

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

	INDIVIDUAL QUARTER UNAUDITED		CUMULATIVE PERIOD UNAUDITED	
	3 MONTHS 31-Dec-23 RM'000	3 MONTHS 31-Dec-22 RM'000	CURRENT PTD ENDED 6 MONTHS 31-Dec-23 RM'000	AUDITED PRECEDING CORRESPONDING PTD ENDED 6 MONTHS 31-Dec-22 RM'000
Revenue	18,115	29,699	34,877	35,361
Cost of sales	(11,922)	(22,458)	(23,359)	(25,019)
Gross profit	6,193	7,241	11,518	10,342
Other operating income	341	(43)	560	363
Other operating expenses	(4,044)	(3,514)	(7,301)	(6,492)
Finance costs	(10)	(211)	(24)	(383)
Share of loss of an equity-accounted associate	(1)	(2)	(2)	(13)
Profit before tax	2,479	3,471	4,751	3,817
Tax expense	(764)	(435)	(1,506)	(675)
Profit for the financial quarter/period	1,715	3,036	3,245	3,142
Other comprehensive loss, net of tax - Item that will be reclassified subsequently to profit or loss				
Foreign currency translation for foreign operations, net of tax	(47)	(67)	(58)	(161)
Other comprehensive loss for the financial quarter/period, net of tax	(47)	(67)	(58)	(161)
Total comprehensive income for the financial quarter/period	1,668	2,969	3,187	2,981
Profit attributable to:-				
Owners of the parent	1,456	2,317	2,567	1,958
Non-controlling interests	259	719	678	1,184
Profit for the financial quarter/period	1,715	3,036	3,245	3,142
Total comprehensive income attributable to:-				
Owners of the parent	1,409	2,250	2,509	1,797
Non-controlling interests	259	719	678	1,184
Total comprehensive income for the financial quarter/period	1,668	2,969	3,187	2,981
EPS attributable to owners of the parent (sen) - Basic and diluted	0.20	0.31	0.34	0.26

(The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these consolidated interim financial information and the audited financial statements for the financial year ended 30 June 2023.)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	UNAUDITED AS AT 31-Dec-23 RM'000	AUDITED AS AT 30-Jun-23 RM'000
Non-Current Assets		
Property, plant and equipment	2,348	3,148
Right-of-use assets	121	273
Goodwill on consolidation	8,726	8,726
Investment in an associate	100	102
	<u>11,295</u>	<u>12,249</u>
Current Assets		
Inventories	4,938	10,033
Trade receivables	13,650	15,179
Other receivables, deposits and prepayments	8,767	5,975
Current tax assets	369	136
Cash and bank balances	24,442	35,124
	<u>52,166</u>	<u>66,447</u>
TOTAL ASSETS	<u>63,461</u>	<u>78,696</u>
Equity attributable to owners of the company		
Share capital	60,054	60,054
Reverse acquisition reserve	(131,013)	(131,013)
Exchange translation reserve	(3,770)	(3,712)
Retained earnings	107,825	105,258
	<u>33,096</u>	<u>30,587</u>
Non-controlling interests	7,013	6,335
TOTAL EQUITY	<u>40,109</u>	<u>36,922</u>
Non-Current Liabilities		
Lease liabilities	45	73
Borrowings	394	707
Deferred tax liabilities	7	7
	<u>446</u>	<u>787</u>
Current Liabilities		
Trade payables	6,817	12,028
Other payables, deposits and accruals	11,139	22,904
Lease liabilities	116	248
Redeemable preference shares	4,000	4,000
Borrowings	25	1,133
Provision for restoration cost	22	22
Current tax payables	787	652
	<u>22,906</u>	<u>40,987</u>
	<u>23,352</u>	<u>41,774</u>
TOTAL EQUITY AND LIABILITIES	<u>63,461</u>	<u>78,696</u>
Net assets per share (sen)	<u>4.44</u>	<u>4.10</u>

* Net assets per share attributable to owners of the Company is computed based on Total Shareholders' Funds (excluding Non-controlling interests) divided by the total number of ordinary shares in issue.

(The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these consolidated interim financial information and the audited financial statements for the financial year ended 30 June 2023.)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

	Attributable to owners of the Parent			Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000				
Unaudited Six Months Financial Period Ended 31 December 2023							
Balance as at 1 July 2023	60,054	(131,013)	(3,712)	105,258	30,587	6,335	36,922
Profit for the financial period	-	-	-	2,567	2,567	678	3,245
Foreign currency translation for foreign operations, net of tax	-	-	(58)	-	(58)	-	(58)
Total comprehensive (loss)/income for the financial period	-	-	(58)	2,567	2,509	678	3,187
Balance as at 31 December 2023	<u>60,054</u>	<u>(131,013)</u>	<u>(3,770)</u>	<u>107,825</u>	<u>33,096</u>	<u>7,013</u>	<u>40,109</u>

	Attributable to owners of the Parent			Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
	Share capital RM'000	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000				
Unaudited Six Months Financial Period Ended 31 December 2022							
Balance as at 1 July 2022	60,054	(131,013)	(3,324)	100,097	25,814	4,196	30,010
(Loss)/Profit for the financial period	-	-	-	1,958	1,958	1,184	3,142
Foreign currency translation for foreign operations, net of tax	-	-	(161)	-	(161)	-	(161)
Total comprehensive (loss)/income for the financial period	-	-	(161)	1,958	1,797	1,184	2,981
Balance as at 31 December 2022	<u>60,054</u>	<u>(131,013)</u>	<u>(3,485)</u>	<u>102,055</u>	<u>27,611</u>	<u>5,380</u>	<u>32,991</u>

(The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these consolidated interim financial information and the audited financial statements for the financial year ended 30 June 2023.)

**CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

	UNAUDITED CURRENT PERIOD TO DATE ENDED 31-Dec-23 RM'000	UNAUDITED PRECEDING FINANCIAL PERIOD ENDED 31-Dec-22 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,751	3,817
Adjustment for non-cash items:		
Depreciation of property, plant and equipment	364	345
Depreciation of right-of-use assets	152	134
Impairment losses on receivables	18	55
Interest expenses	24	383
Interest income	(259)	(124)
Inventories written down, net of reversal	-	(15)
(Gain)/Loss on disposal of property, plant and equipment	(60)	19
Net unrealised gain on foreign exchange	(41)	(78)
Property, plant and equipment written off	59	3
Reversal of impairment losses on receivables	(113)	-
Share of loss of an equity-accounted associate	2	13
Operating profit before working capital changes	<u>4,897</u>	<u>4,552</u>
Net changes in assets	3,894	(11,326)
Net changes in liabilities	(16,867)	8,455
Cash generated from operations	<u>(8,076)</u>	<u>1,681</u>
Interest paid	(5)	(211)
Tax paid	(1,934)	(1,141)
Tax refund	330	-
Net cash (used in)/from operating activities	<u>(9,685)</u>	<u>329</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	259	124
Placements of deposits with licensed banks	(293)	(63)
Proceeds from disposal of property, plant and equipment	705	-
Purchase of property, plant and equipment	(268)	(275)
Advance to an associate	-	9
Placements of deposits with licensed banks with maturity more than three months	-	(891)
Net cash from/(used in) investing activities	<u>403</u>	<u>(1,096)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of redeemable preference shares in a subsidiary by non-controlling interest	-	4,000
Repayment of lease liabilities	(161)	(115)
Repayment of borrowings	(1,338)	(2,842)
Repayment from/(to) related parties	12	(24)
Interest paid	(19)	(168)
Net cash (used in)/from financing activities	<u>(1,506)</u>	<u>851</u>
Net changes in cash and cash equivalents	(10,788)	84
Cash and cash equivalents at beginning of financial period	24,914	9,942
Effect of foreign exchange on opening balance	(104)	(48)
Cash and cash equivalents at end of financial period	<u><u>14,022</u></u>	<u><u>9,978</u></u>

(The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these consolidated interim financial information and the audited financial statements for the financial year ended 30 June 2023.)

PART A:

Notes to the Consolidated Interim Financial Information

A1 Basis of preparation

The consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The consolidated interim financial information should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023. The explanatory notes attached to this consolidated interim financial information 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 since the financial year ended 30 June 2023.

A2 Significant Accounting Policies

The accounting policies and methods of computation and presentation adopted by the Group in these interim consolidated financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2023, except for the adoption of the following new/revised MFRSs and Amendments to MFRSs:-

MFRS 17 and amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definitions of Accounting Estimates
Amendments to MFRS 112	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules

The adoption of the above Amendments to MFRSs does not have significant financial impact to the Group.

The following are new standards, amendments and that have been issued by the MASB but have not been early adopted by the Group:

Amendments to MFRS 16	Lease liability in a Sale and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements
Amendments to MFRS 121	Lack of Exchangeability
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture

These new and amended standards will have no material impact on the financial statements of the Group upon their initial application.

A3 Qualification of independent auditors' report on preceding annual audited financial statements

The auditors' report on the financial statements for the financial year ended 30 June 2023 was an unqualified opinion.

A4 Seasonal and cyclical factors

The business of the Group was not affected by any seasonal and cyclical factors.

A5 Unusual items due to their nature, size or incidence

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

A6 Material changes in estimates

There were no material changes in estimates during the quarter under review.

PART A:

Notes to the Consolidated Interim Financial Information

A7 Debt and equity securities

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

A8 Dividends paid

There were no dividends paid during the quarter under review.

A9 Segmental information

The Group's reportable segments were identified as follows:-

- Information and Communication Technology ("ICT") - Provision of a comprehensive range of tele/data communication, network infrastructure, industrial automation and network performance monitoring solutions and related services.

Others segment comprises operations related to investment holding activities, sales and distribution and reselling of hardware and software products, consumer food and related products and services and subsidiaries that have ceased operations and remained inactive.

Business Segments	ICT RM'000	Others RM'000	Total RM'000	Eliminations RM'000	Consolidation RM'000
Six Months Financial Period Ended 31 December 2023					
External sales	34,877	-	34,877	-	34,877
Inter segment sales	251	240	491	(491)	-
Total sales	35,128	240	35,368	(491)	34,877
Segment results	5,526	(817)	4,439	77	4,516
Finance costs	(24)	-	(24)	-	(24)
Interest Income	224	35	259	-	259
Profit/(Loss) before tax	5,456	(782)	4,674	77	4,751
Taxation	(1,506)	-	(1,506)	-	(1,506)
Profit/(Loss) for the period	3,950	(782)	3,168	77	3,245
Segment assets	44,645	49,074	93,719	(30,258)	63,461

Six Months Financial Period Ended 31 December 2022

External sales	35,361	-	35,361	-	35,361
Inter segment sales	367	240	607	(607)	-
Total sales	35,728	240	35,968	(607)	35,361
Segment results	4,773	(10)	4,763	(687)	4,076
Finance costs	(383)	-	(383)	-	(383)
Interest Income	117	7	124	-	124
Profit/(Loss) before tax	4,507	(3)	4,504	(687)	3,817
Taxation	(675)	-	(675)	-	(675)
Profit/(Loss) for the period	3,832	(3)	3,829	(687)	3,142
Segment assets	47,698	47,924	95,622	(30,111)	65,511

Major Customer

Major customer with revenue equal or more than 10% of the Group's total revenue for current financial period is as follows:

	RM'000
Customer A	22,323

PART A:
Notes to the Consolidated Interim Financial Information

A10 Related Party Disclosures

Significant related party transactions are as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 MONTHS ENDED 31-Dec-23 RM'000	3 MONTHS ENDED 31-Dec-22 RM'000	6 MONTHS ENDED 31-Dec-23 RM'000	6 MONTHS ENDED 31-Dec-22 RM'000
Sale of goods and services to related parties	183	216	389	327
Purchase of goods and services from related parties	2	-	4	3
Corporate secretarial services fees paid/payable to related parties	32	33	44	81
Share office, network, data center and other services	105	169	212	300

A11 Carrying amount of revalued assets

There were no changes to the valuation of property, plant and equipment during the quarter under review.

A12 Change in the composition of the Group

There were no changes in the composition of the Group during the quarter under review.

A13 Changes in contingent liabilities or contingent assets

Bank guarantee granted for the quarter under review are as follows:-

	RM'000
Bank guarantees given by financial institutions in respect of projects of the Group	2,847

A14 Cash and bank balances

For the Consolidated Statement of Cash Flows, cash and cash equivalents include the following:

	AS AT 31-Dec-23 RM'000
Cash and bank balances	10,194
Fixed deposits with licensed financial institutions	14,248
	24,442
Less: Fixed deposits pledged with licensed banks	(9,895)
Less: Fixed deposits with licensed banks with maturity more than three months	(525)
	14,022

PART B:**EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023****B1 Detailed analysis of performance**

The detailed breakdown of revenue by operating segments of the Group are as follows:-

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	3 MONTHS ENDED 31-Dec-23	3 MONTHS ENDED 31-Dec-22	Variance %	6 MONTHS ENDED 31-Dec-23	6 MONTHS ENDED 31-Dec-22	Variance %
ICT	18,225	29,995	(39.2)	35,128	35,728	(1.7)
Others	120	120	-	240	240	-
	<u>18,345</u>	<u>30,115</u>	(39.1)	<u>35,368</u>	<u>35,968</u>	(1.7)
Less: Inter Segment Revenue	(230)	(416)		(491)	(607)	
Total Group Revenue	18,115	29,699	(39.0)	34,877	35,361	(1.4)

In the financial quarter under review, the ICT business segment recorded lower revenue of RM18.23 million, compared to revenue of RM30.0 million achieved in the previous corresponding quarter due to lower revenue contribution from all three ICT subsidiary companies, Diversified Gateway Berhad ("DGB"), Excel Commerce Solutions Sdn. Bhd. ("EXCEL") and Finther Tecnologica Sdn. Bhd. ("FINTHER"), following the lower project billings during the current quarter.

The detailed breakdown of profit/(loss) before tax by business segments of the Group are as follow:-

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	3 MONTHS ENDED 31-Dec-23	3 MONTHS ENDED 31-Dec-22	Variance %	6 MONTHS ENDED 31-Dec-23	6 MONTHS ENDED 31-Dec-22	Variance %
ICT	3,169	4,167	(24.0)	5,775	4,504	28.2
Others	(690)	(696)	(0.9)	(1,024)	(687)	(49.1)
Profit before tax	2,479	3,471	(28.6)	4,751	3,817	24.5

The Group recorded profit before tax of RM2.48 million, compared to profit before tax of RM3.47 million in the corresponding quarter of the preceding year due to profit contribution from ICT segment as a result of lower revenues from all three ICT subsidiary companies during the current quarter under review. With lower revenues from lower project billings, the ratio of contribution from recurring maintenance and managed services increased, resulting in higher gross profit % margin for the current quarter. The increase in operating expenses in the current quarter is mainly due to staff bonuses and incentive payments due to the better performance for FY2023.

B2 Variation of results against preceding quarter

	3 MONTHS ENDED 31-Dec-23	3 MONTHS ENDED 30-Sep-23
Revenue	18,115	16,762
Profit before tax	<u>2,479</u>	<u>2,272</u>

The Group recorded a higher revenue of RM18.12 million for the current quarter as compared to revenue of RM16.76 million in the immediate preceding quarter due to higher project billings during the quarter.

The Group recorded a higher profit before tax of RM2.48 million, compared to profit before tax of RM2.27 million in the immediate preceding quarter mainly due to higher project billings during the quarter despite impact from a continuous strong USD against MYR.

B3 Prospects

The Group's key operations are focussed in the ICT business segment for FY2024.

DGB, EXCEL and FINTHER have contributed positively to the Group's revenue and profit for the current quarter under review, although with negative impact on the bottom line from the higher imported cost of sales from the strong USD. The performance of the three major subsidiaries is in-line with continued growth of digital infrastructure and digitisation in the local economy.

The Group continues to work on the synergy for the businesses of DGB, EXCEL and FINTHER in the ICT segment. Overall, the Group's outlook remains positive for FY2024, barring any further worsening of the USD appreciation against MYR.

The Group will begin looking at M&A opportunities to spur growth in the ICT segment once the outcome of the waiver application to Bursa Malaysia is determined.

**PART B:
 EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES
 BERHAD FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

B4 Profit forecast

Not applicable.

B5 Tax expense

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 MONTHS ENDED 31-Dec-23 RM'000	3 MONTHS ENDED 31-Dec-22 RM'000	6 MONTHS ENDED 31-Dec-23 RM'000	6 MONTHS ENDED 31-Dec-22 RM'000
Current tax expense				
- Malaysia taxation	764	435	1,232	683
Under/(Over) provision in prior year				
- Malaysia taxation	-	-	274	(8)
	<u>764</u>	<u>435</u>	<u>1,506</u>	<u>675</u>

The Group's effective tax rate for the current financial year is disproportionate to the statutory tax rate due to certain expenses being not deductible for tax purposes.

B6 Unquoted investments and properties

There were no purchase or disposal of unquoted investments and properties during the financial quarter under review.

B7 Quoted securities

There were no acquisitions or disposal of quoted securities during the financial quarter under review.

B8 Status of corporate proposals

Affected Listed Corporation ("ALC")

The Company is deemed an ALC under the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") on 6 January 2020, upon completion of the disposal of 24,500 ordinary shares, representing 100.0% equity interest in ISS Consulting (Thailand) Ltd ("ISST"). The Company was originally given 24 months from 6 January 2020 to regularise its condition.

On 28 January 2022, M & A Securities Sdn. Bhd. ("M & A Securities"), on behalf of the Board of DFX, announced that Bursa Malaysia Securities Berhad ("Bursa Securities") had, via its letter dated 27 January 2022, granted the Company an extension of time of 6 months up to 6 July 2022 to submit a regularisation plan to Bursa Securities.

On 5 July 2022, M & A Securities, on behalf of the Board of DFX, announced that the Company proposed to undertake the Proposed Regularisation Plan to regularise its financial condition in accordance with Rule 8.04(3) of the Listing Requirements, as follows:

- (i) a proposed renounceable rights issue on the basis of 1 new ordinary share in DFX ("Right Share(s)") for every 2 existing ordinary shares held in DFX ("DFX Share(s)" or "Share(s)"), together with free detachable warrants ("Warrants") on the basis of 1 Warrant for every 1 Rights Share subscribed for, by the entitled shareholders whose names appear in the record of depositors of DFX on an entitlement date to be determined later; and
- (ii) a proposed establishment of an employees' share option scheme of up to 15.0% of the total issued DFX Shares (excluding treasury shares, if any) at any point in time during the duration of the scheme, for the eligible directors and employees of DFX Group.

(Collectively, referred to as "Proposed Regularisation Plan").

PART B:

EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

On the same day, M & A Securities, on behalf of the Board of DFX, submitted an application to Bursa Securities for another 6-month extension of time up to 6 January 2023 to submit its regularisation plan to Bursa Securities.

On 5 August 2022, M & A Securities, on behalf of the Board of DFX, announced that Bursa Securities had, via its letter dated 4 August 2022, granted the Company an extension of time of 6 months up to 5 January 2023 to submit its regularisation plan to Bursa Securities.

On 3 January 2023, M & A Securities, on behalf of the Board of DFX, submitted another application to Bursa Securities for a further extension of time of 6 months up to 5 July 2023 to submit its regularisation plan to Bursa Securities.

On 7 February 2023, M & A Securities, on behalf of the Board of DFX, announced that Bursa Securities had, via its letter dated 3 February 2023, granted the Company a further extension of time of 6 months up to 5 July 2023 to submit its regularisation plan to Bursa Securities.

On 3 July 2023, M & A Securities, on behalf of the Board of DFX, submitted another application to Bursa Securities for a further extension of time of 4 months up to 5 November 2023 to submit its regularisation plan to Bursa Securities.

On 16 August 2023, M & A Securities, on behalf of the Board of DFX, announced that Bursa Securities had, via its letter dated 16 August 2023, granted the Company a further extension of time of 4 months up to 5 November 2023 to submit its regularisation plan to Bursa Securities.

On 13 October 2023, M & A Securities, on behalf of the Board of DFX, submitted a waiver application to Bursa Securities seeking its approval for a waiver to submit the Proposed Regularisation Plan and to uplift Divfex from its affected listed corporation condition. Pursuant thereto, the proposals comprising a rights issue and establishment of employees' share option scheme that form the Proposed Regularisation Plan which was announced on 5 July 2022 are no longer required and are therefore withdrawn.

The Company will make the necessary announcements in due course upon further development of the said application.

B9 Status of approved utilisation of proceeds of the disposal of ISST

The status of the utilisation of the disposal proceeds of ISST are as follows: -

	Status	Original Utilisation of Proceeds	Variation of Utilisation of Proceeds	Utilisation To-date	Remaining Balance	Intended timeframe for utilisation (from the date of completion i.e. 06 January 2020)
Purpose		RM'000	RM'000	RM'000	RM'000	
For the operation of:-						
- QBI Packaging Sdn Bhd	Completed	10,000	5,000	5,000	-	Within 30 months
Payment of "Golden Handcuff" incentive to Wisit Wirayagorn	-	4,459	4,459	3,790	669	Note 1 - Extended by another 12 months to 06 months to 06 January 2025
Repayment of short-term borrowings	Completed	6,000	6,000	6,000	-	Within 12 months
Proposed special dividend	Completed	6,000	3,000	3,000	-	Within 9 months
DFX working capital	-	5,122	13,122	8,122	5,000	Note 1 - Extended by another 12 months to 06 months to 06 January 2025
Estimated expenses in relation to the disposal of ISST	Completed	450	450	450	-	Immediately
		32,031	32,031	26,362	5,669	

Note 1 - The Company have extended the utilisation of the unutilised balance of RM5.67 million by another 12 months period.

**PART B:
 EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES
 BERHAD FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

B10 Borrowings and debts securities

The Group's borrowings and debts securities as at 31 December 2023 are as follows:

Bank Borrowings

	RM'000
Short term bank borrowing	
- Term loan - secured	25
Long term bank borrowing	
- Term loan - secured	394
	<u>419</u>

Debts Securities

	RM'000
Redeemable Preference Shares ("RPS")	
RPS to non-controlling interest in a subsidiary company	<u>4,000</u>

B11 Changes in material litigation

There was no material litigation against the Group as at reporting date.

B12 Dividends

No dividends have been recommended during the quarter ended 31 December 2023.

B13 Earnings per ordinary share

(a) Basic earnings per ordinary share

Basic earnings per ordinary share for the financial period under review is calculated based on the Group's profit after tax and non-controlling interests divided by the weighted average ("WA") number of ordinary shares in issue during the financial period.

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 MONTHS ENDED 31-Dec-23 RM'000	3 MONTHS ENDED 31-Dec-22 RM'000	6 MONTHS ENDED 31-Dec-23 RM'000	6 MONTHS ENDED 31-Dec-22 RM'000
Profit after tax attributable to the owners of the parent	<u>1,456</u>	<u>2,317</u>	<u>2,567</u>	<u>1,958</u>
WA number of ordinary shares in issue ('000)	745,731	745,731	745,731	745,731
Basic profit per ordinary share (sen)	<u>0.20</u>	<u>0.31</u>	<u>0.34</u>	<u>0.26</u>

(b) Fully diluted earnings per ordinary share

The Group has no potential ordinary shares in issue as at reporting date and therefore, diluted earnings per share has not been presented.

PART B:
EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES
BERHAD FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

B14 Profit before tax

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 MONTHS ENDED 31-Dec-23 RM'000	3 MONTHS ENDED 31-Dec-22 RM'000	6 MONTHS ENDED 31-Dec-23 RM'000	6 MONTHS ENDED 31-Dec-22 RM'000
Profit before tax is arrived at after charging:-				
Depreciation of property, plant and equipment	186	163	364	345
Depreciation of right-of-use assets	76	66	152	134
Impairment loss on receivables	18	55	18	55
Interest expenses	10	211	24	383
Inventories written down, net of reversal	-	(4)	-	(15)
Loss on disposal of property, plant and equipment	-	19	-	19
Property, plant and equipment written off	59	-	59	3
Realised loss on foreign exchange	109	-	142	-
Unrealised loss on foreign exchange	(3)	244	39	244
And crediting:-				
Gain on disposal of property, plant and equipment	60	-	60	-
Interest income	150	73	259	124
Reversal of impairment losses on receivables	58	-	113	-
Realised gain on foreign exchange	8	-	10	-
Unrealised gain on foreign exchange	53	-	80	322