



DIGISTAR CORPORATION BERHAD

(Co. No. 603652-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/3/2024 (Unaudited) RM'000	Preceding Year Corresponding Quarter 31/3/2023 (Unaudited) RM'000	Current Year To Date 31/3/2024 (Unaudited) RM'000	Preceding Year Corresponding Period 31/3/2023 (Unaudited) RM'000
Revenue (Note A)	10,867	13,933	22,721	28,638
Cost of sales	(3,539)	(4,827)	(7,010)	(9,968)
Operating income	7,328	9,106	15,711	18,670
Administrative expenses	(4,259)	(4,198)	(7,878)	(8,171)
Other expenses	(1,005)	(797)	(1,940)	(2,192)
Finance costs:				
- Interest expense	(3,346)	(3,967)	(7,052)	(8,028)
	(1,282)	144	(1,159)	279
Share of results in an associate	-	-	-	-
(Loss)/Profit before taxation	(1,282)	144	(1,159)	279
Income tax expense	(28)	(28)	(57)	(57)
(Loss)/Profit after taxation	(1,310)	116	(1,216)	222
Attributable to:				
Equity holders of the company	(1,379)	(26)	(1,603)	(224)
Non-Controlling Interest	69	142	387	446
	(1,310)	116	(1,216)	222
Other Comprehensive income:				
Changes in fair value of available-for-sale investments	-	-	-	-
Effects of foreign exchange differences	-	-	-	-
Total for the quarter / cumulative quarter	(1,310)	116	(1,216)	222
Attributable to:				
Equity holders of the company	(1,379)	(26)	(1,603)	(224)
Non-Controlling Interest	69	142	387	446
	(1,310)	116	(1,216)	222
Earnings per share attributable to equity holders of the company:				
- basic (sen)	(0.30)	(0.01)	(0.34)	(0.06)
- fully diluted (sen)	(0.30)	(0.01)	(0.34)	(0.06)
Remarks:				
Note A: Revenue consist of:				
- Revenue	10,714	11,434	22,072	25,502
- Other income	153	2,499	649	3,136

Other info:

The group is expanding into new venture, Internet TV and this new venture is currently self funding.



DIGISTAR CORPORATION BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	As At End of Current Quarter 31/3/2024 (Unaudited) RM'000	As At Preceding Financial Year Ended 30/9/2023 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	3,123	2,933
Investment property	21,243	28,771
Right-of-use assets	69,510	70,381
Other investment	-	607
Goodwill & intangible assets	91	200
Trade receivables	126,125	126,125
	220,092	229,017
CURRENT ASSETS		
Inventories	598	700
Trade receivables	12,208	21,004
Other receivables, deposits and prepayments	17,006	6,946
Contract assets	245	-
Current tax assets	833	183
Fixed deposits with licensed banks	34,097	35,179
Cash and bank balances	26,998	18,022
	91,985	82,034
TOTAL ASSETS	312,077	311,051
EQUITY AND LIABILITIES		
EQUITY		
Share capital	61,340	61,340
Treasury shares, at cost	(3,249)	(3,249)
Retained profits	7,843	9,446
SHAREHOLDERS' EQUITY	65,934	67,537
Non-controlling interest	(4,704)	(5,091)
TOTAL EQUITY	61,230	62,446
NON-CURRENT LIABILITIES		
Lease Liability	68	11
Long term borrowings	5,000	6,429
Bonds	179,190	182,329
Deferred tax liabilities	13,847	13,847
TOTAL NON-CURRENT LIABILITIES	198,105	202,616
CURRENT LIABILITIES		
Trade pay ables	2,997	3,761
Contract liabilities	447	856
Other pay ables, deposit received and accruals	17,634	16,288
Bonds	28,467	21,603
Provision for taxation	-	19
Lease Liability	105	152
Bank overdraft	3,092	2,443
Short term borrowings	-	867
TOTAL CURRENT LIABILITIES	52,742	45,989
TOTAL LIABILITIES	250,847	248,605
TOTAL EQUITY AND LIABILITIES	312,077	311,051
NET ASSETS PER SHARE (SEN)	0.15	0.19



DIGISTAR CORPORATION BERHAD

(Co. No. 603652-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

	← 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 for the financial year	-	-	-	-	(1,603)	(1,603)	387	(1,216)
At 31 March 2024	61,340	5,208	(5,208)	(3,249)	7,843	65,934	(4,704)	61,230
At 1 October 2022	47,956	11,479	(5,475)	(3,249)	10,212	60,923	(4,114)	56,809
Issue of shares pursuant to - private placement	6,562	-	-	-	-	6,562	-	6,562
Acquisition of non-controlling interest	-	-	-	-	1,423	1,423	(1,423)	-
Total comprehensive (loss)/profit for the financial year	-	-	-	-	(224)	(224)	446	222
At 31 March 2023	54,518	11,479	(5,475)	(3,249)	11,411	68,684	(5,091)	63,593

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DIGISTAR CORPORATION BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

	31/3/2024 (Unaudited) RM'000	31/3/2023 (Unaudited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(1,159)	279
Adjustments for:-		
Non cash items	738	856
Non operating items	7,701	6,158
Operating profit before working capital changes	7,280	7,293
Net changes in current assets	(1,167)	5,718
Net changes in current liabilities	(173)	(3,366)
Cash from operations	5,940	9,645
Interest paid	(105)	(78)
Income tax paid	(726)	(554)
Net cash from operating activities	5,109	9,013
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Interest received	499	582
Purchase of property, plant and equipment	(1,045)	(212)
Purchase of investment property	(275)	-
Acquisition of other investment	-	(745)
Proceeds from disposal of investment properties	7,760	-
Proceeds from disposal of other investment	603	-
Changing of surplus funds placed in FD with licensed banks	(26,918)	(18,894)
Placement/(Withdrawal) of deposits in Debt Service Reserve Account	(1,574)	160
Net placement of FD	21,060	11,962
Net cash from/(for) investing activities	110	(7,147)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Proceeds from private placements	-	6,562
Drawdown of term loan	504	2,135
Repayment of term loan	(2,800)	(66)
Interest paid	(3,122)	(7,071)
Payment of lease liabilities	11	(77)
Net cash (for)/from financing activities	(5,407)	1,483
Net (decrease)/increase in cash and cash equivalents	(188)	3,349
Cash and cash equivalents at beginning of period	26,301	19,744
Cash and cash equivalents at end of period	26,113	23,093
Note:		
Cash and cash equivalents comprise of the following:		
Fixed deposits with licensed bank	34,097	51,993
Fixed deposits and bank balances - restricted / pledge	(31,890)	(41,103)
Cash and bank balances	26,998	15,524
Bank overdraft	(3,092)	(3,321)
	26,113	23,093



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 2024:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current and Non-current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and 7	Supplier Finance Arrangements

The adoption of the above Amendments to MFRSs 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 March 2024, the number of treasury shares repurchased and held are as follow:

	Number of shares	31/3/2024 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 March 2024

31-Mar-2024	<u>System</u>	<u>Investment</u>	<u>CMS/</u>		<u>Property</u>	<u>Construction /</u>		<u>Elimination</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>RM</u>	<u>RM</u>
The Group	RM	RM	RM	RM	RM	RM	RM	RM	RM
REVENUE									
External revenue	429	90	1,660	33	-	11,863	7,997	-	22,072
Intersegment revenue	-	-	-	17	-	-	-	(17)	-
Total revenue	429	90	1,660	50	-	11,863	7,997	(17)	22,072
RESULTS									
Segment results (external)	3	(345)	(573)	(163)	(9)	7,001	(520)		5,394
Interest income									499
Finance costs									(7,052)
Share of results in associate									-
Loss from ordinary activities before taxation									(1,159)
Income tax expense									(57)
Loss after taxation									(1,216)
Non-controlling interest									(387)
Net loss attributable to the owners of the Company									(1,603)

Results for the period ended 31 March 2023

31-Mar-2023	<u>System</u>	<u>Investment</u>	<u>CMS/</u>		<u>Property</u>	<u>Construction /</u>		<u>Elimination</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>RM</u>	<u>RM</u>
The Group	RM	RM	RM	RM	RM	RM	RM	RM	RM
REVENUE									
External revenue	2,527	44	1,477	33	-	12,621	8,800	-	25,502
Intersegment revenue	-	-	-	17	-	-	-	(17)	-
Total revenue	2,527	44	1,477	50	-	12,621	8,800	(17)	25,502
RESULTS									
Segment results (external)	1,853	(112)	(607)	(146)	4	6,940	(207)		7,725
Interest income									582
Finance costs									(8,028)
Share of results in associate									-
Profit from ordinary activities before taxation									279
Income tax expense									(57)
Profit after taxation									222
Non-controlling interest									(446)
Net loss attributable to the owners of the Company									(224)



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 23/5/2024
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 March 2024, the Group registered revenue of RM22.07 million as compared to RM25.50 million for the period ended 31 March 2023.

The Group registered a year-to-date loss after tax of RM1.22 million for the period ended 31 March 2024 which is approximately 5.53% of total group revenue as compared to profit after taxation of RM0.22 million representing 0.86% of total group revenue for the period ended 31 March 2023.

The concession asset sector and construction generated revenue of RM11.86 million for the period ended 31 March 2024 which is approximately 53.74% of total group revenue. In the same period of preceding year, this sector generated revenue of RM12.62 million.

The hospitality sector has contributed RM8.00 million in revenue and registered loss before taxation of RM1.37 million for the period ended 31 March 2024 as compared to revenue of RM8.80 million and loss before tax of RM1.61 million in the same period of preceding year. The segment contributed 36.2% of the total Group revenue.

B2. Variation of Results against Preceding Quarter

	Current Quarter Ended 31/3/2024 RM'000	Preceding Quarter Ended 31/3/2023 RM'000	Difference	
			RM'000	%
Revenue	10,867	13,933	(3,066)	(22.01)
(Loss)/Profit before taxation	<u>(1,282)</u>	<u>144</u>	<u>(1,426)</u>	<u>(990.46)</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



B5. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/3/2024 RM'000	Preceding Year Corresponding Quarter 31/3/2023 RM'000	Current Year To Date 31/3/2024 RM'000	Preceding Year Corresponding Period 31/3/2023 RM'000
Income tax expense				
- For the year	(28)	(28)	(57)	(57)

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

On 10 October 2023, Mulia Optima Sdn Bhd ("MOSB"), a wholly-owned subsidiary of Digistar, had entered into a Sale and Purchase Agreement with Earning Base Sdn Bhd ("EBSB") for the proposed disposal of two pieces of freehold land for a total consideration of RM7,760,025. The disposal is completed in January 2024.

Other than above, 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

	Current Year To Date 31/3/2024 RM'000	Preceding Year Corresponding Period 31/3/2023 RM'000
	Balance as at 1 October	607
Acquisition of quoted securities	-	-
Disposal of quoted securities	(607)	-
Impairment on quoted securities	-	-
	-	-

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 31 March 2024 consist of the following:-

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured:-			
Bank overdraft	3,092	-	3,092
Lease Liability	105	68	173
Bridging Loan/ Term Loan	-	5,000	5,000
Bonds	28,467	179,190	207,657
Total	31,664	184,258	215,922

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 31/3/2024	Preceding Year Corresponding Quarter 31/3/2023	Current Year To Date 31/3/2024	Preceding Year Corresponding Period 31/3/2023
(a) Basic Earnings Per Share				
Net loss attributable to members of the Company (RM'000)	(1,379)	(26)	(1,603)	(224)
Weighted average number of ordinary shares in issue	467,429,215	394,846,577	467,429,215	394,846,577
Basic loss per share (sen)	<u>(0.30)</u>	<u>(0.01)</u>	<u>(0.34)</u>	<u>(0.06)</u>
(b) Diluted Earnings Per Share				
Net loss attributable to members of the Company (RM'000)	(1,379)	(26)	(1,603)	(224)
Weighted average number of ordinary shares in issue	467,429,215	394,846,577	467,429,215	394,846,577
Adjustment for assumed exercise of Warrants	-	-	-	-
Adjusted weighted average number of ordinary shares in issue and issuable	<u>467,429,215</u>	<u>394,846,577</u>	<u>467,429,215</u>	<u>394,846,577</u>
Diluted loss per share (sen)	<u>(0.30)</u>	<u>(0.01)</u>	<u>(0.34)</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	Corresponding Quarter	To Date	Corresponding Period
	31/3/2024	31/3/2023	31/3/2024	31/3/2023
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before taxation is arrived at after charging / (crediting):				
Other operation (income) / expense:				
Doubtful debt no longer required	148	(243)	(54)	(841)
Allowance/(Reversal) for doubtful debt	43	(2,015)	58	(1,629)
Interest Income	(274)	(347)	(499)	(582)
Loss on disposal of quoted securities	1	-	4	-
Interest Expense	3,346	3,967	7,052	8,028
Depreciation and Amortization	961	1,020	1,878	2,038

B14. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 29 May 2024.