



PRIVASIA TECHNOLOGY BERHAD

200801023769 (825092-U)

(Incorporated In Malaysia)

**Unaudited Condensed Consolidated
Interim Financial Statements
for the 2nd Quarter Ended 30 June 2024**

PRIVASIA TECHNOLOGY BHD 200801023769 (825092-U)

(Incorporated In Malaysia)

Unaudited Condensed Consolidated Interim Financial Statements

Unaudited Condensed Consolidated Statement of Financial Position as at 30 June 2024

	<u>Note</u>	As At 30 June 2024 RM	As at 31 December 2023 RM
ASSETS			
Non-current assets			
Property, plant and equipment		15,717,060	13,688,887
Investment property		1,950,107	1,963,404
Goodwill	8	27,885,234	27,885,234
Other intangible assets		6,915,700	7,005,285
Deferred tax assets		300,000	300,000
Other receivables		257,677	257,677
Total non-current assets		53,025,779	51,100,487
Current assets			
Current tax assets		545,974	545,974
Trade receivables		14,385,823	8,602,981
Other receivables, deposits and prepayments		28,143,382	28,744,570
Contract assets		25,132,557	18,284,465
Contract costs		2,442,164	3,736,451
Deposits, cash and bank balances		15,284,054	5,881,315
Total current assets		85,933,954	65,795,756
TOTAL ASSETS		138,959,733	116,896,243
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		68,063,320	62,630,042
Accumulated losses		(460,644)	(1,880,660)
		67,602,676	60,749,382
Non-controlling interests		(1,022,392)	(883,985)
TOTAL EQUITY		66,580,284	59,865,397
LIABILITIES			
Non-current liabilities			
Loans and borrowings	9	4,666,477	4,783,848
Other payables		1,087,903	1,087,903
Total non-current liabilities		5,754,380	5,871,751
Current liabilities			
Loans and borrowings	9	7,296,075	8,894,312
Trade payables		13,502,253	6,773,624
Other payables and accruals		41,484,071	33,243,895
Contract liabilities		4,340,034	2,244,627
Current tax liabilities		2,637	2,637
Total current liabilities		66,625,070	51,159,095
TOTAL LIABILITIES		72,379,450	57,030,846
TOTAL EQUITY AND LIABILITIES		138,959,733	116,896,243
Net assets per share (RM)		0.10	0.10

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the notes to the unaudited condensed consolidated interim financial statements.

PRIVASIA TECHNOLOGY BHD 200801023769 (825092-U)

(Incorporated in Malaysia)

Unaudited Condensed Consolidated Interim Financial Statements

Unaudited condensed consolidated statement of profit or loss and other comprehensive income for the financial period ended 30 June 2024

	<i>Note</i>	Current Year	Preceding Year	Year-to-date	Year-to-date
		Three months ended 30 June 2024	Three months ended 30 June 2023	30 June 2024	30 June 2023
		RM	RM	RM	RM
Revenue		22,702,545	37,168,681	38,343,655	47,628,608
Cost of sales		(17,790,781)	(32,328,996)	(28,949,404)	(38,223,388)
Gross profit		4,911,764	4,839,685	9,394,251	9,405,220
Other income		36,956	10,428	76,269	26,597
Other expenses		(3,646,480)	(4,042,101)	(7,368,845)	(7,574,610)
Operating profit		1,302,240	808,012	2,101,675	1,857,207
Net reversal of impairment losses on financial instruments		(19,192)	(124,463)	(19,192)	(124,463)
Results from operation		1,283,048	683,549	2,082,483	1,732,744
Finance income		53,115	24,175	81,282	55,461
Finance costs		(652,821)	(216,321)	(882,158)	(432,885)
Profit before tax	24	683,342	491,403	1,281,607	1,355,320
Income tax expense		-	-	-	-
Net profit for the period		683,342	491,403	1,281,607	1,355,320
Exchange differences on translation of foreign operation		-	(27,165)	-	(34,784)
Total comprehensive income for the period		683,342	464,238	1,281,607	1,320,536
Profit/(Loss) attributable to:					
Owners of the Company		763,576	598,335	1,420,014	1,549,081
Non-controlling interests		(80,234)	(106,932)	(138,407)	(193,761)
		683,342	491,403	1,281,607	1,355,320
Total comprehensive income/(loss) attributable to:					
Owners of the Company		763,576	571,169	1,420,014	1,514,297
Non-controlling interests		(80,234)	(106,932)	(138,407)	(193,761)
		683,342	464,238	1,281,607	1,320,536
Earnings per share attributable to owners of the Company (sen)					
- Basic	25	0.11	0.10	0.21	0.25
- Diluted	25	0.11	0.10	0.21	0.25

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the notes to the unaudited condensed consolidated interim financial statements.

PRIVASIA TECHNOLOGY BHD 200801023769 (825092-U)

(Incorporated In Malaysia)

Unaudited Condensed Consolidated Interim Financial Statements

Unaudited condensed consolidated statement of changes in equity for the financial period ended 30 June 2024

	<-----Attributable to owners of the Company----->					Total equity
	<i>Non-distributable</i>		<i><-----Distributable-----></i>			
	Share capital	Exchange reserve	Retained earnings /(Accumulated losses)	Sub-total	Non-controlling interests	
RM	RM	RM	RM	RM	RM	
At 1 January 2023	62,630,042	(58,114)	(2,581,908)	59,990,020	(587,128)	59,402,892
Total comprehensive profit/(loss) for the period	-	(34,784)	1,549,081	1,514,297	(193,761)	1,320,536
At 30 June 2023	<u>62,630,042</u>	<u>(92,898)</u>	<u>(1,032,827)</u>	<u>61,504,317</u>	<u>(780,889)</u>	<u>60,723,428</u>
At 1 January 2024	62,630,042	-	(1,880,660)	60,749,382	(883,985)	59,865,397
Issue of ordinary shares	5,433,278	-	-	5,433,278	-	5,433,278
Total comprehensive profit/(loss) for the period	-	-	1,420,014	1,420,014	(138,407)	1,281,607
At 30 June 2024	<u>68,063,320</u>	<u>-</u>	<u>(460,646)</u>	<u>67,602,674</u>	<u>(1,022,392)</u>	<u>66,580,282</u>

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the notes to the unaudited condensed consolidated interim financial statements.

PRIVASIA TECHNOLOGY BHD 200801023769 (825092-U)*(Incorporated In Malaysia)***Unaudited Condensed Consolidated Interim Financial Statements****Unaudited condensed consolidated statements of cash flows for the financial period ended 30 June 2024**

	Year ended 30 June 2024	Year ended 30 June 2023
	RM	RM
Cash flow from operating activities		
Profit before taxation	1,281,607	1,355,320
<i>Adjustments for:</i>		
Amortisation of intangible assets	354,070	464,770
Depreciation of investment property	13,298	13,298
Depreciation of property, plant and equipment	655,428	641,361
Loss/(Gain) on disposal of property, plant and equipment	7,384	(5,999)
Bad debts written off	7,012	-
Impairment loss on contract assets	50,000	124,463
Impairment loss on amount owing by an associate (non-trade)	5,000	-
Interest expense	882,158	432,885
Interest income	(81,282)	(55,461)
Property, plant and equipment written off	-	2,485
Reversal of impairment loss on amount owing by an associate (non-trade)	(35,808)	-
Unrealised loss on foreign exchange	24,733	50,015
Operating profit before changes in working capital	<u>3,163,600</u>	<u>3,023,137</u>
Changes in working capital:		
Inventories	-	(311,254)
Trade and other receivables	(5,073,249)	(71,227,128)
Contract assets	(6,898,090)	(4,194,091)
Contract costs	1,294,287	(199,801)
Trade and other payables	15,576,075	70,979,320
Contract liabilities	2,095,407	8,903
Net cash generated from/(used in) operations	<u>10,158,030</u>	<u>(1,920,914)</u>
Tax paid	-	(93,774)
Interest paid	(882,158)	(432,860)
Interest received	81,282	55,461
Net cash generated from/(used in) operating activities	<u>9,357,154</u>	<u>(2,392,087)</u>
Cash flows from investing activities		
Proceeds from disposal of property plant and equipment	4,262	-
Acquisition of an associate, net of cash	-	335,437
Addition of intangible assets	(302,052)	-
Advances to an associate	(84,609)	-
Purchase of property, plant and equipment	(2,685,228)	(26,980)
Net cash (used in)/generated from investing activities	<u>(3,067,627)</u>	<u>308,457</u>

PRIVASIA TECHNOLOGY BHD 200801023769 (825092-U)*(Incorporated In Malaysia)***Unaudited Condensed Consolidated Interim Financial Statements****Unaudited condensed consolidated statements of cash flows for the financial period ended 30 June 2024**

	Year ended 30 June 2024 RM	Year ended 30 June 2023 RM
Cash flows from financing activities		
Changes in pledged deposits	(46,392)	(38,969)
(Repayments of)/Proceeds from trade facilities	(1,360,088)	458,001
Payments of lease liabilities	(121,928)	(227,671)
Repayments of hire purchase	(1,750)	-
Proceeds from issuance of ordinary shares	5,433,278	-
Repayments of term loans	(341,507)	(332,036)
Interest paid	-	(25)
Net cash generated from/(used in) financing activities	<u>3,561,613</u>	<u>(140,700)</u>
Net increase/(decrease) in cash and cash equivalents	9,851,140	(2,224,330)
Cash and cash equivalents at the beginning of the period	(1,039,930)	(589,945)
Exchange rate adjustment	-	(34,784)
Cash and cash equivalents at the end of the period	<u><u>8,811,210</u></u>	<u><u>(2,849,059)</u></u>
Cash and cash equivalents at the end of the financial period comprised the following:		
Fixed deposits	11,213,532	4,053,555
Cash and bank balances	4,070,522	623,072
Deposits, cash and bank balances as reported in the SOFP	<u>15,284,054</u>	<u>4,676,627</u>
Less:		
Deposits pledged as security	(3,556,925)	(3,466,274)
Bank overdrafts	<u>(2,915,919)</u>	<u>(4,059,412)</u>
Cash and cash equivalents as reported in the condensed consolidated statements of cash flows	<u><u>8,811,210</u></u>	<u><u>(2,849,059)</u></u>

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the notes to the unaudited condensed consolidated interim financial statements.

A. NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 Basis of preparation

The unaudited condensed consolidated interim financial statements have been prepared in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market and the Malaysian Financial Reporting Standard (MFRS) 134 Interim Financial Reporting, which is in compliance with the International Accounting Standard (IAS) 34, Interim Financial Reporting.

The unaudited condensed consolidated interim financial statements have been reviewed by the auditors in accordance with ISRE 2410.

The unaudited condensed consolidated interim financial statements should be read in conjunction with the latest audited financial statements of Privasia Technology Berhad ("the Company") and its subsidiaries ("Group") for the financial year ended ("FYE") 31 December 2023 and are available upon request from the Company's registered office at No. 62C, Jalan SS21/62, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan.

The notes to these unaudited condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group for the financial period ended 30 June 2024.

2 Significant accounting policies

Unless otherwise stated, the accounting policies applied by the Group in these unaudited condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2023.

3 Estimates

There were no material changes in the estimates of amount reported in prior financial periods which would have a material effect in the financial period under review.

4 Seasonal and cyclical factors

The results of the Group were not materially affected by any significant seasonal and cyclical factors during the financial period under review.

5 Unusual items due to their nature, size or incidence

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

6 Issuances, cancellations, repurchases, resale and repayment of debt and equity securities

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

7 Dividend

There were no dividends declared/recommended and paid to the shareholders by the Company during the financial period under review.

8 Goodwill

	Group	
	30 June 2024	31 December 2023
	RM	RM
At beginning of period	27,885,234	31,888,234
Less: Impairment loss	-	(4,003,000)
At end of period	<u>27,885,234</u>	<u>27,885,234</u>

During the reverse takeover exercise in 2009, a goodwill was recognised as a result of acquisitions through business combinations. Subsequent to that in financial year 2011, the total goodwill for the IT segment was realigned and allocated to Privasia Sdn. Bhd. as it was the main operating Cash Generating Unit of the segment during that period.

In the FYE 2023, in line with the accounting standards requirements, the Group recognised an impairment loss on goodwill of RM4.0 million as a result of the annual impairment assessment to reflect the economic performance of its subsidiary, Privasia Sdn. Bhd. This impairment exercise is in line with the Group policy of reviewing the economic performance of each segment on a yearly basis and in the previous years the impairment of goodwill has been recognised for the Information and Communication Technology ("ICT") and Satellite-based network services ("SAT") segments.

This assessment was done in line with accounting standard, MFRS 136 Impairment of Assets and based on the Directors' best estimate and prudent judgement.

9 Loans and borrowings

	Group	
	30 June 2024	31 December 2023
	RM	RM
Non-current		
Term loan	3,878,370	4,412,857
Lease liabilities	750,866	335,566
Hire purchase payable	37,241	35,425
	<u>4,666,477</u>	<u>4,783,848</u>
Current	RM	RM
Term loan	948,300	755,321
Lease liabilities	221,443	154,213
Hire purchase payable	-	3,566
Trade facilities	3,210,413	4,570,501
Bank overdrafts	2,915,919	3,410,711
	<u>7,296,075</u>	<u>8,894,312</u>
Total	<u>11,962,553</u>	<u>13,678,160</u>

A. NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

10 Segmental reporting

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Chief Executive Officer (the chief operating decision maker) reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Group's current reportable segments:

(i) Information Technology ("IT")

IT infrastructure outsourcing, consultancy and systems integration and procurement management.

(ii) Information and Communications Technology ("ICT")

Provision of wireless broadband infrastructure, comprehensive mobile and wireless communications consultancy, and systems development for ICT and mobile solutions providers and enterprises.

(iii) Satellite-based network services ("SAT")

Provision of a broad spectrum of satellite-based network solutions, such as managed network, high speed internet, value-added broadband applications and satellite IP Virtual Private Network for the commercial sector and general public.

(iv) Investment Holding

Investment holding and provision of management services.

Performance is measured based on segment results, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer. Segment results are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to the other entities that operate within these industries.

The analysis of the Group's operations for the financial period ended 30 June 2024 is as follows:

	Investment Holdings	IT	ICT	SAT	Elimination	Total
	RM	RM	RM	RM	RM	RM
Total segment revenue	-	17,548,295	1,442,065	19,565,536	(212,241)	38,343,655
Gross profit	-	2,594,535	187,308	6,612,408	-	9,394,251
Other income	-	150,350	392	2,200	(76,673)	76,269
Other expenses	(1,010,996)	(3,631,017)	(372,566)	(2,410,939)	56,673	(7,368,845)
Impairment losses/ (Reversal of impairment losses)						
on financial instruments	319,455	(27,890)	35,808	10,000	(356,565)	(19,192)
Results from operations	(691,541)	(914,022)	(149,058)	4,213,669	(376,565)	2,082,483
Finance income						81,282
Finance costs						(882,158)
Net profit for the period						1,281,607
Segment assets	50,518,809	75,542,457	5,714,145	59,991,208	(52,806,886)	138,959,733
Segment liabilities	27,327,934	36,318,053	13,027,890	40,714,975	(45,009,402)	72,379,450

11 Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the current quarter under review that have not been reflected in this interim financial report.

12 Change in composition of the Group

The Company had on 13 March 2024 entered into a Transfer and Shareholders' Agreement ("TSA") with DJava Factory Sdn. Bhd. ("DJF"), DSS Capital Sdn.Bhd. ("DSS"), Mr. Allan Kenneth Ang ("Shareholder 1") and Mr. Teh Chee Hoe ("Shareholder 2"), for the acquisition of 127,500 ordinary shares in DJF equivalent to 51% of the total shareholding interest in DJF held jointly by DSS, Shareholder 1 and Shareholder 2 for a total consideration of RM1,100,000. On 2 July 2024 the Company had completed the acquisition.

13 Changes in contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets as at the date of this report.

14 Capital commitments

There were no material capital commitments for the purchase of property, plant and equipment incurred or known to be incurred for the financial period under review.

15 Financial instruments

The Group's financial risk management objectives and policies and risk profile are consistent with those disclosed in the consolidated annual financial statements as at and for the year ended 31 December 2023.

Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables, payables and short-term borrowings are reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

There have been no transfers between Level 1 and Level 2 during the financial period under review.

B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

16 Review of performance

Second Quarter Review

In the quarter, the Group reported a revenue of RM22.70 million as compared to RM37.17 million in the corresponding quarter in 2023 (2Q23). The higher revenue in 2Q23 was primarily attributed to the initial billing which was partly for a project consultancy related fees to a long term infra project.

The Information Technology ("IT") segment revenue rose to RM11.45 million from RM7.11 million in 2Q23, primarily driven by billings for IOT surveillance and leasing projects. The higher revenue and the lower staff cost brought the operating loss significantly down to RM0.11 million as compared to an operating loss of RM1.12 million in 2Q23.

Information Communication Technology ("ICT") segment revenue dropped more than half to RM0.43 million from RM1.24 million in 2Q23. Despite the lackluster revenue in current quarter, the operating loss was maintained at RM0.12 million. The lower revenue is attributed to the reduction in Outside Plant (OSP) and Site Management Project (SMP) projects in 2Q24.

The Satellite-Based Services ("SAT") segment revenue in the current quarter was RM11.00 million, as compared to RM28.87 million in 2Q23. The higher revenue in 2Q23 was primarily attributed to a project consultancy fees related to infra project. In current quarter, the segment recorded an operating profit of RM2.05 million, a drop from the RM2.40 million operating profit in 2Q23.

The Group reported a growth in profit before tax ("PBT") and profit after tax ("PAT") to RM0.68 million as compared to PBT and PAT of RM0.49 million for the same period last year. Despite the drop in revenue, the Group reported a rise in profitability attributable to managed overhead costs.

Comparison with Immediate preceding quarter

	Current Quarter	Immediate
	30 June 2024	Preceding Quarter
	RM	31 March 2024
	RM	RM
Group Result		
Revenue	22,702,545	15,641,110
Gross profit	4,911,764	4,482,488
Profit before interest and taxation	1,283,048	799,435
Profit before taxation	683,342	598,266
Profit after taxation	683,342	598,266
Profit attributable to owners of the company	763,576	656,439

In the current quarter under review, the Group reported a revenue of RM22.70 million, increase from the immediate preceding quarter's revenue of RM15.64 million. Additionally, the Group's profit before tax ("PBT") was slightly higher at RM0.68 million than RM0.60 million recorded in immediate preceding quarter. The growth in revenue is largely underpinned by revenue streams from several projects such as infra, IOT surveillance and leasing project. Whereas the lower PBT increase is closely linked to lower project margins.

17 Future prospects

As the Group embraces the complexities and opportunities in the digital age, we are poised to adopt forward looking strategies to harness the full potential of technology and drive sustainable profit growth. This requires investing in innovation and essential digital infrastructure and prioritising the development of digital skills among our workforce.

Looking ahead, we are dedicated to our growth objectives and will continually monitor and enhance our digitalization efficiency to meet the demands of tomorrow's market. Positioned strategically, we expect to continue the upward momentum in second half 2024. Our priority remains maximizing our value proposition by enhancing our existing expertise and cultivating new competencies to stay at the forefront of the industry.

Furthermore, the Group is committed to strategic partnerships with leading digital solution companies, laying a robust foundation to seize upcoming market opportunities and bolster our presence in the IT business segments. With the accelerating trend of digital transformation, we are well-positioned to capitalize on this momentum and cater to the evolving needs of our customers, ensuring sustained success in the future.

We remain committed to fulfilling our order book, which currently stands at approximately RM303.0 million. We will persist in meeting industry demands and seizing opportunities in the technology space to enhance our future performance.

18 Variance on profit forecast

Not applicable as the Group has not issued any profit forecast.

19 Unquoted investments and properties

There were no purchases or disposals of unquoted investments and properties during the financial period under review.

20 Status of corporate proposals announced

- a) On 16 February 2024, the Company proposed to undertake the private placement of up to 61,402,002 new ordinary shares, representing up to 10% of the total number of issued shares of Privasia Technology to third party investor(s). Bursa had, vide its letter dated 22 March 2024, approved the listing and quotation of up to 61,402,002 Placement Shares.

The private placement was completed on 28 May 2024 following the listing of and the quotation of:

(i) On 18 April 2024, first tranche of the Private Placement had been completed following the listing of and quotation for the 24,560,800 Placement Shares at an issue price RM0.0900 each and raised RM2,210,472 in the ACE Market of Bursa Malaysia Securities Berhad.

(ii) On 3 May 2024, second tranche of the Private Placement had been completed following the listing of and quotation for the 18,420,600 Placement Shares at an issue price RM0.0929 each and raised RM1,711,274 in the ACE Market of Bursa Malaysia Securities Berhad.

(iii) On 13 May 2024, third tranche of the Private Placement had been completed following the listing of and quotation for the 12,280,400 Placement Shares at an issue price RM0.0879 each and raised RM1,079,447 in the ACE Market of Bursa Malaysia Securities Berhad.

(iv) On 28 May 2024, fourth tranche of the Private Placement had been completed following the listing of and quotation for the 6,140,202 Placement Shares at an issue price RM0.0853 each and raised RM523,759 in the ACE Market of Bursa Malaysia Securities Berhad.

- b) The Company had on 13 March 2024 entered into a Transfer and Shareholders' Agreement ("TSA") with DJava Factory Sdn. Bhd. ("DJF"), DSS Capital Sdn. Bhd. ("DSS"), Mr. Allan Kenneth Ang ("Shareholder 1") and Mr. Teh Chee Hoe ("Shareholder 2"), for the acquisition of 127,500 Ordinary Shares in DJF equivalent to 51% of the total shareholding interest in DJF held jointly by DSS, Shareholder 1 and Shareholder 2 for a total consideration of RM1,100,000. On 2 July 2024 the Company had completed the acquisition.

B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (continued)

21 Utilisation of proceeds

Details of utilisation of the proceeds from the Private Placement Exercise are as follows:

Utilisation Purpose	Proposed Utilisation	Actual utilised todate	Balance unutilised	Expected timeframe for utilisation of proceeds from the date of completion of Private Placement
	RM	RM	RM	
i) Repayment of bank borrowings	3,000,000	3,000,000	-	Within 6 months
ii) Working Capital	1,224,952	1,224,952	-	Within 12 months
iii) Acquisition of 51% equity interest in DJava Factory Sdn Bhd	1,100,000	770,000	330,000	Within 24 months
iv) Estimated expenses in relation to the Proposed Private Placement	200,000	200,000	-	Within 1 month
	5,524,952	5,194,952	330,000	

Any variation to the actual gross proceeds raised from the private placement will be adjusted to or from the amount allocated for working capital requirement of the Group.

22 Material litigation

On 4 January 2024, Privatel Sdn. Bhd. ("Privatel") a subsidiary of the Company has been served with a sealed Writ and Statement of Claim dated 28 December 2023, by Bay Smart Capital Ventures Sdn. Bhd. ("BSC") via its solicitors, Messrs KS Lim & Ong. BSC having provided an invoice factoring facility to a contractor of Privatel and secured by a Master Assignment Agreement, is suing Privatel for unpaid invoices, but Privatel's payment to the contractor is contingent upon the end customer's payment, which remains pending due to ongoing job completion by the sub-contractor.

On 4 April 2024, Privatel Sdn. Bhd. ("Privatel") a subsidiary of the Company has been served by hand with a Writ Summon dated 25 March 2024, by MTK Communication Sdn. Bhd. ("MTKC") via its solicitors, Messrs Yaacob Mentol, Zamani & Associates. However, prior to this Writ Saman, MTKC, through another lawyer H.M. Mokhtar Rudin, Zainiah & Associates, issued a letter of demand to Privatel on 20 January 2023, which Privatel's solicitors responded to denying the claim as the services rendered were not complete, sign off documents were not submitted to support the claim and stressed clearly that this was a back to back payment arrangement. The trial between MTK and Privatel has been fixed on 18 December 2024 and 19 December 2024.

As at 21 August 2024 (being a date not earlier than 7 days from the date of issue of this report), the cases are still ongoing, the Company will update as and when there are material developments on the above matter.

23 Auditor's report on preceding annual financial statements

The auditor's report on the latest audited annual financial statements for the year ended 31 December 2023 was not qualified.

24 Profit before taxation

	Current quarter ended		Cumulative quarter ended	
	30 June		30 June	
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit for the period is arrived at after charging/ (crediting):				
Amortisation of intangible assets	175,465	228,813	354,070	464,769
Depreciation of investment property	6,650	6,649	13,298	13,298
Depreciation of property, plant and equipment	350,494	297,518	655,428	641,361
Property, plant and equipment written off	-	2,485	-	2,485
Reversal of impairment loss on amount owing by an associate (non-trade)	(35,808)	-	(35,808)	-
Impairment loss on contract assets	50,000	124,463	50,000	124,463
Impairment loss on amount owing by an associate (non-trade)	5,000	-	5,000	-
Unrealised loss on foreign exchange	641	44,088	24,733	50,015
Realised loss on foreign exchange	-	6,068	-	24,227
Loss/(Gain) on disposal of property, plant and equipment	4,242	(5,999)	7,384	(5,999)
Bad debts written off	7,012	-	7,012	-
Finance costs	652,821	216,321	882,158	432,885
Finance income	(53,114)	(24,175)	(81,282)	(55,462)

25 Earnings per share

(a) Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the profit after taxation for the period by the weighted average number of ordinary shares in issue during the period.

	Current quarter ended		Cumulative quarter ended	
	30 June		30 June	
	2024	2023	2024	2023
Profit attributable to equity holders (RM)	763,576	598,335	1,420,014	1,549,081
Weighted average number of ordinary shares in issue (units)	675,422,022	614,020,020	675,422,022	614,020,020
Basic earnings per share (sen)	0.11	0.10	0.21	0.25

26 Authorisation for issue

The unaudited condensed consolidated interim financial statement was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 August 2024.