



GREEN OCEAN CORPORATION BERHAD

[Registration No: 200301029847 (632267-P)]

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023**

**Unaudited Condensed Consolidated Statements of Comprehensive Income
 For the Period Ended 30 June 2023**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	RM '000	RM '000	RM '000	RM '000
Revenue	5,578	4,775	8,226	7,607
Cost of sales	(5,699)	(5,109)	(8,366)	(7,857)
Gross loss	(121)	(334)	(140)	(250)
Other income	317	471	1,320	876
Administrative expenses	(1,178)	(1,170)	(3,584)	(3,457)
Others	(5,445)	(3,137)	(8,489)	(17,947)
	(6,623)	(4,307)	(12,073)	(21,404)
Loss from operations	(6,427)	(4,170)	(10,893)	(20,778)
Finance costs	(65)	(12)	(159)	(22)
Share of result of joint venture	-	(41)	-	(43)
Gain on disposal of joint venture	-	2	-	2
Loss before tax	(6,492)	(4,221)	(11,052)	(20,841)
Taxation	-	9	-	-
Net loss for the period	(6,492)	(4,212)	(11,052)	(20,841)
Net loss attributable to:-				
Owners of the Company	(6,492)	(4,212)	(11,052)	(20,841)
Total comprehensive loss attributable to:-				
Owners of the Company	(6,492)	(4,212)	(11,052)	(20,841)
Loss per share				
Company (sen)				
- Basic	(0.31)	(0.20)	(0.52)	(1.01)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

Unaudited Condensed Consolidated Statements of Financial Position
As At 30 June 2023

	(Unaudited) As At 30.06.2023 RM '000	(Audited) As At 30.06.2022 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	7,384	20,061
Right-of-use assets	117	168
	7,501	20,229
Current assets		
Asset held for sales	19,002	-
Inventories	682	812
Investment in quoted securities	31,984	20,275
Trade receivables	7,333	3,798
Other receivables, deposits & prepayment	31,071	29,164
Tax assets	14	14
Money market instruments	7,500	41,325
Cash and bank balances	14,347	3,332
	111,933	98,720
TOTAL ASSETS	119,434	118,949
EQUITY AND LIABILITIES		
Equity		
Share capital	143,485	143,485
Warrant reserve	31,113	31,113
Revaluation reserve	8,930	8,930
Accumulated losses	(76,931)	(65,879)
Total equity	106,597	117,649
Liabilities		
Non-current liabilities		
Finance lease liabilities	198	250
Lease liabilities	74	124
Term Loan	6,252	-
Deferred tax liabilities	609	609
	7,133	983

Unaudited Condensed Consolidated Statements of Financial Position
As At 30 June 2023

	(Unaudited) As At 30.06.2023 RM '000	(Audited) As At 30.06.2022 RM '000
Current liabilities		
Trade payables	3,260	-
Other payables & accruals	1,996	197
Amount owing to a Director	-	29
Finance lease liabilities	49	44
Lease liabilities	50	47
Term Loan	349	-
	5,704	317
Total liabilities	12,837	1,300
TOTAL EQUITY AND LIABILITIES	119,434	118,949
Net assets per share (Sen)	5.05	5.57

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

GREEN OCEAN CORPORATION BERHAD
 [Registration No: 200301029847 (632267-P)]

Unaudited Condensed Consolidated Statements of Changes in Equity
As At 30 June 2023

	<----- Attributable to Owners of the Company ----->					Total Equity RM '000
	<----- Non-Distributable ----->			Distributable		
	Share Capital RM '000	Share Option Reserve RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	
Unaudited						
At 1 July 2022	143,485	-	8,930	31,113	(65,879)	117,649
Comprehensive loss						
Loss for the period	-	-	-	-	(11,052)	(11,052)
Total comprehensive loss for the period	-	-	-	-	(11,052)	(11,052)
At 30 June 2023	143,485	-	8,930	31,113	(76,931)	106,597

GREEN OCEAN CORPORATION BERHAD

[Registration No: 200301029847 (632267-P)]

**Unaudited Condensed Consolidated Statements of Changes in Equity
As At 30 June 2023**

	<----- Attributable to Owners of the Company ----->					Total Equity RM '000
	<----- Non-Distributable ----->			Distributable		
	Share Capital RM '000	Share Option Reserve RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Accumulated Losses RM '000	
<u>Audited</u>						
At 1 July 2021	135,494	-	8,930	31,113	(45,039)	130,498
Comprehensive loss						
Loss for the financial year	-	-	-	-	(20,840)	(20,840)
Total comprehensive loss for the financial year	-	-	-	-	(20,840)	(20,840)
Transactions with owners						
Issuance of shares pursuant to:						
- Private placements	8,129	-	-	-	-	8,129
Share issuance expense	(138)	-	-	-	-	(138)
Total transactions with owners	7,991	-	-	-	-	7,991
At 30 June 2022	143,485	-	8,930	31,113	(65,879)	117,649

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

Unaudited Condensed Consolidated Statements of Cash Flows
For the Period Ended 30 June 2023

	Current Period To-Date 30.06.2023 (Unaudited) RM'000	Preceding Year Corresponding Period 30.06.2022 (Audited) RM'000
Cash flows from operating activities		
Loss before tax	(11,052)	(20,841)
Adjustments for :-		
Loss on disposal of plant and equipment	1	-
Plant and equipment written off	2	-
Depreciation of property, plant & equipment	819	835
Depreciation of right-of-use assets	51	33
Distribution income from money market instruments	(41)	(332)
(Gain)/Loss on fair value changes of:		
- Money market instruments	(765)	(351)
- Quoted securities	6,817	10,583
Gain on disposal of joint venture	-	(2)
Finance costs	159	22
Loss on disposal of quoted securities	1,672	7,364
Interest income	(265)	(190)
Share of results in joint venture	-	43
Operating loss before changes in working capital	(2,602)	(2,836)
Changes in inventories	130	(731)
Changes in receivables	(5,442)	(7,075)
Changes in payables	5,059	(1,832)
Cash used in operations	(2,855)	(12,474)
Interest income received	265	190
Net tax paid	-	(9)
Net cash used in operating activities	(2,590)	(12,293)
Cash flows from investing activities		
Distribution income from money market instruments	41	332
Net investment in quoted securities	(20,198)	(38,223)
Uplift of money market instruments, net	34,590	19,655
Proceeds from disposal of plant and equipment	1	-
Purchase of property, plant and equipment	(7,148)	(121)
Net cash from investing activities	7,286	(18,357)

**Unaudited Condensed Consolidated Statements of Cash Flows
 For the Period Ended 30 June 2023**

	Current Period To-Date 30.06.2023 (Unaudited) RM'000	Preceding Year Corresponding Period 30.06.2022 (Audited) RM'000
Cash flows from financing activities		
Proceeds from private placement	-	8,129
Share issuances expenses paid	-	(138)
Finance costs paid	(159)	(22)
Repayment Finance lease liabilities	(47)	(75)
Payment of lease liabilities	(47)	-
Repayment to Directors	(29)	30
Net drawdown of term loan	6,601	-
Net cash from financing activities	6,319	7,924
Effects of exchange rate changes on cash and cash equivalents	-	-
Net increase in cash and cash equivalents	11,015	(22,726)
Cash and cash equivalents brought forward	3,332	26,058
Cash and cash equivalents carried forward	14,347	3,332
Represented by:-		
Cash and bank balances	7,396	3,332
Fixed deposits placed with licensed bank	6,951	-
	14,347	3,332

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

**Explanatory Notes Pursuant to the Listing Requirements
For 12 Months Ended 30 June 2023**

A1) Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with Malaysia Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”), Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2022.

A2) Changes in Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2022.

MFRSs and/or IC Interpretations (Including Consequential Amendments) adopted for this interim financial report that do not have a material impact on the Group are set out below:

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

**Explanatory Notes Pursuant to the Listing Requirements
For 12 Months Ended 30 June 2023**

A2) Changes in Accounting Policies (Cont'd)

Standards in issue but not yet effective

As at the date of authorisation of this interim financial report, the following new Malaysian Financial Reporting Standards (“MFRS”) and amendments to MFRSs have been issued by the MASB but are not yet effective and have not been adopted by the Group: -

MFRSs/Amendments	MFRSs	Effective for annual periods beginning on or after
MFRS 17 and amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosures of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets And Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 10 and 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The Group will adopt the above MFRS and amendments to MFRS when they become effective in the respective financial periods.

A3) Seasonal or Cyclical Factors

The Group's operations were not subject to any significant seasonal or cyclical factors.

**Explanatory Notes Pursuant to the Listing Requirements
For 12 Months Ended 30 June 2023**

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 for the current quarter under review.

A5) Material Changes in Estimates

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the current quarter under review.

A6) Debt and Equity Securities

There was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial period under review.

A7) Dividend Paid

There was no dividend paid in the current quarter under review.

A8) Valuation of Property, Plant and Equipment

There was no material valuation exercise conducted on the property, plant and equipment of the Group during the quarter under review.

A9) Material Events During the Financial Period

There was no material event during the quarter under review other than as stated below.

- (a) On 26 April 2023, the Company has announced that its wholly-owned subsidiary, Ace Edible Oil Industries Sdn. Bhd., entered into two (2) Sale and Purchase Agreements (SPA) with Wilee Vegetable Oils Sdn. Bhd. for the disposal of a piece of freehold land and plant and machinery for a total consideration of RM23,400,000 (Ringgit Malaysia Twenty Three Million Four Hundred Thousand Only).

The Proposed Disposal is pending completion and is expected to be completed in September 2023.

- (b) On 19 June 2023, on behalf of the Directors, TA Securities Holdings Berhad (TA Securities) announced that the Company proposes to undertake the Proposed Diversification of the existing businesses of the Group to include the distribution and trading of food and beverage (F&B) as well as foodservice (F&B Business).

**Explanatory Notes Pursuant to the Listing Requirements
For 12 Months Ended 30 June 2023**

A9) Material Events During the Financial Period (Cont'd)

- (c) On 19 June 2023, the Board of Directors of the Company Proposed New Shareholders' Mandate is in respect of recurrent related party transactions within the Group to be entered into from the date of the EGM up to the next forthcoming Annual General Meeting (AGM) of the Company. The Proposed New Shareholders' Mandate, if approved by the shareholders at the forthcoming EGM of the Company will be subject to annual renewal at each subsequent AGM of the Company.

The Company had obtained its shareholders' approval for the above proposal (b) & (c) at an extraordinary general meeting (EGM) convened on 21 July 2023.

A10) Material Events Subsequent to the end of the Financial Period

There was no material event subsequent to the end of the quarter under review other than as stated below.

- (a) On 31 July 2023, on behalf of Board of Directors, TA Securities Holdings Berhad (TA Securities) announced that the Company proposes to undertake a proposed consolidation of every 10 existing ordinary shares in Green Ocean (Green Ocean Share(s) or Share(s)) held by the Company's shareholders on an entitlement date to be determined and announced later, into 1 Green Ocean Share (Proposed Share Consolidation).

On 8 August 2023, TA Securities had, on behalf of the Board announced that Bursa Securities had vide its letter dated 8 August 2023 granted its approval for the Proposed Share Consolidation.

The Proposed Share Consolidation is subject to approvals being obtained from the shareholders at an EGM to be convened on 5 September 2023.

Subject to all relevant approvals being obtained, the Proposed Share Consolidation is expected to be completed by 4th quarter of year 2023.

A11) Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current quarter and financial year-to-date other than as stated below.

On 26 June 2023, the Group had incorporated a new wholly-owned subsidiary namely, Pacific Globe Sdn Bhd with the intention to carry out general trading, distributors, wholesale in all kind of goods, and to provide storage, warehousing facilities.

A12) Contingent Liabilities or Contingent Assets

There are no contingent liabilities for the Group as of the date of this report.

**Explanatory Notes Pursuant to the Listing Requirements
 For 12 Months Ended 30 June 2023**

A13) Capital Commitment

There were no capital commitment in the Group or the quarter under review.

A14) Related Party Transactions

There were no significant transactions with related parties during the current financial period.

A15) Fair Value Measurements

(a) Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows: -

Level 1: Input are quoted prices (unadjusted) in active market for identical assets and or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset and liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

(b) The following table provides the fair value measurement hierarchy of the Group's financial instruments: -

<--- Fair value of financial instruments --->					
carried at fair value					
	Level 1	Level 2	level 3	Total	Carrying
	RM'000	RM'000	RM'000	RM'000	amount
					RM'000
Group - 30.06.2023					
Financial assets					
- Investment in quoted securities	31,984	-	-	31,984	31,984
- Investment in money market	7,500	-	-	7,500	7,500
	<u>39,484</u>	<u>-</u>	<u>-</u>	<u>39,484</u>	<u>39,484</u>
Group - 30.06.2022					
Financial assets					
- Investment in quoted securities	20,275	-	-	20,275	20,275
- Investment in money market	41,325	-	-	41,325	41,325
	<u>61,600</u>	<u>-</u>	<u>-</u>	<u>61,600</u>	<u>61,600</u>

**Explanatory Notes Pursuant to the Listing Requirements
 For 12 Months Ended 30 June 2023**

A16) Revenue

	Individual Quarter		Cumulative Quarter	
	3 Months Ended	3 Months Ended	12 Months Ended	12 Months Ended
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	RM'000	RM'000	RM'000	RM'000
Sales of:				
(i) Gloves	-	3,799	864	6,509
(ii) Food & beverages	5,578	976	7,362	1,098
	<u>5,578</u>	<u>4,775</u>	<u>8,226</u>	<u>7,607</u>
Goods or services transferred at a point in time	<u>5,578</u>	<u>4,775</u>	<u>8,226</u>	<u>7,607</u>

A17) Segmental Information

The segmental information of the Group is presented by operating segments as follows: -

- (a) **Palm oil products** - palm kernel crushing, refining of palm oil and palm kernel oil and trading of refined palm oil products;
- (b) **Gloves** - glove-manufacturing and trading;
- (c) **Food & beverages** - trading in all kinds of foods and beverages;
- (d) **Others** - Investment holding and trading of biomass and alternative material, energy and fuels and services, neither which are of a sufficient size to be reported separately.

GREEN OCEAN CORPORATION BERHAD
 [Registration No: 200301029847 (632267-P)]

**Explanatory Notes Pursuant to the Listing Requirements
 For 12 Months Ended 30 June 2023**

A17) Segmental Information (Cont'd)

Cumulative Period 12 Months Ended 30.06.2023

	Palm Oil Products RM'000	Gloves RM'000	Food & Beverages RM'000	Others RM'000	Adjustment & Elimination RM'000	Total RM'000
REVENUE						
External revenue	-	864	7,362	-	-	8,226
Inter-segment revenue	-	-	-	-	-	-
Total revenue	-	864	7,362	-	-	8,226
RESULTS						
Interest income	-	-	-	265	-	265
Rental income	-	194	-	-	-	194
Finance cost	-	(147)	-	(12)	-	(159)
Segment loss before tax	(9,517)	(680)	(608)	(247)	-	(11,052)
Taxation	-	-	-	-	-	-
Segment loss after tax	(9,517)	(680)	(608)	(247)	-	(11,052)
Other material non-cash items:-						
- Depreciation of property, plant and equipment	(590)	(108)	-	(121)	-	(819)
- Depreciation of right-to-use assets	-	(8)	-	(43)	-	(51)
- Fair value gain on money market instruments	-	-	-	765	-	765
- Fair value loss on quoted securities	(6,817)	-	-	-	-	(6,817)
- Loss on disposal of plant and equipment	(1)	-	-	-	-	(1)
- Loss on disposal of quoted securities	(1,672)	-	-	-	-	(1,672)
- Property, plant and equipment written off	(2)	-	-	-	-	(2)

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**Explanatory Notes Pursuant to the Listing Requirements
For 12 Months Ended 30 June 2023**

A17) Segmental Information (Cont'd)

Cumulative Period 12 Months Ended 30.06.2022

	Palm Oil Products RM'000	Gloves RM'000	Food & Beverages RM'000	Others RM'000	Adjustment & Elimination RM'000	Total RM'000
REVENUE						
External revenue	-	6,509	1,098	-	-	7,607
Inter-segment revenue	-	-	-	-	-	-
Total revenue	-	6,509	1,098	-	-	7,607
RESULTS						
Interest income	-	-	-	190	-	190
Finance cost	-	(1)	-	(21)	-	(22)
Share of loss of joint venture	-	-	-	-	(43)	(43)
Segment loss before tax	(19,685)	(500)	(201)	(412)	(43)	(20,841)
Taxation	-	-	-	-	-	-
Segment loss after tax	(19,685)	(500)	(201)	(412)	(43)	(20,841)
Other material non-cash items:-						
- Depreciation of property, plant and equipment	(716)	(1)	-	(118)	-	(835)
- Depreciation of right-to-use assets	-	(5)	-	(28)	-	(33)
- Fair value gain on money market instruments	-	-	-	351	-	351
- Gain on disposal of joint venture	-	-	-	2	-	2
- Loss from disposal of quoted securities	(7,364)	-	-	-	-	(7,364)
- Fair value loss on quoted securities	(10,583)	-	-	-	-	(10,583)

**Explanatory Notes Pursuant to the Listing Requirements
For 12 Months Ended 30 June 2023**

B1) Review of Performance

Individual Period (Quarter 4)	Current	Preceding year	Changes	
	Quarter 30.06.2023 RM'000	Corresponding Quarter 30.06.2022 RM'000	RM'000	%
Revenue				
Gloves	-	3,799	(3,799)	(100.0)
Food & beverages	<u>5,578</u>	<u>976</u>	4,602	471.5
	5,578	4,775	803	16.8
Loss before tax				
Palm oil products	(5,554)	(3,674)	(1,880)	51.2
Gloves	(397)	(475)	78	(16.4)
Food & beverages	(433)	(180)	(253)	140.6
Others	(108)	149	(257)	(172.5)
Share of result of joint venture	-	(41)	41	(100.0)
	<u>(6,492)</u>	<u>(4,221)</u>	(2,271)	53.8

Current Quarter

The Group posted revenue of RM5.58 million for the current quarter ended 30 June 2023, 16.8% higher compared to RM4.78 million recorded in the corresponding quarter ended 30 June 2022. Revenue in the quarter under review was mainly derived from Food & Beverages segment (F&B), which includes distribution of frozen meat, processed food products, mooncakes and drinks.

Mooncake is a festive traditional Chinese pastry that is typically consumed during the Mid-Autumn Festival. It posted a gross revenue of RM0.59 million. On June 2023, Ace Pacific Sdn Bhd (APSB) entered into an OEM Supply Agreement to supply frozen chicken sausages with customised packaging and labelling under its customer's own brand on a monthly basis for 1 year. The total order value under the Supply Agreement is approximately RM7.8 million. Supply of OEM frozen chicken sausages recorded a total revenue of approximately RM0.54 million.

Gloves segment posted nil revenue mainly due to unfavourable average selling price and low demand from customers.

The Group recorded pre-tax loss of RM6.49 million for the current quarter, RM2.27 million higher than RM4.22 million pre-tax loss in the correspondence quarter. Palm Oil product recorded higher pre-tax loss of RM5.55 million mainly due to loss on fair value changes in quoted securities of RM3.78 million (Q4 FY2022: 3.67 million) and loss on disposal of quoted securities of RM1.67 million.

**Explanatory Notes Pursuant to the Listing Requirements
For 12 Months Ended 30 June 2023**

B1) Review of Performance (Cont'd)

Cumulative Period (Quarter 4)	Current Year to-date 30.06.2023 RM'000	Preceding year Corresponding Quarter 30.06.22 RM'000	Changes	
			RM'000	%
Revenue				
Gloves	864	6,509	(5,645)	(86.7)
Food & beverages	7,362	1,098	6,264	570.5
	8,226	7,607	619	8.1
Loss before tax				
Palm oil products	(9,517)	(19,685)	10,168	(51.7)
Gloves	(680)	(500)	(180)	36.0
Food & beverages	(608)	(201)	(407)	202.5
Others	(247)	(412)	165	(40.1)
Share of result of joint venture	-	(43)	43	(100.0)
	(11,052)	(20,841)	9,789	(47.0)

Cumulative Period

The Group posted revenue of RM8.23 million for the cumulative quarter ended 30 June 2023, which was RM0.62 million or 8.1% higher than the corresponding cumulative quarter. The increase in revenue was mainly due to increase in revenue from F&B, which includes the sales from Mooncake, frozen meat, processed food and drinks. Revenue from glove was low as a result of lower average seller price and lower demand from customers. The decrease in gloves revenue of RM5.65 million, was however offset with the increase in revenue from food and beverage which was up by RM6.26 million.

The Group recorded pre-tax loss of RM11.05 million for the cumulative quarter ended 30 June 2023 compare to RM20.84 million in the corresponding cumulative quarter. Loss before tax in palm oil products consisted of loss on fair value changes in quoted securities of RM6.82 million (Q4 FY2022: RM10.58 million) and loss from disposal of quoted securities of RM1.67 million (Q4 FY2022: RM7.36 million).

**Explanatory Notes Pursuant to the Listing Requirements
 For 12 Months Ended 30 June 2023**

B2) Variation of Results against Immediate Preceding Quarter

	Current Quarter 30.06.2023 RM'000	Immediate Preceding Quarter 31.03.2023 RM'000	Changes	
			RM'000	%
Revenue				
Gloves	-	-	-	-
Food & beverages	<u>5,578</u>	<u>1,137</u>	4,441	390.6
	5,578	1,137	4,441	390.6
Loss before tax				
Palm oil products	(5,554)	(2,667)	(2,887)	108.2
Gloves	(397)	(132)	(265)	200.8
Food & beverages	(433)	108	(541)	(500.9)
Others	<u>(108)</u>	<u>(43)</u>	(65)	151.2
	<u>(6,492)</u>	<u>(2,734)</u>	(3,758)	137.5

The Group posted revenue of RM5.58 million for the current quarter ended 30 June 2023, representing an increase of RM4.44 million compared to RM1.14 million recorded in the preceding quarter ended 31 March 2023. Increase in the revenue was mainly due to higher sales orders in frozen food, and contribution from selling processed food RM0.54 million and mooncake RM0.59 million.

The Group recorded pre-tax loss of RM6.49 million as compared to RM2.73 million recorded in the preceding quarter. Pre-tax loss in palm oil segment was mainly due to fair value loss in quoted securities RM3.77 million (Q3 FY2023: 2.37 million) and loss from disposal of quoted shares RM1.67 million.

**Explanatory Notes Pursuant to the Listing Requirements
For 12 Months Ended 30 June 2023**

B3) Prospects

The Group expects that in near term, operating environment for the glove sector will remain challenging as the excess supply of gloves in the market continues to affect the industry's average selling price (ASP), followed by persisting low utilisation rates.

In July 2023, the Group announced its intention to expand its earning base, the distribution of frozen meat which includes frozen processed food products, into the trading, import and distribution of alcoholic and non-alcoholic beverages, and venture into the foodservice business.

The growth in the F&B industry in Malaysia, including the demand for frozen processed food, alcoholic beverages and foodservice is expected to continue to be driven by the increasing disposable income and affluence, rising urbanisation, growing population, diverse cuisines as well as revival and future growth of the tourism industry in Malaysia. As such, the F&B Business is expected to contribute positively to the Group's earnings potential over time and at the same time diversify the Group's existing businesses.

This diversification will allow the Group to expand its income stream from the F&B Business, thereby reducing its dependency on the Palm Oil Business and Gloves Business.

To ensure the business sustainability and adaptability amidst the more challenging business landscape, the Group will continue to emphasize cost rationalisation and operational efficiency across the operations.

B4) Profit forecast or profit guarantee

Not applicable as the Group did not publish any profit forecast.

B5) Qualification of Annual Financial Statements

The preceding year annual audited financial statements were not subject to any qualification.

**Explanatory Notes Pursuant to the Listing Requirements
 For 12 Months Ended 30 June 2023**

B6) Loss Before Tax

	Individual Quarter		Cumulative Quarter	
	3 Months Ended	3 Months Ended	12 Months Ended	12 Months Ended
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	RM'000	RM'000	RM'000	RM'000
Included in the loss before tax is after (crediting)/charging: -				
Depreciation of plant & equipmnet	124	209	819	835
Depreciation of right-to-use assets	13	-	51	-
Distribution income from money market instruments	(24)	(6)	(41)	(332)
(Gain)/Loss on fair value changes of:				
- Money market instruments	(178)	(351)	(765)	(351)
- Quoted securities	3,773	3,137	6,817	10,583
Finance costs	65	12	159	22
Loss on disposal of quoted securities	1,672	-	1,672	7,364
Rental income	(62)	-	(130)	-
Interest income	(10)	(113)	(265)	(190)

B7) Taxation

	Individual Quarter		Cumulative Quarter	
	3 Months Ended	3 Months Ended	12 Months Ended	12 Months Ended
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	RM'000	RM'000	RM'000	RM'000
Corporate tax expense	-	-	-	-
Deferred tax expense	-	-	-	-
Underprovision in prior year Corporate tax expense	-	(9)	-	-
	-	(9)	-	-

**Explanatory Notes Pursuant to the Listing Requirements
 For 12 Months Ended 30 June 2023**

B8) Status of Corporate Proposals

Save as disclosed below, there were no other corporate proposals announced but not completed at the latest practicable date which is not earlier than seven (7) days from the date of issue of this interim financial report: -

- 1) On 4 January 2021, the Company completed a Rights Issue with Warrants exercise following the listing and quotation of 828,573,600 new ordinary shares of RM0.10 each together with 621,430,198 Warrants B. The Company raise cash proceeds of RM82.86 million and the summary of the utilisation of proceeds up to the date of this interim financial report are as follows: -

Purpose	Proposed utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000	Estimated timeframe for the utilisation of proceeds
Repayment of bank borrowings	7,300	(7,300)	-	Within 6 months
Refurbishment of existing factory building for the gloves business	15,000	(2,097)	12,903	By 3 January 2024
Capital expenditure for the gloves business	41,100	(15,000)	26,100	By 3 January 2024
Working capital for the gloves business	18,557	(16,901)	1,656	By 3 January 2024
Estimated expenses for the corporate exercise	900	(900)	-	Immediate
Total	82,857	(42,198)	40,659	

**Explanatory Notes Pursuant to the Listing Requirements
For 12 Months Ended 30 June 2023**

B8) Status of Corporate Proposals (Cont'd)

- 2) On 27 August 2021, the Company completed Private Placement Exercise following the listing and quotation of 351,932,000 new ordinary shares at issue price of RM0.0231 each on the ACE Market of Bursa Securities. The Company raised cash proceeds of RM8.13 million and the summary of the utilisation of proceeds up to the date of this interim financial report are as follows: -

Purpose	Proposed utilisation RM'000	Amount utilised RM'000	Reallocation RM'000	Balance unutilised RM'000	Estimated time frame for the utilisation of proceeds
Capital expenditure for the Gloves Business	7,634	-	357	7,991	Within 36 months
Estimated expenses for the corporate exercise	495	(138)	(357)	-	Immediate
Total	8,129	(138)	-	7,991	

B9) Material Litigation

There were no material litigations against the Group as at the date of the interim financial report. The directors of the Group do not have any knowledge of any proceeding pending or threatened against the Group which might materially and adversely affect the financial position or business of the Group.

**Explanatory Notes Pursuant to the Listing Requirements
 For 12 Months Ended 30 June 2023**

B10) Borrowings and Debts Securities

	Non-Current RM'000	Current RM'000	Total RM'000
As at 30.06.2023			
<u>Secured</u>			
Finance lease payables	198	49	247
Term loans	6,252	349	6,601
	<u>6,450</u>	<u>398</u>	<u>6,848</u>
As at 30.06.2022			
<u>Secured</u>			
Finance lease payables	250	44	294
Term loans	-	-	-
	<u>250</u>	<u>44</u>	<u>294</u>
	30.06.2023	30.06.2022	
	%	%	
The weighted average interest rate are as follows:			
Finance lease payables	2.28%	2.28%	
Term loan	4.25%	-	
	<u>4.25%</u>	<u>-</u>	
Proportion of borrowing between:			
Fixed interest rates	4%	100%	
Floating interest rates	96%	-	
	<u>100%</u>	<u>100%</u>	

All the borrowings are denominated in Ringgit Malaysia

B11) Dividend

There was no dividend declared or paid for the current period under review.

**Explanatory Notes Pursuant to the Listing Requirements
For 12 Months Ended 30 June 2023**

B12) Loss per Share

The basic and diluted loss per share are computed as follows: -

	Individual Quarter		Cumulative Quarter	
	3 Months Ended	3 Months Ended	12 Months Ended	12 Months Ended
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	RM '000	RM '000	RM '000	RM '000
Loss attributable to the owners of the Company	(6,492)	(4,212)	(11,052)	(20,841)
Weighted average number of Ordinary shares ('000)	2,111,592	2,111,592	2,111,592	2,056,633
Loss per share (sen):				
Basic and diluted	<u>(0.31)</u>	<u>(0.20)</u>	<u>(0.52)</u>	<u>(1.01)</u>

Note:

The diluted loss per share is equivalent to the basic loss per share as the Company's warrants and share options had an anti-dilutive effect on the basic loss per share.

By Order of the Board

WONG YUET CHYN (MAICSA 7047163)
Company Secretary
Kuala Lumpur
30 August 2023