (3,619) | (3,973) |
| Other expenses | (935) | (1,395) | (935) | (1,395) |
| Finance costs | (3,706) | (4,061) | (3,706) | (4,061) |
| | 123 | 135 | 123 | 135 |
| Share of results in an associate | - | - | - | - |
| Profit before taxation | 123 | 135 | 123 | 135 |
| Income tax expense | (29) | (29) | (29) | (29) |
| Profit after taxation | 94 | 106 | 94 | 106 |
| Attributable to: | | | | |
| Equity holders of the company | (224) | (198) | (224) | (198) |
| Non-Controlling Interest | 318 | 304 | 318 | 304 |
| | 94 | 106 | 94 | 106 |
| Other Comprehensive income: | | | | |
| Changes in fair value of available-for-sale investments | - | - | - | - |
| Effects of foreign exchange differences | - | - | - | - |
| Total for the quarter / cumulative quarter | 94 | 106 | 94 | 106 |
| Attributable to: | | | | |
| Equity holders of the company | (224) | (198) | (224) | (198) |
| Non-Controlling Interest | 318 | 304 | 318 | 304 |
| | 94 | 106 | 94 | 106 |
| Earnings per share attributable to equity holders of the company: | | | | |
| - basic (sen) | (0.05) | (0.06) | (0.05) | (0.06) |
| - fully diluted (sen) | (0.05) | (0.06) | (0.05) | (0.06) |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's annual financial report for the financial year ended 30 September 2023.



DIGISTAR CORPORATION BERHAD

(Co. No. 603652-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

| | As At End of Current Quarter 31/12/2023 (Unaudited) RM'000 | As At Preceding Financial Year Ended 30/9/2023 (Audited) RM'000 |
|---|--|---|
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 2,774 | 2,933 |
| Investment property | 28,146 | 28,771 |
| Right-of-use assets | 69,945 | 70,381 |
| Other investment | 454 | 607 |
| Goodwill & intangible assets | 145 | 200 |
| Trade receivables | 126,125 | 126,125 |
| | 227,589 | 229,017 |
| CURRENT ASSETS | | |
| Inventories held for resale | 600 | 700 |
| Trade receivables | 17,727 | 21,004 |
| Other receivables, deposits and prepayments | 9,685 | 6,946 |
| Contract assets | 59 | - |
| Current tax assets | 528 | 183 |
| Fixed deposits with licensed banks | 27,353 | 35,179 |
| Cash and bank balances | 30,047 | 18,022 |
| | 85,999 | 82,034 |
| TOTAL ASSETS | 313,588 | 311,051 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| Share capital | 61,340 | 61,340 |
| Treasury shares, at cost | (3,249) | (3,249) |
| Retained profits | 9,222 | 9,446 |
| SHAREHOLDERS' EQUITY | 67,313 | 67,537 |
| Non-controlling interest | (4,773) | (5,091) |
| TOTAL EQUITY | 62,540 | 62,446 |
| NON-CURRENT LIABILITIES | | |
| Lease Liability | 11 | 11 |
| Long term borrowings | 7,471 | 6,429 |
| Bonds | 179,190 | 182,329 |
| Deferred tax liabilities | 13,847 | 13,847 |
| TOTAL NON-CURRENT LIABILITIES | 200,519 | 202,616 |
| CURRENT LIABILITIES | | |
| Trade payables | 3,068 | 3,761 |
| Contract liabilities | 516 | 856 |
| Other payables, deposit received and accruals | 16,538 | 16,288 |
| Bonds | 26,679 | 21,603 |
| Provision for taxation | - | 19 |
| Lease Liability | 98 | 152 |
| Bank overdraft | 3,357 | 2,443 |
| Short term borrowings | 273 | 867 |
| TOTAL CURRENT LIABILITIES | 50,529 | 45,989 |
| TOTAL LIABILITIES | 251,048 | 248,605 |
| TOTAL EQUITY AND LIABILITIES | 313,588 | 311,051 |
| NET ASSETS PER SHARE (SEN) | 0.15 | 0.19 |

Condensed Consolidated Balance Sheet should be read in conjunction with the Group's annual financial report for the financial year ended 30 September 2023.



DIGISTAR CORPORATION BERHAD

(Co. No. 603652-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2023

| | ← Non-Distributable Reserve → | | | | Distributable Reserve | | Non-Controlling Interest | Total Equity |
|--|-------------------------------|---------|-------------------|-----------------|--|--------|--------------------------|--------------|
| | Share Capital | Reserve | Discount On Share | Treasury Shares | Retained Profits/ (Accumulated Losses) | Total | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| At 1 October 2023 | 61,340 | 5,208 | (5,208) | (3,249) | 9,446 | 67,537 | (5,091) | 62,446 |
| Total comprehensive (loss)/profit for the financial year | - | - | - | - | (224) | (224) | 318 | 94 |
| At 31 December 2023 | 61,340 | 5,208 | (5,208) | (3,249) | 9,222 | 67,313 | (4,773) | 62,540 |
| At 1 October 2022 | 47,956 | 11,479 | (5,475) | (3,249) | 10,212 | 60,923 | (4,114) | 56,809 |
| Acquisition of non-controlling interest | - | - | - | - | 1,423 | 1,423 | (1,423) | - |
| Total comprehensive (loss)/profit for the financial year | - | - | - | - | (198) | (198) | 304 | 106 |
| At 31 December 2022 | 47,956 | 11,479 | (5,475) | (3,249) | 11,437 | 62,148 | (5,233) | 56,915 |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's annual financial report for the financial year ended 30 September 2023.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2023

| | 31/12/2023 (Unaudited) RM'000 | 31/12/2022 (Unaudited) RM'000 |
|--|-------------------------------------|-------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 123 | 135 |
| Adjustments for:- | | |
| Non cash items | 369 | 428 |
| Non operating items | 3,845 | 4,204 |
| Operating profit before working capital changes | 4,337 | 4,767 |
| Net changes in current assets | 824 | 1,361 |
| Net changes in current liabilities | (902) | (3,256) |
| Cash from operations | 4,259 | 2,872 |
| Interest paid | (51) | (46) |
| Income tax paid | (393) | (327) |
| Net cash from operating activities | 3,815 | 2,499 |
| CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES | | |
| Interest received | 225 | 235 |
| Purchase of property, plant and equipment | (143) | (163) |
| Purchase of investment property | (275) | - |
| Proceeds from disposal of investment properties | 776 | - |
| Proceeds from disposal of other investment | 150 | - |
| Changing of surplus funds placed in FD with licensed banks | (20,894) | (18,460) |
| Placement/(Withdrawal) of deposits in Debt Service Reserve Account | 1,537 | 882 |
| Net placement of FD | 21,325 | 12,462 |
| Net cash from/(for) investing activities | 2,701 | (5,044) |
| CASH FLOWS FOR FINANCING ACTIVITIES | | |
| Drawdown of term loan | 504 | 1,054 |
| Repayment of term loan | (56) | (25) |
| Interest paid | (1,658) | (1,354) |
| Payment of lease liabilities | (53) | (35) |
| Net cash for financing activities | (1,263) | (360) |
| Net increase/(decrease) in cash and cash equivalents | 5,253 | (2,905) |
| Cash and cash equivalents at beginning of period | 26,301 | 19,744 |
| Cash and cash equivalents at end of period | 31,554 | 16,839 |
| Note: | | |
| Cash and cash equivalents comprise of the following: | | |
| Fixed deposits with licensed bank | 27,353 | 46,824 |
| Fixed deposits and bank balances - restricted / pledge | (22,489) | (39,447) |
| Cash and bank balances | 30,047 | 12,283 |
| Bank overdraft | (3,357) | (2,821) |
| | 31,554 | 16,839 |

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Group's annual financial report for the financial year ended 30 September 2023.



A. EXPLANATORY NOTES

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), and should be read in conjunction with the Group's annual financial report for the financial year ended 30 September 2023.

A2. Changes in Accounting Policies

The significant accounting policies, methods of computation and basis of consolidation adopted are consistent with those of the most recent audited financial statements for the year ended 30 September 2023, except for the adoption of the following MFRSs, Amendments to MFRSs and Issues Committee Interpretation ("IC Interpretation") that are effective for the Group from 1 January 2023:

| | |
|------------------------|--|
| Amendments to MFRS 3 | Reference to the Conceptual Framework |
| Amendments to MFRS 116 | Property, Plant and Equipment – Proceeds before Intended Use |
| Amendments to MFRS 137 | Onerous Contracts – Cost of Fulfilling a Contract |
| Amendments to MFRSs | Annual Improvements to MFRS Standards 2018 -2020 |

The adoption of the above MFRSs, Amendments to MFRSs and IC Interpretation does not have significant impact on the financial statements of the Group.

A3. Seasonal or Cyclical Factors

There were no material changes brought about by seasonal or cyclical factors that affects the performance of the Group for financial period under review.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

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

A5. Material Changes in Estimates

There were no changes in estimates that had any material effect on the financial period-to-date results.



A6. Debts and Equity Securities

There was no repurchase and repayment of debt and equity securities, for the current period and financial period-to-date.

There was no share buy-back or treasury shares cancelled by the Company in the current financial quarter. As at 31 December 2023, the number of treasury shares repurchased and held are as follow:

| | Number of shares | 31/12/2023 RM'000 |
|----------------------------|-----------------------------|------------------------------|
| Balance as at 1 October | 2,457,602 | 3,249 |
| Repurchased | - | - |
| Total treasury shares held | <u>2,457,602</u> | <u>3,249</u> |

A7. Dividend Paid

No dividend was paid during the quarter under review.

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A8. Segmental Information

Segment information for the cumulative period is presented in respect of the Group's business segments as follows:

Results for the period ended 31 December 2023

| 31-Dec-2023 | <u>System</u> | <u>Investment</u> | <u>CMS/</u> | | <u>Property</u> | <u>Construction /</u> | | | | <u>Group</u> |
|--|--------------------|-------------------|-----------------------|---------------|--------------------|-----------------------|--------------------|--------------------|--|---------------|
| RM'000 | <u>Integration</u> | <u>Holding</u> | <u>PayTV Operator</u> | <u>Rental</u> | <u>Development</u> | <u>Concession</u> | <u>Hospitality</u> | <u>Elimination</u> | | <u>RM</u> |
| The Group | RM | RM | RM | RM | RM | RM | RM | RM | | RM |
| REVENUE | | | | | | | | | | |
| External revenue | 102 | 45 | 779 | 16 | - | 5,997 | 4,419 | - | | 11,358 |
| Intersegment revenue | - | - | - | 9 | - | - | - | (9) | | - |
| Total revenue | 102 | 45 | 779 | 25 | - | 5,997 | 4,419 | (9) | | 11,358 |
| RESULTS | | | | | | | | | | |
| Segment results (external) | 102 | (92) | (84) | (86) | (8) | 3,571 | 201 | | | 3,604 |
| Interest income | | | | | | | | | | 225 |
| Finance costs | | | | | | | | | | (3,706) |
| Share of results in associate | | | | | | | | | | - |
| Profit from ordinary activities before taxation | | | | | | | | | | 123 |
| Income tax expense | | | | | | | | | | (29) |
| Profit after taxation | | | | | | | | | | 94 |
| Non-controlling interest | | | | | | | | | | (318) |
| Net loss attributable to the owners of the Company | | | | | | | | | | (224) |

Results for the period ended 31 December 2022

| 31-Dec-2022 | <u>System</u> | <u>Investment</u> | <u>CMS/</u> | | <u>Property</u> | <u>Construction /</u> | | | | <u>Group</u> |
|--|--------------------|-------------------|-----------------------|---------------|--------------------|-----------------------|--------------------|--------------------|--|---------------|
| RM'000 | <u>Integration</u> | <u>Holding</u> | <u>PayTV Operator</u> | <u>Rental</u> | <u>Development</u> | <u>Concession</u> | <u>Hospitality</u> | <u>Elimination</u> | | <u>RM</u> |
| The Group | RM | RM | RM | RM | RM | RM | RM | RM | | RM |
| REVENUE | | | | | | | | | | |
| External revenue | 1,661 | 45 | 949 | 17 | - | 6,338 | 5,058 | - | | 14,068 |
| Intersegment revenue | - | - | - | 8 | - | - | - | (8) | | - |
| Total revenue | 1,661 | 45 | 949 | 25 | - | 6,338 | 5,058 | (8) | | 14,068 |
| RESULTS | | | | | | | | | | |
| Segment results (external) | 525 | 78 | (405) | (74) | (5) | 3,649 | 193 | | | 3,961 |
| Interest income | | | | | | | | | | 235 |
| Finance costs | | | | | | | | | | (4,061) |
| Share of results in associate | | | | | | | | | | - |
| Loss from ordinary activities before taxation | | | | | | | | | | 135 |
| Income tax expense | | | | | | | | | | (29) |
| Loss after taxation | | | | | | | | | | 106 |
| Non-controlling interest | | | | | | | | | | (304) |
| Net loss attributable to the owners of the Company | | | | | | | | | | (198) |



A9. Material Events Subsequent to the End of the Quarter

There were no material event subsequent to the current quarter under review up to the date of this report which is likely to substantially affect the results of the operations of the Company (being the latest practicable date not earlier than seven (7) days from the date of issue of this report).

A10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the quarter under review and financial period to-date.

A11. Contingent Liabilities

Save as disclosed in below, there were no material contingent liabilities up to the date of this report (being the latest practicable date not earlier than seven (7) days from the date of issue of this report).

| | As at 16/2/2024 |
|---|------------------------|
| Contingent Liabilities : | RM |
| Unsecured : | |
| Guarantee given to a subsidiary's supplier for credit facility | 580,285 |
| Guarantee given to a subsidiary's customer for due performance of works by a subsidiary | 180,000 |
| Total | <u>760,285</u> |

A12. Significant Related Party Transactions

There were no significant related party transactions during the quarter under review.



B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' LISTING REQUIREMENTS

B1. Review of the Performance

For the period ended 31 December 2023, the Group registered revenue of RM11.36 million as compared to RM14.07 million for the period ended 31 December 2022.

The Group registered a year-to-date profit after tax of RM94 thousand for the period ended 31 December 2023 which is approximately 0.83% of total group revenue as compared to profit after taxation of RM106 thousand representing 0.75% of total group revenue for the period ended 31 December 2022.

The concession asset sector and construction generated revenue of RM6.0 million for the period ended 31 December 2023 which is approximately 52.82% of total group revenue. In the same period of preceding year, this sector generated revenue of RM6.3 million.

The hospitality sector has contributed RM4.42 million in revenue and registered loss before taxation of RM0.45 million for the period ended 31 December 2023 as compared to revenue of RM5.06 million and loss before tax of RM0.51 million in the same period of preceding year. The segment contributed 38.9% of the total Group revenue.

B2. Variation of Results against Preceding Quarter

| | Current Quarter Ended 31/12/2023 RM'000 | Preceding Quarter Ended 31/12/2022 RM'000 | Difference | |
|------------------------|--|--|-------------------|---------------|
| | | | RM'000 | % |
| Revenue | 11,358 | 14,068 | (2,710) | (19.26) |
| Profit before taxation | <u>123</u> | <u>135</u> | <u>(12)</u> | <u>(8.65)</u> |

B3. Prospects

Despite the challenging business and economic environment in the country, the Board foresee a stronger performance for the Group in 2024.

B4. Profit Forecast, Profit Guarantee and Internal Targets

- a) Profit forecast : Not Applicable
- b) Profit guarantee : Not Applicable
- c) Internal targets : Not Applicable



DIGISTAR CORPORATION BERHAD

(Co. No. 603652-K)

B5. Taxation

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---------------------------|---|---|---|--|
| | Current Year Quarter 31/12/2023 RM'000 | Preceding Year Corresponding Quarter 31/12/2022 RM'000 | Current Year To Date 31/12/2023 RM'000 | Preceding Year Corresponding Period 31/12/2022 RM'000 |
| Income tax expense | | | | |
| - For the year | (29) | (29) | (29) | (29) |

The Group's effective tax rate was higher than the statutory tax rate due to losses of certain subsidiaries that were not able to offset against taxable profits of other subsidiaries.

B6. Profit/ (Loss) on Sale of Unquoted Investments and/or Properties

There was no disposal of Unquoted Investments and Properties for the current quarter and financial period-to-date.

B7. Purchase or Disposal of Quoted Securities

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|----------------------------------|---|---|---|--|
| | Current Year Quarter 31/12/2023 RM'000 | Preceding Year Corresponding Quarter 31/12/2022 RM'000 | Current Year To Date 31/12/2023 RM'000 | Preceding Year Corresponding Period 31/12/2022 RM'000 |
| Balance as at 1 October | 607 | - | 607 | - |
| Acquisition of quoted securities | - | - | - | - |
| Disposal of quoted securities | (153) | - | (153) | - |
| Impairment on quoted securities | - | - | - | - |
| | 454 | - | 454 | - |

Other than the above, there was no other purchase or disposal of quoted securities for the current quarter and financial period-to-date.



B8. Status of Corporate Proposals

There are no corporate proposals announced but not completed as at the date of this report.

B9. Group Borrowings and Debt Securities

The Group's borrowings (which are all denominated in Ringgit Malaysia) as at 30 September 2023 consist of the following:-

| | Short Term RM'000 | Long Term RM'000 | Total RM'000 |
|--------------------------|------------------------------|-----------------------------|-------------------------|
| Secured:- | | | |
| Bank overdraft | 3,357 | - | 3,357 |
| Lease Liability | 98 | 11 | 109 |
| Bridging Loan/ Term Loan | 273 | 7,471 | 7,744 |
| Bonds | 26,679 | 179,190 | 205,869 |
| Total | <u>30,407</u> | <u>186,672</u> | <u>217,079</u> |

B10. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risks as of to date of this report.

B11. Material Litigation, Claims or Arbitration

There was no material litigation action since the last annual balance sheet to the date of this report.

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B12. Earnings per Share

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|---------------------------------------|--|---------------------------------------|---|
| | Current Year Quarter 31/12/2023 | Preceding Year Corresponding Quarter 31/12/2022 | Current Year To Date 31/12/2023 | Preceding Year Corresponding Period 31/12/2022 |
| (a) Basic Earnings Per Share | | | | |
| Net loss attributable to members of the Company (RM'000) | (224) | (198) | (224) | (198) |
| Weighted average number of ordinary shares in issue | 467,429,215 | 349,636,958 | 467,429,215 | 349,636,958 |
| Basic loss per share (sen) | <u>(0.05)</u> | <u>(0.06)</u> | <u>(0.05)</u> | <u>(0.06)</u> |
| (b) Diluted Earnings Per Share | | | | |
| Net loss attributable to members of the Company (RM'000) | (224) | (198) | (224) | (198) |
| Weighted average number of ordinary shares in issue | 467,429,215 | 349,636,958 | 467,429,215 | 349,636,958 |
| Adjustment for assumed exercise of Warrants | - | - | - | - |
| Adjusted weighted average number of ordinary shares in issue and issuable | <u>467,429,215</u> | <u>349,636,958</u> | <u>467,429,215</u> | <u>349,636,958</u> |
| Diluted loss per share (sen) | <u>(0.05)</u> | <u>(0.06)</u> | <u>(0.05)</u> | <u>(0.06)</u> |

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B13. Notes to the Condensed Consolidated Statement of Comprehensive Income

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|--------------------|----------------|--------------------|----------------|
| | Current Year | Preceding Year | Current Year | Preceding Year |
| | Quarter | Year | To Date | Period |
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit before taxation is arrived at after charging / (crediting): | | | | |
| Other operation (income) / expense: | | | | |
| Doubtful debt no longer required | (202) | (598) | (202) | (598) |
| Allowance for doubtful debt | 15 | 386 | 15 | 386 |
| Interest Income | (225) | (235) | (225) | (235) |
| Loss on disposal of quoted securities | 3 | - | 3 | - |
| Interest Expense | 3,706 | 4,061 | 3,706 | 4,061 |
| Depreciation and Amortization | 917 | 1,018 | 917 | 1,018 |

B14. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 22 February 2024.