

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

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	UNAUDITED	UNAUDITED		UNAUDITED	AUDITED PRECEDING	
	3 MONTHS 31-Mar-24 RM'000	3 MONTHS 31-Mar-23 RM'000	Changes %	CURRENT PTD ENDED 9 MONTHS 31-Mar-24 RM'000	CORRESPONDING PTD ENDED 9 MONTHS 31-Mar-23 RM'000	Changes %
Revenue	11,198	17,238	(35.0)	46,075	52,599	(12.4)
Cost of sales	(6,125)	(11,906)	(48.6)	(29,484)	(36,925)	(20.2)
Gross profit	5,073	5,332	(4.9)	16,591	15,674	5.9
Other income	292	83	>100.0	852	446	91.0
Other operating expenses	(3,400)	(2,799)	21.5	(10,701)	(9,291)	15.2
Finance costs	(18)	(51)	(64.7)	(42)	(434)	(90.3)
Share of loss of an equity-accounted associate	(1)	(1)	-	(3)	(14)	(78.6)
Profit before tax	1,946	2,564	(24.1)	6,697	6,381	5.0
Tax expense	(482)	(468)	3.0	(1,988)	(1,143)	(73.9)
Profit for the financial quarter/period	1,464	2,096	(30.2)	4,709	5,238	(10.1)
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	(32)	(58)	(44.8)	(90)	(219)	(58.9)
Other comprehensive loss for the financial quarter/period, net of tax	(32)	(58)	(44.8)	(90)	(219)	(58.9)
Total comprehensive income for the financial quarter/period	1,432	2,038	(29.7)	4,619	5,019	(8.0)
Profit attributable to:-						
Owners of the parent	1,239	1,553	(20.2)	3,806	3,511	8.4
Non-controlling interests	225	543	(58.6)	903	1,727	(47.7)
Profit for the financial quarter/period	1,464	2,096	(30.2)	4,709	5,238	(10.1)
Total comprehensive income attributable to:-						
Owners of the parent	1,207	1,495	(19.3)	3,716	3,292	12.9
Non-controlling interests	225	543	(58.6)	903	1,727	(47.7)
Total comprehensive income for the financial quarter/period	1,432	2,038	(29.7)	4,619	5,019	(8.0)
EPS attributable to owners of the parent (sen) - Basic and diluted	0.17	0.21		0.51	0.47	

(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 MARCH 2024**

	UNAUDITED AS AT 31-Mar-24 RM'000	AUDITED AS AT 30-Jun-23 RM'000
Non-Current Assets		
Property, plant and equipment	2,553	3,148
Right-of-use assets	530	273
Goodwill on consolidation	8,726	8,726
Investment in an associate	100	102
	<u>11,909</u>	<u>12,249</u>
Current Assets		
Inventories	3,862	10,033
Trade receivables	7,563	15,179
Other receivables, deposits and prepayments	6,928	5,975
Current tax assets	893	1,362
Cash and bank balances	31,180	33,145
	<u>50,426</u>	<u>65,694</u>
TOTAL ASSETS	<u>62,335</u>	<u>77,943</u>
Equity attributable to owners of the company		
Share capital	60,054	60,054
Reverse acquisition reserve	(131,013)	(131,013)
Exchange translation reserve	(3,802)	(3,712)
Retained earnings	109,064	105,258
	<u>34,303</u>	<u>30,587</u>
Non-controlling interests	7,238	6,335
TOTAL EQUITY	<u>41,541</u>	<u>36,922</u>
Non-Current Liabilities		
Lease liabilities	329	73
Borrowings	394	707
Deferred tax liabilities	7	7
	<u>730</u>	<u>787</u>
Current Liabilities		
Trade payables	2,643	12,028
Other payables, deposits and accruals	13,135	22,151
Lease liabilities	246	248
Redeemable preference shares	4,000	4,000
Borrowings	18	1,133
Provision for restoration cost	22	22
Current tax payables	-	652
	<u>20,064</u>	<u>40,234</u>
	<u>20,794</u>	<u>41,021</u>
TOTAL EQUITY AND LIABILITIES	<u>62,335</u>	<u>77,943</u>
Net assets per share (sen)	<u>4.60</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 MARCH 2024**

	←----- Attributable to owners of the Parent ----->			Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Non-distributable	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000				
Unaudited Nine Months Financial Period Ended 31 March 2024							
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	-	-	-	3,806	3,806	903	4,709
Foreign currency translation for foreign operations, net of tax	-	-	(90)	-	(90)	-	(90)
Total comprehensive (loss)/income for the financial period	-	-	(90)	3,806	3,716	903	4,619
Balance as at 31 March 2024	<u>60,054</u>	<u>(131,013)</u>	<u>(3,802)</u>	<u>109,064</u>	<u>34,303</u>	<u>7,238</u>	<u>41,541</u>

	←----- Attributable to owners of the Parent ----->			Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
	Non-distributable	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000				
Unaudited Nine Months Financial Period Ended 31 March 2023							
Balance as at 1 July 2022	60,054	(131,013)	(3,324)	100,097	25,814	4,196	30,010
Profit for the financial period	-	-	-	3,511	3,511	1,727	5,238
Foreign currency translation for foreign operations, net of tax	-	-	(219)	-	(219)	-	(219)
Total comprehensive (loss)/income for the financial period	-	-	(219)	3,511	3,292	1,727	5,019
<u>Transaction with owners</u> Dividend paid	-	-	-	-	-	(106)	(106)
Balance as at 31 March 2023	<u>60,054</u>	<u>(131,013)</u>	<u>(3,543)</u>	<u>103,608</u>	<u>29,106</u>	<u>5,817</u>	<u>34,923</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 MARCH 2024**

	UNAUDITED CURRENT PERIOD TO DATE ENDED 31-Mar-24 RM'000	UNAUDITED PRECEDING FINANCIAL PERIOD ENDED 31-Mar-23 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	6,697	6,381
Adjustment for non-cash items:		
Depreciation of property, plant and equipment	528	506
Depreciation of right-of-use assets	238	190
Impairment losses on receivables	27	55
Interest expenses	42	434
Interest income	(315)	(168)
Inventories written down, net of reversal	-	(15)
Gain on disposal of property, plant and equipment	(168)	-
Net unrealised gain on foreign exchange	(98)	(141)
Property, plant and equipment written off	68	23
Reversal of impairment losses on receivables	(190)	-
Share of loss of an equity-accounted associate	3	14
Operating profit before working capital changes	<u>6,832</u>	<u>7,279</u>
Net changes in assets	13,010	(16,722)
Net changes in liabilities	(18,388)	19,563
Cash (used in)/generated from operations	<u>1,454</u>	<u>10,120</u>
Interest paid	(8)	(246)
Tax paid	(2,501)	(1,404)
Tax refund	330	-
Net cash (used in)/from operating activities	<u>(725)</u>	<u>8,470</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	315	168
Placements of deposits with licensed banks	(462)	(95)
Proceeds from disposal of property, plant and equipment	814	13
Purchase of property, plant and equipment	(647)	(593)
Repayment from an associate	-	9
Withdrawal/(Placements) of deposits with licensed banks with maturity more than three months	525	(2,573)
Net cash from/(used in) investing activities	<u>545</u>	<u>(3,071)</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	(241)	(171)
Repayment of borrowings	(1,346)	(2,853)
Repayment from/(to) related parties	17	(164)
Interest paid	(34)	(182)
Dividend paid to non-controlling interest	-	(106)
Net cash (used in)/from financing activities	<u>(1,604)</u>	<u>524</u>
Net changes in cash and cash equivalents	(1,784)	5,923
Cash and cash equivalents at beginning of financial period	22,935	9,942
Effect of foreign exchange on opening balance	(36)	(197)
Cash and cash equivalents at end of financial period	<u><u>21,115</u></u>	<u><u>15,668</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
<u>Nine Months Financial Period Ended 31 March 2024</u>					
External sales	46,075	-	46,075	-	46,075
Inter segment sales	419	360	779	(779)	-
Total sales	46,494	360	46,854	(779)	46,075
Segment results	7,364	(1,017)	6,347	77	6,424
Finance costs	(42)	-	(42)	-	(42)
Interest Income	268	47	315	-	315
Profit/(Loss) before tax	7,590	(970)	6,620	77	6,697
Taxation	(765)	(1,223)	(1,988)	-	(1,988)
Profit/(Loss) for the period	6,825	(2,193)	4,632	77	4,709
Segment assets	45,529	47,091	92,620	(30,285)	62,335

Nine Months Financial Period Ended 31 March 2023

External sales	52,599	-	52,599	-	52,599
Inter segment sales	707	360	1,067	(1,067)	-
Total sales	53,306	360	53,666	(1,067)	52,599
Segment results	7,685	(350)	7,335	(688)	6,647
Finance costs	(434)	-	(434)	-	(434)
Interest Income	150	18	168	-	168
Profit/(Loss) before tax	7,401	(332)	7,069	(688)	6,381
Taxation	(1,143)	-	(1,143)	-	(1,143)
Profit/(Loss) for the period	6,258	(332)	5,926	(688)	5,238
Segment assets	57,550	47,792	105,342	(30,136)	75,206

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	28,247

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-Mar-24 RM'000	3 MONTHS ENDED 31-Mar-23 RM'000	9 MONTHS ENDED 31-Mar-24 RM'000	9 MONTHS ENDED 31-Mar-23 RM'000
Sale of goods and services to related parties	172	213	561	540
Purchase of goods and services from related parties	6	-	10	3
Disposal of property, plant and equipment to a related party	-	13	-	13
Corporate secretarial services fees paid/payable to related parties	13	17	57	98
Share office, network, data center and other services	96	59	308	359

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	2,959

A14 Cash and bank balances

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

	AS AT 31-Mar-24 RM'000
Cash and bank balances	13,743
Fixed deposits with licensed financial institutions	17,437
	31,180
Less: Fixed deposits pledged with licensed banks	(10,065)
	21,115

PART B:**EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024****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-Mar-24 RM'000	3 MONTHS ENDED 31-Mar-23 RM'000	Variance %	9 MONTHS ENDED 31-Mar-24 RM'000	9 MONTHS ENDED 31-Mar-23 RM'000	Variance %
ICT	11,366	17,578	(35.3)	46,494	53,306	(12.8)
Others	120	120	-	360	360	-
	11,486	17,698	(35.1)	46,854	53,666	(12.7)
Less: Inter Segment Revenue	(288)	(460)		(779)	(1,067)	
Total Group Revenue	11,198	17,238	(35.0)	46,075	52,599	(12.4)

In the current financial quarter under review, the ICT business segment recorded lower revenue of RM11.37 million, compared to revenue of RM17.58 million in the previous corresponding quarter. The lower revenue is due to lower project billings from Diversified Gateway Berhad ("DGB"), Excel Commerce Solutions Sdn. Bhd. ("EXCEL") and Finther Tecnologica Sdn. Bhd. ("FINTHER").

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-Mar-24 RM'000	3 MONTHS ENDED 31-Mar-23 RM'000	Variance %	9 MONTHS ENDED 31-Mar-24 RM'000	9 MONTHS ENDED 31-Mar-23 RM'000	Variance %
ICT	2,256	3,260	(30.8)	8,031	7,764	3.4
Others	(310)	(696)	(55.5)	(1,334)	(1,383)	(3.5)
Profit before tax	1,946	2,564	(24.1)	6,697	6,381	5.0

The Group recorded lower profit before tax of RM1.95 million in the current financial quarter, compared to profit before tax of RM2.56 million in the corresponding quarter of the preceding year. The lower profit before tax is due to lower profit contribution from the ICT segment as a result of lower project billings and the stronger USD against MYR.

B2 Variation of results against preceding quarter

	3 MONTHS ENDED 31-Mar-24 RM'000	3 MONTHS ENDED 31-Dec-23 RM'000
Revenue	11,198	18,115
Profit before tax	1,946	2,479

The Group recorded a lower revenue of RM11.20 million for the current quarter as compared to revenue of RM18.12 million in the immediate preceding quarter due to lower project billings during the quarter.

The Group recorded a lower profit before tax of RM1.95 million, compared to profit before tax of RM2.48 million in the immediate preceding quarter. The lower profit before tax in the current financial quarter under review is due to lower profit contribution from the ICT business segment as a result of lower project billings and the stronger USD against MYR.

B3 Prospects

The Group's three (3) ICT subsidiaries, DGB, EXCEL and FINTHER continued to contribute positively to the Group's revenue and profit for the current quarter under review, with the synergy of the businesses for these three units continuing to improve.

Overall, the Group's outlook remains positive for FY2024, barring any further worsening of the USD appreciation against MYR.

Following the successful outcome of the waiver application to Bursa Malaysia, the Group is currently embarking on M&A opportunities and business partnerships in the data center business to continue growth in the ICT segment.

PART B:
EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024
B4 Profit forecast

Not applicable.

B5 Tax expense

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 MONTHS ENDED 31-Mar-24 RM'000	3 MONTHS ENDED 31-Mar-23 RM'000	9 MONTHS ENDED 31-Mar-24 RM'000	9 MONTHS ENDED 31-Mar-23 RM'000
Current tax (income)/expense				
- Malaysia taxation	(740)	468	492	1,151
(Over)/Under provision in prior years				
- Malaysia taxation	(4)	-	270	(8)
- Foreign taxation on deconsolidated subsidiary disposed in financial year 2020	1,226	-	1,226	-
	482	468	1,988	1,143

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 ("ISSIT"). 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").

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.

PART B:**EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

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.

On 1 March 2024, M&A Securities, on behalf of the Board of DFX, announced that Bursa Securities via its letter dated 1 March 2024, granted the Company a waiver from complying with Rule 8.04(3)(a) of ACE Market Listing Requirements of Bursa Securities which require an ALC to submit a regularisation plan to regulatory authorities. With the granted waiver, the Company was uplifted from being classified as an ALC effective from 4 March 2024.

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	Completed	4,459	3,790 (Note 2)	3,790	-	Note 1 - Extended by another 12 months to 60 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	Completed	5,122	13,791 (Note 2)	13,791	-	Note 1 - Extended by another 12 months to 60 months to 06 January 2025
Estimated expenses in relation to the disposal of ISST	Completed	450	450	450	-	Immediately
		32,031	32,031	32,031	-	

Note 1 - The Company had extended the utilisation of the unutilised balance of RM5.67 million by another 12 months period to 60 months to 6 January 2025.

Note 2 - The payment of "Golden Handcuff" incentive to Wisit Wirayagorn has been reduced by RM0.67 million at completion. The Company has varied this unutilised amount of RM0.67 million to DFX working capital.

**PART B:
 EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES
 BERHAD FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

B10 Borrowings and debts securities

The Group's borrowings and debts securities as at 31 March 2024 are as follows:

Bank Borrowings

	RM'000
Short term bank borrowing	
- Term loan - secured	18
Long term bank borrowing	
- Term loan - secured	394
	<u>412</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 March 2024.

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-Mar-24 RM'000	3 MONTHS ENDED 31-Mar-23 RM'000	9 MONTHS ENDED 31-Mar-24 RM'000	9 MONTHS ENDED 31-Mar-23 RM'000
Profit after tax attributable to the owners of the parent	<u>1,239</u>	<u>1,553</u>	<u>3,806</u>	<u>3,511</u>
WA number of ordinary shares in issue ('000)	745,731	745,731	745,731	745,731
Basic profit per ordinary share (sen)	<u>0.17</u>	<u>0.21</u>	<u>0.51</u>	<u>0.47</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 MARCH 2024

B14 Profit before tax

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 MONTHS ENDED 31-Mar-24 RM'000	3 MONTHS ENDED 31-Mar-23 RM'000	9 MONTHS ENDED 31-Mar-24 RM'000	9 MONTHS ENDED 31-Mar-23 RM'000
Profit before tax is arrived at after charging:-				
Depreciation of property, plant and equipment	164	161	528	506
Depreciation of right-of-use assets	86	56	238	190
Impairment loss on receivables	9	-	27	55
Interest expenses	18	51	42	434
Inventories written down, net of reversal	-	-	-	(15)
Property, plant and equipment written off	9	20	68	23
Realised loss on foreign exchange	14	(36)	156	31
Unrealised loss on foreign exchange	(15)	-	24	-
And crediting:-				
Gain on disposal of property, plant and equipment	108	-	168	-
Interest income	56	44	315	168
Reversal of impairment losses on receivables	77	-	190	-
Realised gain on foreign exchange	(7)	-	3	53
Unrealised gain on foreign exchange	42	63	122	141