



**DGB ASIA BERHAD**  
**(Registration No.: 200601001857 (721605-K))**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FINANCIAL QUARTER ENDED**  
**31 DECEMBER 2023**  
**(UNAUDITED)**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

	Quarter Ended		Year-To-Date Ended	
	Unaudited	Unaudited	Unaudited	Audited
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
	RM'000	RM'000	RM'000	RM'000
Revenue	17,921	16,845	61,070	39,957
Cost of sales	(8,140)	(6,963)	(22,515)	(15,596)
<b>Gross profit</b>	<b>9,781</b>	<b>9,882</b>	<b>38,555</b>	<b>24,361</b>
Other operating income	3,396	737	5,143	3,895
Administrative expenses	(8,113)	(6,966)	(29,322)	(26,081)
Selling and distribution expenses	(805)	(1,722)	(4,375)	(4,453)
Other operating expenses	(6,098)	(3,281)	(21,645)	(26,180)
<b>Loss from operations</b>	<b>(1,839)</b>	<b>(1,350)</b>	<b>(11,644)</b>	<b>(28,458)</b>
Finance costs	(131)	(84)	(714)	(236)
<b>Loss before tax</b>	<b>(1,970)</b>	<b>(1,434)</b>	<b>(12,358)</b>	<b>(28,694)</b>
Tax expenses	(35)	-	(130)	-
<b>Loss after tax</b>	<b>(2,005)</b>	<b>(1,434)</b>	<b>(12,488)</b>	<b>(28,694)</b>
<b>Other comprehensive loss, net of tax</b>				
- Currency translation difference	1,040	(483)	3,030	(2,593)
<b>Total comprehensive loss for the financial period</b>	<b>(965)</b>	<b>(1,917)</b>	<b>(9,458)</b>	<b>(31,287)</b>
<b>Loss net of tax attributable to :</b>				
Owners of the Company	(1,188)	(2,494)	(11,164)	(24,963)
Non-controlling interests	(817)	1,060	(1,324)	(3,731)
	<b>(2,005)</b>	<b>(1,434)</b>	<b>(12,488)</b>	<b>(28,694)</b>
<b>Total comprehensive loss attributable to :</b>				
Owners of the Company	(455)	(3,280)	(8,061)	(25,574)
Non-controlling interests	(510)	1,363	(1,397)	(5,713)
	<b>(965)</b>	<b>(1,917)</b>	<b>(9,458)</b>	<b>(31,287)</b>
<b>Loss per share attributable to owners of the Company:</b>				
Basic loss per share (cent per share)	(0.02)	(0.18)	(0.43)	(1.43)
Diluted loss per share (cent per share)	(0.02)	(0.18)	(0.43)	(1.43)

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes to the interim financial report.

**DGB ASIA BERHAD**  
**(Registration No.: 200601001857 (721605-K))**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023**

	<b>Unaudited As At 31-Dec-2023 RM'000</b>	<b>Audited As At 31-Dec-2022 RM'000</b>
<b><u>Assets</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	42,874	45,061
Right-of-use assets	116,940	126,007
Investment property	9,539	9,573
Intangible assets	11,452	12,908
<b>Total non-current assets</b>	<b>180,805</b>	<b>193,549</b>
<b>Current assets</b>		
Inventories	407	903
Trade receivables	4,657	2,382
Other receivables, deposits and prepayments	63,144	40,420
Other investments	12,067	8,579
Current tax assets	46	81
Deposits with financial institution	8,047	36,112
Cash and bank balances	18,664	21,846
<b>Total current assets</b>	<b>107,032</b>	<b>110,323</b>
<b>Total assets</b>	<b>287,837</b>	<b>303,872</b>
<b><u>Equity and Liabilities</u></b>		
<b>Equity</b>		
Share capital	221,844	220,519
Reserves	(71,728)	(63,667)
	150,116	156,852
Non-controlling interests	(13,728)	(12,331)
<b>Total equity</b>	<b>136,388</b>	<b>144,521</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Finance lease liability	-	71
Lease liabilities	119,951	115,767
<b>Total non-current liabilities</b>	<b>119,951</b>	<b>115,838</b>
<b>Current liabilities</b>		
Trade payables	1,985	3,244
Other payables and accruals	18,264	16,651
Amount due to directors	7,744	7,464
Amount due to related party	3,200	3,210
Current tax liabilities	-	10
Finance lease liability	71	75
Lease liabilities	234	12,859
<b>Total current liabilities</b>	<b>31,498</b>	<b>43,513</b>
<b>Total liabilities</b>	<b>151,449</b>	<b>159,351</b>
<b>Total equity and liabilities</b>	<b>287,837</b>	<b>303,872</b>
<b>Net assets per shares attributable to Owners of the Company (cent per share)</b>	<b>0.07</b>	<b>0.08</b>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes to the interim financial report.

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

	<----- Attributable to owners of the Company ----->						
	<----- Non-distributable ----->			Distributable			
	Share capital	Translation reserve	Warrants reserve	Accumulated losses	Sub-total	Non controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b><u>Audited</u></b>							
<b>Balance at 1 January 2022</b>	216,334	(1,095)	12,259	(49,257)	178,241	(6,617)	171,624
Transaction with owners:							
Issuance of ordinary shares pursuant to:							
- exercise of shares issuance scheme	4,185	-	-	-	4,185	-	4,185
Total transaction with owners	4,185	-	-	-	4,185	-	4,185
Acquisition of subsidiary company	-	-	-	-	-	-	-
Loss for the financial year	-	-	-	(24,963)	(24,963)	(3,732)	(28,695)
Other comprehensive loss:							
Currency translation differences	-	(611)	-	-	(611)	(1,982)	(2,593)
Total comprehensive loss for the financial year	-	(611)	-	(24,963)	(25,574)	(5,714)	(31,288)
<b>Balance at 31 December 2022</b>	220,519	(1,706)	12,259	(74,220)	156,852	(12,331)	144,521
<b><u>Unaudited</u></b>							
<b>Balance at 1 January 2023</b>	220,519	(1,706)	12,259	(74,220)	156,852	(12,331)	144,521
Transaction with owners:							
Issuance of ordinary shares pursuant to:							
- exercise of shares issuance scheme	1,325	-	-	-	1,325	-	1,325
Total transaction with owners	1,325	-	-	-	1,325	-	1,325
Loss for the financial year	-	-	-	(11,164)	(11,164)	(1,324)	(12,488)
Other comprehensive loss:							
Currency translation differences	-	3,103	-	-	3,103	(73)	3,030
Total comprehensive loss for the financial year	-	3,103	-	(11,164)	(8,061)	(1,397)	(9,458)
<b>Balance at 31 December 2023</b>	221,844	1,397	12,259	(85,384)	150,116	(13,728)	136,388

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes to the interim report.

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

	<b>Year-To-Date Ended</b>	
	<b>Unaudited 31-Dec-23 RM'000</b>	<b>Audited 31-Dec-22 RM'000</b>
<b>Cash flows from operating activities</b>		
Loss before tax	(12,358)	(28,694)
Adjustments for:		
Amortisation of intangible assets	1,358	1,311
Amortisation of investment property	34	27
Depreciation of property, plant and equipment	6,084	5,128
Depreciation of right of use assets	13,479	13,408
Employee benefit expenses	358	1,237
Fair value adjustment of other investments	(2,265)	3,358
Fair value adjustment of investment in money market fund	(835)	(2,195)
Interest expense	774	236
Interest income	(59)	(144)
Impairment of inventories	-	1,676
Written off of property, plant and equipment	168	-
Loss on disposal of property, plant and equipment	27	-
Reversal of impairment losses on receivables	(79)	(143)
Reversal of impairment losses on inventories	(841)	-
Rental concessions	(1)	(957)
<b>Operating profit/(loss) before working capital changes</b>	<b>5,844</b>	<b>(5,752)</b>
Changes in working capital:		
Inventories	1,337	(259)
Receivables	(24,880)	(21,653)
Payables	291	(1,202)
<b>Cash used in operations</b>	<b>(17,408)</b>	<b>(28,866)</b>
Tax paid	(95)	(57)
Tax refunded	-	11
<b>Net cash used in operating activities</b>	<b>(17,503)</b>	<b>(28,912)</b>
<b>Cash flow from investing activities</b>		
Interest received	59	88
Acquisition of intangible asset	-	(583)
Acquisition of investment property	-	(9,600)
Acquisition of other investments	(5,053)	(275)
Acquisition of property, plant and equipment	(2,804)	(8,006)
Withdrawal of money market fund	28,900	126,749
Placement of money market fund	-	(69,588)
Proceeds from disposal of property, plant and equipment	21	-
Proceeds from disposal of investment in quoted shares	3,906	-
<b>Net cash from investing activities</b>	<b>25,029</b>	<b>38,785</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023 (CONT'D)**

	<b>Year-To-Date Ended</b>	
	<b>Unaudited 31-Dec-23 RM'000</b>	<b>Audited 31-Dec-22 RM'000</b>
<b>Cash flows from financing activities</b>		
Interest paid	(774)	(236)
Financing from related party	(214)	2,005
Proceeds from issuance of shares	967	2,948
Repayment to directors	-	(572)
Repayment of finance lease liability	(75)	(86)
Repayment of lease liabilities	(12,955)	(12,085)
<b>Net cash used in financing activities</b>	<b>(13,051)</b>	<b>(8,026)</b>
<b>Net (decrease)/increase in cash and bank balances</b>	<b>(5,525)</b>	<b>1,847</b>
Effects of exchange rate changes	2,343	155
Cash and bank balances at the beginning of financial year	21,846	19,844
<b>Cash and bank balances at the end of financial year</b>	<b>18,664</b>	<b>21,846</b>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes to the interim financial report.

**A NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT**

**A1. Basis of preparation**

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”) and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial report should be read in conjunction with the latest audited financial statements of the Company and its subsidiaries (“Group”) for the financial year ended 31 December 2022 (“Audited Financial Statements”). The selected explanatory notes attached to these interim financial reports 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 previous financial year.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the latest Audited Financial Statements except for the adoption of the following new MFRS, amendments/improvements to MFRSs and new IC Interpretation (“IC Int”) which are effective for the financial year beginning 1 January 2023:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17, Initial Application of MFRS 17 and MFRS 9	Comparative Information (Amendment to MFRS 17)
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
Amendments to MFRS 101	Presentation of Financial Statements - Disclosure of Accounting Estimates
Amendments to MFRS 112	Income Tax – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The adoption of the above MFRS, amendments/improvements to MFRSs and IC Int did not have any material financial impact to the Group.

The standards and interpretations that are issued but not yet effective up to the date of issuance of these condensed consolidated interim financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 16	Leases – Lease Liability in a sale and leaseback
Amendments to MFRS 101	Non-Current Liabilities with Covenants
Amendments to MFRS 107	Statement of Cash Flows

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

**A2. Seasonal or cyclical factors**

There were no significant seasonal or cyclical factors affecting the operations of the Group in the current financial quarter under review and the financial year-to-date.

**A3. 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 of the Group during the current financial quarter under review and the financial year-to-date.

**A4. Material changes in estimates**

There were no changes in estimates that have had a material effect in the current financial quarter under review and the financial year-to-date.

**A5. Debts and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current financial quarter under review and the financial year-to-date except for:

	<b>3 Months Ended</b>		<b>12 Months Ended</b>	
	<b>31-Dec-23</b>		<b>31-Dec-23</b>	
	<b>No. of shares</b>	<b>RM'000</b>	<b>No. of shares</b>	<b>RM'000</b>
(i) Share Issuance Scheme (SIS)	-	-	96,700,000	967,000
(ii) Share Consolidation	-	-	(1,694,189,799)	-

**A6. Dividend**

There were no dividends declared or paid during the current financial quarter under review and the financial year-to-date.

**A7. Segmental information**

(a) Analysis of revenue by geographical area were as follows:

	<b>Quarter Ended</b>		<b>Year-To-Date Ended</b>	
	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>31-Dec-23</b>	<b>31-Dec-22</b>	<b>31-Dec-23</b>	<b>31-Dec-22</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysia	3,141	6,147	15,032	12,708
Taiwan	14,781	10,772	46,043	27,478
	17,922	16,919	61,075	40,186
Less: Inter-company transactions	(1)	(74)	(5)	(229)
Total revenue	17,921	16,845	61,070	39,957



**A7. Segmental information (cont'd)**

(b) Analysis of revenue, results, assets, and liabilities by operating segments were as follows:

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

	<b>Quarter Ended</b>		<b>Year-To-Date Ended</b>	
	<b>Unaudited 31-Dec-23 RM'000</b>	<b>Audited 31-Dec-22 RM'000</b>	<b>Unaudited 31-Dec-23 RM'000</b>	<b>Audited 31-Dec-22 RM'000</b>
<b>Segment revenue</b>				
Leisure and hospitality	14,781	10,772	46,043	27,478
Logistics services	110	414	763	867
Value added products and services	3,031	5,733	14,269	11,841
Total	17,922	16,919	61,075	40,186
Less: Inter-company transactions	(1)	(74)	(5)	(229)
Total revenue	17,921	16,845	61,070	39,957
<b>Segment result</b>				
Leisure and hospitality	573	(1,048)	(4,522)	(10,735)
Logistics services	(1,117)	(2,131)	(5,663)	(5,551)
Value added products and services	(2,032)	852	(2,090)	(6,019)
Others	571	893	(213)	(6,389)
Total	(2,005)	(1,434)	(12,488)	(28,694)
<b>Segment assets</b>				
Leisure and hospitality			179,569	187,026
Logistics services			6,898	9,398
Value added products and services			15,211	17,124
Others			86,159	90,324
Total			287,837	303,872
<b>Segment liabilities</b>				
Leisure and hospitality			145,200	150,355
Logistics services			562	2,841
Value added products and services			3,832	5,099
Others			1,855	1,056
Total			151,449	159,351

**A8. Valuation of property, plant and equipment**

There was no valuation of the property, plant and equipment during the current financial quarter under review and the financial year-to-date.

**A9. Events after the reporting period**

There was no material event after the current financial quarter under review.

**A10. Changes in composition of the Group**

There were no changes in the composition of the Group during the current financial quarter under review and the financial year-to-date.

**A11. Contingent assets or liabilities**

There were no contingent assets and contingent liabilities during the current financial quarter under review and the financial year-to-date.

**A12. Capital commitments**

Capital expenditure contracted for but not recognised in the financial statements were as follow:

	<b>Unaudited</b>	<b>Audited</b>
	<b>31-Dec-23</b>	<b>31-Dec-22</b>
	<b>RM'000</b>	<b>RM'000</b>
Contracted but not provided for		
Intangible assets	101	80
Property, plant and equipment	39	178
	<u>140</u>	<u>257</u>

**A13. Related party transactions**

The related party transactions between the Group and the related party were as follows:

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>31-Dec-23</b>	<b>31-Dec-22</b>	<b>31-Dec-23</b>	<b>31-Dec-22</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Related Party				
Sales of vending machine	-	-	-	4,009
Sales of vending machine subscription package	1	1	4	2
Sales of vending machine maintenance and support	-	48	3	48
Sales of logistics services	-	25	148	30
Sales of advertising services	-	-	11	84
Purchases of networks subscription	1	11	28	31

**A14. Cash and cash equivalents**

Total cash and cash equivalents were as follows:

	<b>Unaudited</b>	<b>Audited</b>
	<b>31-Dec-23</b>	<b>31-Dec-22</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits with financial institution	8,047	36,112
Cash and bank balances	18,664	21,846
	<u>26,711</u>	<u>57,958</u>

**A15. Fair value measurements**

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Total financial instruments measured at Level 1 were as follows:

	<b>Unaudited</b>	<b>Audited</b>
	<b>31-Dec-23</b>	<b>31-Dec-22</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Financial Assets</u></b>		
<b>Level 1</b>		
Other investments	12,067	8,579
Deposits with financial institution	8,047	36,112
	<u>20,114</u>	<u>44,691</u>

The Group does not have any financial instruments measured at Level 2 and Level 3 as at 31 December 2023 and 31 December 2022.

**B ADDITIONAL NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of performance**

	Quarter Ended			Year-To-Date Ended		
	Unaudited	Audited	Changes	Unaudited	Audited	Changes
	31-Dec-23	31-Dec-22		31-Dec-23	31-Dec-22	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	17,921	16,845	1,076	61,070	39,957	21,113
Gross profit	9,781	9,882	(101)	38,555	24,361	14,194
Loss from operations	(1,839)	(1,350)	(489)	(11,644)	(28,458)	16,814
Loss before tax	(1,970)	(1,434)	(536)	(12,358)	(28,694)	16,336
Loss after tax	(2,005)	(1,434)	(571)	(12,488)	(28,694)	16,206
Loss attributable to owners of the Company	(1,188)	(2,494)	1,306	(11,164)	(24,963)	13,799

Quarter Ended 31 December 2023 (Q4 2023) compared to Quarter Ended 31 December 2022 (Q4 2022), and Year-To-Date Ended 31 December 2023 (YTD 2023) compared to Year-To-Date Ended 31 December 2022 (YTD 2022)

For Q4 2023 vs Q4 2022, the Group's revenue increased from RM 16.8 million to RM 17.9 million and loss before tax (LBT) increased from RM 1.4 million to RM 1.9 million. For YTD 2023 vs YTD 2022, the Group's revenue increased from RM 39.9 million to RM 61.0 million and LBT decreased from RM 28.6 million to RM 12.3 million.

Leisure and Hospitality

In Q4 2023 vs Q4 2022, the revenue increased from RM 10.7 million to RM 14.7 million, which was attributed to the increase in hotel's average occupancy rate from 72% to 89%. As a result, the LBT decreased from RM 1.0 million to profit before tax (PBT) RM 573.0 thousand.

Similarly, in YTD 2023 vs YTD 2022, the revenue increased from RM 27.4 million to RM 46.0 million, which was attributed to the increase in hotel's average occupancy rate from 54% to 76%. As a result, the LBT decreased from RM 10.7 million to RM 4.5 million.

Value-Added Products and Services

In Q4 2023 vs Q4 2022, the revenue decreased from RM 5.7 million to RM 3.0 million due to lower digital advertisement revenue. The PBT decreased from RM 852.0 thousand to LBT RM 2.0 million was mainly due to lower digital advertisement revenue.

In YTD 2023 vs YTD 2022, the revenue increased from RM 11.8 million to RM 14.2 million. The increase in YTD 2023 was driven by higher revenue from products through vending machines and direct sales, and digital advertisement. The LBT decreased from RM 6.0 million to RM 2.0 million was mainly due to higher revenue.

Logistics Services

In Q4 2023 vs Q4 2022, the revenue decreased from RM 414.0 thousand to RM 110.0 thousand. The LBT decreased from RM 2.1 million to RM 1.1 million was mainly due to lower logistics expenses.

In YTD 2023 vs YTD 2022, the revenue decreased from RM 867.0 thousand to RM 763.0 thousand and the average number of items packed per month decreased from 24,000 to 21,000. The LBT increase from RM 5.5 million to RM 5.6 million was due to the operating expenses incurred from the warehouse and higher advertising expenses aimed at promoting the business.

Others

In Q4 2023 vs Q4 2022, the LBT decreased from RM 893.0 thousand to RM 571.0 thousand. In YTD 2023 vs YTD 2022, the LBT decreased from RM 6.3 million to RM 213.0 thousand. The decrease was attributed to lower unrealised losses in other investments and share option expenses.

**B2. Comparison with preceding quarter's results**

	<b>Quarter Ended</b>		
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Changes</b>
	<b>31-Dec-23</b>	<b>30-Sep-23</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	17,921	13,142	4,779
Gross profit	9,781	7,674	2,107
Loss from operations	(1,839)	(4,469)	2,630
Loss before tax	(1,970)	(4,652)	2,682
Loss after tax	(2,005)	(4,747)	2,742
Loss attributable to owners of the Company	(1,188)	(3,574)	2,386

Quarter Ended 31 December 2023 (Q4 2023) versus Quarter Ended 30 September 2023 (Q3 2023)

The Group's revenue increased from RM 13.1 million to RM 17.9 million and LBT decreased from RM 4.6 million to RM 1.9 million.

Leisure and Hospitality

The revenue of the leisure and hospitality segment increased from RM 10.4 million to RM 14.7 million. This increase in revenue was attributed to the increase in the hotel's average occupancy rate from 74% to 89%. The LBT decreased from RM 1.5 million to PBT RM 573.0 thousand due to higher revenue.

Value-Added Products and Services

The revenue of the value-added products and services segment increased from RM 2.5 million to RM 3.0 million was due to the higher revenue from products through direct sales. As a result, the LBT decreased from RM 2.5 million to RM 2.0 million.

Logistics Services

The revenue of the logistics services segments slightly decreased from RM 159.0 thousand and RM 110.00 thousand in Q4 2023 and Q3 2023, respectively. The increase in LBT from RM 551.0 thousand to RM 1.1 million was due to high operating expenses.

Others

The LBT of the others segment decreased from RM 80.0 thousand to PBT RM 571.0 thousand. The decrease in LBT was due to higher unrealised gain in other investments.

**B3. Prospects**

The Group is of the view that the business environment remains challenging due to the continued pressure from global supply chain disruptions, ongoing geopolitical conflicts, rising input cost, and the weakening of ringgit that which could impact consumer purchasing power.

The Group will continue to enhance operational efficiencies to moderate the impact of external economic headwinds.

These include: -

- To review fulfillment business strategies, recognizing the fierce competitive landscape within the fulfillment segment, the Group is embarking on a comprehensive evaluation of its existing business strategies.
- To improve the vending machine business performance, the Group is undertaking a substantive review of the current business model. This involves introducing new and innovative marketing strategies aimed at attracting customers. Strategies include relocating and placing vending machines in high-traffic locations, offering a better product mix, increasing digital advertising volume, and reducing operational costs.
- To offer competitive hotel room rates; the Group is set to introduce compelling hotel room rates to attract more bookings.

The above initiatives are intended to diversify the Group's business risks by reducing dependence on any single business in the Group. The Group is cautiously optimistic, with a focus on strengthening the Group's core ecosystems by adopting a proactive stance.

The financial performance of the Group for FYE 2023 will depend on the results of our business plans and initiatives stated above. Where necessary adjustments will be made to suit the operating environment when required to improve the Group financial position. The availability of adequate working capital, minimal gearing and the implementation of the business initiatives stated above will help to sustain the Group in the year ahead.

**B4. Income tax expenses**

	3 Months Ended		12 Months Ended	
	Unaudited		Unaudited	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- Current year tax	35	-	95	-
- Under provision in prior years	-	-	35	-
- Deferred tax expense	-	-	-	-
	<u>35</u>	<u>-</u>	<u>130</u>	<u>-</u>

**B5. Profit forecast and profit guarantee**

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

**B6. Status of corporate proposals**

There were no corporate proposals announced by the Company that remained uncompleted as at the date of this report, except for the following:

- i. On 26 June 2023, TA Securities Holdings Berhad had, on behalf of the Board of Directors of DGB Asia Berhad announced that the Company proposed to undertake the following proposals:- (i) proposed consolidation of every 10 ordinary shares in DGB ("DGB Shares") into 1 DGB Share ("Proposed Share Consolidation"); and (ii) proposed private placement of up to 66,000,000 new DGB Shares after the Proposed Share Consolidation to independent third-party investor(s) to be identified later and at an issue price to be determined later ("Proposed Private Placement").

On 18 August 2023, Bursa Securities has vided its letter approved the proposals. On 28 August 2023, the Proposals was tabled at the Extraordinary General Meeting and subsequently approved by the shareholders. On 18 September 2023, the Proposed Share Consolidation has been completed following the listing and quotation of 188,243,279 Consolidated Shares and 47,818,848 Consolidated Warrants C on the ACE Market of Bursa Securities.

On 2 January 2024, TA Securities Holdings Berhad applied to seek Bursa Securities' approval for an extension of time of 6 months up to 17 July 2024 for the Company to implement and complete the Private Placement. On 15 January 2024, Bursa Securities has vided its letter approved the proposals.

**B7. Status of utilisation of proceeds raised from previous corporate proposals**

- i. Renounceable Rights Issue with Warrants C

The utilisation of the proceeds of RM114,765,292 from the renounceable rights issue of 956,377,178 new ordinary shares of RM0.12 each as of the date of this report is as follows: -

<b>Purpose</b>	<b>Proposed Amount RM'000</b>	<b>Amount Utilised RM'000</b>	<b>Amount Unutilised RM'000</b>	<b>Timeframe for Utilisation</b>
Expansion of Ping-U, an e-commerce last mile fulfilment solutions provider in Malaysia	60,000	23,652	36,348	Within 36 months
Expansion of the smart vending machines business	15,000	15,000	-	Within 24 months
Marketing expenses	20,000	9,265	10,735	Within 36 months
Working capital	8,865	8,865	-	Within 24 months
Acquisition and/or investment in other complementary businesses and/or assets	10,000	10,000	-	Within 24 months
Expenses in relation to the corporate exercises	900	900	-	Immediate
<b>Total</b>	<b>114,765</b>	<b>67,682</b>	<b>47,083</b>	

- ii. Private placement

The utilisation of the proceeds of RM10,299,230 from the private placement of 270,321,000 new ordinary shares of RM0.0381 each as of the date of this report is as follows: -

<b>Purpose</b>	<b>Proposed Amount RM'000</b>	<b>Amount Utilised RM'000</b>	<b>Amount Unutilised RM'000</b>	<b>Timeframe for Utilisation</b>
Upgrading of the Kimpton Da An Hotel	10,194	10,194	-	Within 24 months
Expenses in relation to the corporate exercises	105	105	-	Immediate
<b>Total</b>	<b>10,299</b>	<b>10,299</b>	<b>-</b>	

**B8. Borrowings and debt securities**

Total group borrowings and debt securities were as follows:

	<b>Unaudited 31-Dec-23 RM'000</b>	<b>Audited 31-Dec-22 RM'000</b>
<u>Short Term Borrowing (Secured)</u>		
Finance lease liability	71	75
<u>Long Term Borrowings (Secured)</u>		
Finance lease liability	-	71
Total	<u>71</u>	<u>146</u>

The Group does not have any foreign borrowings and debt securities as at the date of this report.

**B9. Trade receivables**

	<b>Unaudited 31-Dec-23 RM'000</b>	<b>Audited 31-Dec-22 RM'000</b>
Trade receivables	9,134	6,859
Less: Accumulated impairment losses	<u>(4,477)</u>	<u>(4,477)</u>
	<u>4,657</u>	<u>2,382</u>

The ageing analysis of the Group's trade receivables were as follows:

	<b>Unaudited 31-Dec-23 RM'000</b>	<b>Audited 31-Dec-22 RM'000</b>
Not past due	543	542
Past due but not impaired		
- 0 to 30 days	2,034	1,387
- 31 to 90 days	184	122
- more than 90 days	6,373	4,808
	8,591	6,317
Allowance for impairment	<u>(4,477)</u>	<u>(4,477)</u>
	<u>4,657</u>	<u>2,382</u>

The Group's normal trade credit terms granted to trade receivables ranged from 7 days to 5 months (2022: 1 month to 5 months). Other credit terms are assessed and approved on a case-by-case basis. There are no trade receivables from related parties.



**B10. Material litigation**

There was no litigation against the Group as at the date of this report.

**B11. Dividends**

The Board does not recommend any dividends for the current financial quarter under review and the financial year-to-date.

**B12. Loss per share**

i. Basic loss per ordinary shares

Basic earnings per share amounts were calculated by dividing loss for the period attributable to Owners of the Company by the weighted average number of ordinary shares in issue during the current financial quarter under review and the financial year-to-date.

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<u>Unaudited</u> <u>31-Dec-23</u>	<u>Audited</u> <u>31-Dec-22</u>	<u>Unaudited</u> <u>31-Dec-23</u>	<u>Audited</u> <u>31-Dec-22</u>
Net loss attributable to Owners of the Company (RM'000)	(455)	(3,280)	(8,061)	(25,574)
Weighted average number of ordinary shares in issue ('000)	<u>1,882,433</u>	<u>1,785,733</u>	<u>1,882,433</u>	<u>1,785,733</u>
Basic loss per share (cent)	<u>(0.02)</u>	<u>(0.18)</u>	<u>(0.43)</u>	<u>(1.43)</u>

ii. Diluted Earnings per ordinary shares

The diluted earnings per share is calculated by dividing the loss attributable to Owners of the Company by the weighted average number of ordinary shares in issue and issuable after the conversion of all outstanding warrants and options during the current financial quarter under review and the financial year-to-date.

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<u>Unaudited</u> <u>31-Dec-23</u>	<u>Audited</u> <u>31-Dec-22</u>	<u>Unaudited</u> <u>31-Dec-23</u>	<u>Audited</u> <u>31-Dec-22</u>
Net loss attributable to Owners of the Company (RM'000)	(455)	(3,280)	(8,061)	(25,574)
Weighted average number of ordinary shares in issue ('000)	<u>1,882,433</u>	<u>1,785,733</u>	<u>1,882,433</u>	<u>1,785,733</u>
Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted loss per share	<u>1,882,433</u>	<u>1,785,733</u>	<u>1,882,433</u>	<u>1,785,733</u>
Diluted basic loss per share (cent)	<u>(0.02)</u>	<u>(0.18)</u>	<u>(0.43)</u>	<u>(1.43)</u>

**B13. Comprehensive Income Disclosure**

	Quarter Ended		Year-To-Date Ended	
	Unaudited 31-Dec-23 RM'000	Audited 31-Dec-22 RM'000	Unaudited 31-Dec-23 RM'000	Audited 31-Dec-22 RM'000
<i>Loss before tax is derived after charging:</i>				
Amortisation of intangible assets	336	346	1,358	1,311
Depreciation of investment property	(4)	13	34	27
Depreciation of property, plant and equipment	1,526	1,041	6,084	5,128
Depreciation of right of use assets	3,329	3,362	13,479	13,408
Fair value adjustment of other investments	(1,326)	(1,513)	(2,265)	3,358
Fair value adjustment of investment in money market fund	(98)	(543)	(835)	(2,195)
Interest expense	164	89	774	236
Interest income	(59)	(56)	(59)	(144)
Impairment of inventory	(275)	-	-	1,676
Reversal of impairment losses on receivables	(77)	(143)	(79)	(143)
Short-term leases or leases of low value assets	243	383	1,066	2,039

**B14. Auditors' report on preceding annual financial statements**

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

By Order of the Board  
Company Secretary