



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

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED
31 MARCH 2024
(UNAUDITED)

	Page No.
Contents	
Condensed Consolidated Statement of Comprehensive Income	1
Condensed Consolidated Statement of Financial Position	2
Condensed Consolidated Statement of Changes In Equity	3
Condensed Consolidated Statement of Cash Flows	4 - 5
Notes to the Condensed Consolidated Interim Financial Report	6 - 10
Additional Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad	11 - 17

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Quarter Ended		Year-To-Date Ended	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-2024	31-Mar-2023	31-Mar-2024	31-Mar-2023
	RM'000	RM'000	RM'000	RM'000
Revenue	14,797	14,849	14,797	14,849
Cost of sales	(6,207)	(4,495)	(6,207)	(4,495)
Gross profit	8,590	10,354	8,590	10,354
Other operating income	1,317	596	1,317	596
Administrative expenses	(6,846)	(6,382)	(6,846)	(6,382)
Selling and distribution expenses	(371)	(1,484)	(371)	(1,484)
Other operating expenses	(6,747)	(5,380)	(6,747)	(5,380)
Loss from operations	(4,057)	(2,296)	(4,057)	(2,296)
Finance costs	(145)	(223)	(145)	(223)
Loss before tax	(4,202)	(2,519)	(4,202)	(2,519)
Tax expenses	(23)	-	(23)	-
Loss after tax	(4,225)	(2,519)	(4,225)	(2,519)
Other comprehensive loss, net of tax				
- Currency translation difference	469	418	469	418
Total comprehensive loss for the financial period	(3,756)	(2,101)	(3,756)	(2,101)
Loss net of tax attributable to :				
Owners of the Company	(3,571)	(2,867)	(3,571)	(2,867)
Non-controlling interests	(654)	348	(654)	348
	(4,225)	(2,519)	(4,225)	(2,519)
Total comprehensive loss attributable to :				
Owners of the Company	(3,007)	(2,547)	(3,007)	(2,547)
Non-controlling interests	(749)	446	(749)	446
	(3,756)	(2,101)	(3,756)	(2,101)
Loss per share attributable to owners of the Company:				
Basic loss per share (cent per share)	(1.90)	(0.16)	(1.90)	(0.16)
Diluted loss per share (cent per share)	(1.90)	(0.16)	(1.90)	(0.16)

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 2023 and the accompanying explanatory notes to the interim financial report.

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Unaudited As At 31-Mar-2024 RM'000	Audited As At 31-Dec-2023 RM'000
<u>Assets</u>		
Non-current assets		
Property, plant and equipment	40,939	42,874
Right-of-use assets	112,125	116,940
Investment property	9,530	9,539
Intangible assets	11,133	11,452
Total non-current assets	173,727	180,805
Current assets		
Inventories	421	407
Trade receivables	3,222	4,657
Other receivables, deposits and prepayments	62,496	62,626
Other investments	13,039	12,067
Current tax assets	46	46
Deposits with financial institution	7,920	8,047
Cash and bank balances	17,774	18,590
Total current assets	104,918	106,440
Total assets	278,645	287,245
<u>Equity and Liabilities</u>		
Equity		
Share capital	221,844	221,844
Reserves	(74,815)	(71,808)
	147,029	150,036
Non-controlling interests	(14,484)	(13,735)
Total equity	132,545	136,301
Liabilities		
Non-current liabilities		
Lease liabilities	105,622	107,080
Total non-current liabilities	105,622	107,080
Current liabilities		
Trade payables	1,866	1,977
Other payables and accruals	17,564	17,759
Amount due to directors	7,950	7,744
Amount due to related party	3,200	3,200
Current tax liabilities	78	8
Finance lease liability	35	71
Lease liabilities	9,785	13,105
Total current liabilities	40,478	43,864
Total liabilities	146,100	150,944
Total equity and liabilities	278,645	287,245
Net assets per shares attributable to Owners of the Company (cent per share)	0.70	0.08

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 2023 and the accompanying explanatory notes to the interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	<----- 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
<u>Audited</u>							
Balance at 1 January 2023	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	-	-	-	(11,242)	(11,242)	(1,332)	(12,574)
Other comprehensive loss:							
Currency translation differences	-	3,101	-	-	3,101	(72)	3,029
Total comprehensive loss for the financial year	-	3,101	-	(11,242)	(8,141)	(1,404)	(9,545)
Balance at 31 December 2023	221,844	1,395	12,259	(85,462)	150,036	(13,735)	136,301
<u>Unaudited</u>							
Balance at 1 January 2024	221,844	1,395	12,259	(85,462)	150,036	(13,735)	136,301
Loss for the financial year	-	-	-	(3,571)	(3,571)	(654)	(4,225)
Other comprehensive loss:							
Currency translation differences	-	564	-	-	564	(95)	469
Total comprehensive loss for the financial year	-	564	-	(3,571)	(3,007)	(749)	(3,756)
Balance at 31 March 2024	221,844	1,959	12,259	(89,033)	147,029	(14,484)	132,545

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 2023 and the accompanying explanatory notes to the interim report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Year-To-Date Ended	
	Unaudited 31-Mar-24 RM'000	Unaudited 31-Mar-23 RM'000
Cash flows from operating activities		
Loss before tax	(4,202)	(2,519)
Adjustments for:		
Amortisation of intangible assets	319	341
Amortisation of investment property	9	13
Depreciation of property, plant and equipment	1,544	1,479
Depreciation of right of use assets	3,417	3,362
Fair value adjustment of other investments	1,439	172
Fair value adjustment of investment in money market fund	(72)	(334)
Interest expense	145	223
Interest income	-	(207)
Written off of property, plant and equipment	2	-
Reversal of impairment losses on receivables	-	(2)
Reversal of impairment losses on inventories	(910)	-
Operating profit before working capital changes	1,691	2,528
Changes in working capital:		
Inventories	897	(412)
Receivables	1,625	(1,046)
Payables	(300)	6,078
Cash generated from operations	3,913	7,148
Tax paid	(23)	(24)
Net cash flow generated from operating activities	3,890	7,124
Cash flow from investing activities		
Acquisition of other investments	(2,818)	(3,356)
Acquisition of property, plant and equipment	(4)	(1,502)
Withdrawal of money market fund	200	4,000
Proceeds from disposal of investment in quoted shares	375	-
Net cash used in investing activities	(2,247)	(858)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONT'D)

	Year-To-Date Ended	
	Unaudited 31-Mar-24 RM'000	Unaudited 31-Mar-23 RM'000
Cash flows from financing activities		
Interest paid	(145)	(223)
Repayment of finance lease liability	(35)	(20)
Repayment of lease liabilities	(3,333)	(3,198)
Net cash used in financing activities	(3,513)	(3,441)
Net (decrease)/increase in cash and bank balances	(1,870)	2,825
Effects of exchange rate changes	1,054	112
Cash and bank balances at the beginning of financial year	18,590	21,846
Cash and bank balances at the end of financial year	17,774	24,783

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2023 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 2023 (“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 2024:

Amendments to MFRS 16	Leases – 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	Statement of Cash Flows and Financial Instruments Disclosure – Supplier Finance Arrangements

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 2025

Amendments to MFRS 121	Lack of exchangeability
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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
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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.

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:

	Quarter Ended		Year-To-Date Ended	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	RM'000	RM'000	RM'000	RM'000
Malaysia	1,896	4,740	1,896	4,740
Taiwan	12,901	10,109	12,901	10,109
	<u>14,797</u>	<u>14,849</u>	<u>14,797</u>	<u>14,849</u>
Less: Inter-company transactions	-	-	-	-
Total revenue	<u>14,797</u>	<u>14,849</u>	<u>14,797</u>	<u>14,849</u>

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.

	Quarter Ended		Year-To-Date Ended	
	Unaudited 31-Mar-24 RM'000	Unaudited 31-Mar-23 RM'000	Unaudited 31-Mar-24 RM'000	Unaudited 31-Mar-23 RM'000
Segment revenue				
Leisure and hospitality	12,901	10,109	12,901	10,109
Logistics services	-	323	-	323
Value added products and services	1,896	4,417	1,896	4,417
Total	14,797	14,849	14,797	14,849
Less: Inter-company transactions	-	-	-	-
Total revenue	14,797	14,849	14,797	14,849
Segment result				
Leisure and hospitality	(41)	(1,602)	(41)	(1,602)
Logistics services	(1,963)	(1,769)	(1,963)	(1,769)
Value added products and services	(1,593)	1,229	(1,593)	1,229
Others	(628)	(377)	(628)	(377)
Total	(4,225)	(2,519)	(4,225)	(2,519)
Segment assets				
Leisure and hospitality			172,963	183,761
Logistics services			19,193	12,149
Value added products and services			14,136	19,569
Others			72,353	90,209
Total			278,645	305,688
Segment liabilities				
Leisure and hospitality			139,466	148,264
Logistics services			306	4,936
Value added products and services			3,818	6,142
Others			2,510	3,927
Total			146,100	163,269

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:

	Unaudited 31-Mar-24 RM'000	Audited 31-Dec-23 RM'000
Contracted but not provided for		
Intangible assets	48	101
Property, plant and equipment	39	39
	<u>87</u>	<u>140</u>

A13. Related party transactions

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

	Quarter Ended		Year-To-Date Ended	
	Unaudited 31-Mar-24 RM'000	Unaudited 31-Mar-23 RM'000	Unaudited 31-Mar-24 RM'000	Unaudited 31-Mar-23 RM'000
Related Party				
Sales of vending machine subscription package	1	1	1	1
Sales of logistics services	-	89	-	89
Purchases of networks subscription	1	15	1	15
	<u>1</u>	<u>15</u>	<u>1</u>	<u>15</u>

A14. Cash and cash equivalents

Total cash and cash equivalents were as follows:

	Unaudited 31-Mar-24 RM'000	Audited 31-Dec-23 RM'000
Deposits with financial institution	7,920	8,047
Cash and bank balances	17,774	18,590
	<u>25,694</u>	<u>26,637</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:

	Unaudited 31-Mar-24 RM'000	Audited 31-Dec-23 RM'000
<u>Financial Assets</u>		
Level 1		
Other investments	13,039	12,067
Deposits with financial institution	7,920	8,047
	<u>20,959</u>	<u>20,114</u>

The Group does not have any financial instruments measured at Level 2 and Level 3 as at 31 March 2024 and 31 December 2023.

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	Unaudited	Changes	Unaudited	Unaudited	Changes
	31-Mar-24	31-Mar-23		31-Mar-24	31-Mar-23	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	14,797	14,849	(52)	14,797	14,849	(52)
Gross profit	8,590	10,354	(1,764)	8,590	10,354	(1,764)
Loss from operations	(4,057)	(2,296)	(1,761)	(4,057)	(2,296)	(1,761)
Loss before tax	(4,202)	(2,519)	(1,683)	(4,202)	(2,519)	(1,683)
Loss after tax	(4,225)	(2,519)	(1,706)	(4,225)	(2,519)	(1,706)
Loss net of tax attributable to Owners of the Company	(3,571)	(2,867)	(704)	(3,571)	(2,867)	(704)

Quarter Ended 31 March 2024 (Q1 2024) compared to Quarter Ended 31 March 2023 (Q1 2023), and Year-To-Date Ended 31 March 2024 (YTD 2024) compared to Year-To-Date Ended 31 March 2023 (YTD 2023)

For Q1 2024 and YTD 2024, the Group's revenue decreased from RM 14.8 million to RM 14.7 million and loss before tax (LBT) increased from RM 2.5 million to RM 4.2 million.

Leisure and Hospitality

The revenue increased in both Q1 2024 and YTD 2024 compared to the corresponding periods in 2023. The revenue increased from RM 10.1 million to RM 12.9 million, which was attributed to the increase in the hotel's average occupancy rate from 70% to 83%. As a result, the LBT decreased from RM 1.6 million to RM 41.0 thousand.

Value-Added Products and Services

The revenue decreased in both Q1 2024 and YTD 2024 compared to the corresponding periods in 2023. The revenue decreased from RM 4.4 million to RM 1.8 million due to lower digital advertisement revenue. As a result, the PBT decreased from RM 1.2 million to LBT RM 1.5 million.

Logistics Services

The revenue decreased in both Q1 2024 and YTD 2024 compared to the corresponding periods in 2023. The revenue decreased from RM 323.0 thousand to RM Nil because the business is undertaking a thorough review to identify areas for improvement or potential restructuring. As a result, the LBT decreased from RM 1.7 million to RM 843.0 thousand.

Others

The LBT increased in both Q1 2024 and YTD 2024 compared to the corresponding periods in 2023. The LBT increased from RM 377.0 thousand to RM 1.7 million was attributed to higher unrealised losses in other investments.

B2. Comparison with preceding quarter's results

	Quarter Ended		
	Unaudited	Unaudited	Changes
	31-Mar-24	31-Dec-23	
	RM'000	RM'000	RM'000
Revenue	14,797	17,921	(3,124)
Gross profit	8,590	9,781	(1,191)
Loss from operations	(4,057)	(1,839)	(2,218)
Loss before tax	(4,202)	(1,970)	(2,232)
Loss after tax	(4,225)	(2,005)	(2,220)
Loss net of tax attributable to Owners of the Company	(3,571)	(1,188)	(2,383)

Quarter Ended 31 March 2024 (Q1 2024) versus Quarter Ended 31 December 2023 (Q4 2023)

The Group's revenue decreased from RM 17.9 million to RM 14.7 million and LBT increased from RM 1.9 million to RM 4.2 million.

Leisure and Hospitality

The revenue of the leisure and hospitality segment decreased from RM 14.7 million to RM 12.9 million. This decrease in revenue was attributed to the decrease in the hotel's average occupancy rate from 89% to 83%. The PBT decreased from RM 573.0 thousand to LBT RM 41.0 thousand due to lower revenue.

Value-Added Products and Services

The revenue of the value-added products and services segment decreased from RM 3.0 million to RM 1.8 million was due to the lower revenue from sales of products through direct sales and sales of digital advertisement. The LBT decreased from RM 2.0 million to RM 1.5 million due to lower marketing expenses.

Logistics Services

The revenue of the logistics services segments decreased from RM 110.0 thousand to RM Nil because the business is undertaking a thorough review to identify areas for improvement or potential restructuring. As a result, the LBT decreased from RM 1.1 million to RM 830.0 thousand.

Others

The PBT of the others segment decreased from RM 571.0 thousand to LBT RM 1.7 million. The decrease in PBT was due to higher unrealised losses in other investments.

B3. Prospects

The Group acknowledges a challenging business environment marked by global supply chain disruptions, ongoing geopolitical conflicts, rising input cost, and the weakening of ringgit. These factors may potentially have an adverse effect on the purchasing power of consumers.

In order to mitigate the impact of these external economic headwinds, the Group will be focused on further enhancing its operational efficiencies.

These include: -

- For leisure and hospitality segment, to capitalise on the anticipated tourism boom in Taiwan, the Group will continue to improve its yield management strategy and adopt a dynamic rate strategy while maintaining an exceptional standard of customer service.
- For valued-added products and services segment, to revitalising vending and advertising for sustainable growth, the Group will undertake a thorough review of all existing site locations and strategically relocate the vending machine to more lucrative locations. The Group is also committed to forging strategic partnerships and collaborations with other industry players to leverage their assets, networks, and expertise to enhance our offerings and expand our reach in the evolving out-of-home media landscape.
- For logistics services segment, despite innovation efforts, the Group faces hurdles in market share expansion and revenue growth. The Group will undertake a thorough review to identify areas for improvement or potential restructuring.

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 2024 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

	Quarter Ended		Year-To-Date Ended	
	Unaudited 31-Mar-24 RM'000	Unaudited 31-Mar-23 RM'000	Unaudited 31-Mar-24 RM'000	Unaudited 31-Mar-23 RM'000
Income tax:				
- Current year tax	23	-	23	-
	<u>23</u>	<u>-</u>	<u>23</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:

1. 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 were 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: -

Purpose	Proposed Amount RM'000	Amount Utilised RM'000	Amount Unutilised RM'000	Timeframe for Utilisation
Expansion of Ping-U, an e-commerce last mile fulfilment solutions provider in Malaysia	60,000	24,675	35,325	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
Total	114,765	68,705	46,060	

B8. Borrowings and debt securities

Total group borrowings and debt securities were as follows:

	Unaudited 31-Mar-24 RM'000	Audited 31-Dec-23 RM'000
<u>Short Term Borrowing (Secured)</u>		
Finance lease liability	35	71
Total	<u>35</u>	<u>71</u>

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

B9. Trade receivables

	Unaudited 31-Mar-24 RM'000	Audited 31-Dec-23 RM'000
Trade receivables	7,699	9,134
Less: Accumulated impairment losses	(4,477)	(4,477)
	<u>3,222</u>	<u>4,657</u>

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

	Unaudited 31-Mar-24 RM'000	Audited 31-Dec-23 RM'000
Not past due	22	543
Past due but not impaired		
- 0 to 30 days	1,087	2,035
- 31 to 90 days	206	117
- more than 90 days	6,384	6,439
	7,677	8,591
Allowance for impairment	(4,477)	(4,477)
	<u>3,222</u>	<u>4,657</u>

The Group's normal trade credit terms granted to trade receivables ranged from 7 days to 5 months (2023: 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.

	Quarter Ended		Year-To-Date Ended	
	Unaudited 31-Mar-24	Unaudited 31-Mar-23	Unaudited 31-Mar-24	Unaudited 31-Mar-23
Net loss attributable to Owners of the Company (RM'000)	(3,571)	(2,867)	(3,571)	(2,867)
Weighted average number of ordinary shares in issue ('000)	188,243	1,785,733	188,243	1,785,733
Basic loss per share (cent)	(1.90)	(0.16)	(1.90)	(0.16)

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.

	Quarter Ended		Year-To-Date Ended	
	Unaudited 31-Mar-24	Unaudited 31-Mar-23	Unaudited 31-Mar-24	Unaudited 31-Mar-23
Net loss attributable to Owners of the Company (RM'000)	(3,571)	(2,867)	(3,571)	(2,867)
Weighted average number of ordinary shares in issue ('000)	188,243	1,785,733	188,243	1,785,733
Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted loss per share	188,243	1,785,733	188,243	1,785,733
Diluted basic loss per share (cent)	(1.90)	(0.16)	(1.90)	(0.16)

B13. Comprehensive Income Disclosure

	Quarter Ended		Year-To-Date Ended	
	Unaudited 31-Mar-24 RM'000	Unaudited 31-Mar-23 RM'000	Unaudited 31-Mar-24 RM'000	Unaudited 31-Mar-23 RM'000
<i>Loss before tax is derived after charging:</i>				
Amortisation of intangible assets	319	341	319	341
Amortisation of investment property	9	13	9	13
Depreciation of property, plant and equipment	1,544	1,479	1,544	1,479
Depreciation of right of use assets	3,417	3,362	3,417	3,362
Fair value adjustment of other investments	1,439	172	1,439	172
Fair value adjustment of investment in money market fund	(72)	(334)	(72)	(334)
Interest expense	145	223	145	223
Interest income	-	(207)	-	(207)
Reversal of impairment losses on receivables	-	(2)	-	(2)
Short-term leases or leases of low value assets	212	232	212	232
	212	232	212	232

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