



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

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FINANCIAL QUARTER ENDED**  
**30 SEPTEMBER 2024**  
**(UNAUDITED)**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	Quarter Ended		Year-To-Date Ended	
	Unaudited 30-Sep-2024 RM'000	Unaudited 30-Sep-2023 RM'000	Unaudited 30-Sep-2024 RM'000	Unaudited 30-Sep-2023 RM'000
Revenue	10,589	13,142	39,492	43,149
Cost of sales	(4,839)	(5,468)	(17,315)	(14,375)
<b>Gross profit</b>	<b>5,750</b>	<b>7,674</b>	<b>22,177</b>	<b>28,774</b>
Other operating income	237	(788)	1,844	1,747
Administrative expenses	(6,135)	(7,171)	(19,938)	(21,208)
Selling and distribution expenses	(315)	(710)	(1,042)	(3,569)
Other operating expenses	(9,166)	(3,475)	(21,047)	(15,548)
<b>Loss from operations</b>	<b>(9,629)</b>	<b>(4,470)</b>	<b>(18,006)</b>	<b>(9,804)</b>
Finance costs	(134)	(183)	(377)	(583)
<b>Loss before tax</b>	<b>(9,763)</b>	<b>(4,653)</b>	<b>(18,383)</b>	<b>(10,387)</b>
Tax expenses	22	(95)	(22)	(95)
<b>Loss after tax</b>	<b>(9,741)</b>	<b>(4,748)</b>	<b>(18,405)</b>	<b>(10,482)</b>
<b>Other comprehensive loss, net of tax</b>				
- Currency translation difference	(3,276)	516	(3,254)	1,991
<b>Total comprehensive loss for the financial period</b>	<b>(13,017)</b>	<b>(4,232)</b>	<b>(21,659)</b>	<b>(8,491)</b>
<b>Loss net of tax attributable to :</b>				
Owners of the Company	(8,791)	(3,574)	(15,704)	(9,976)
Non-controlling interests	(950)	(1,174)	(2,701)	(506)
	<b>(9,741)</b>	<b>(4,748)</b>	<b>(18,405)</b>	<b>(10,482)</b>
<b>Total comprehensive loss attributable to :</b>				
Owners of the Company	(12,565)	(2,845)	(19,292)	(7,606)
Non-controlling interests	(452)	(1,387)	(2,367)	(885)
	<b>(13,017)</b>	<b>(4,232)</b>	<b>(21,659)</b>	<b>(8,491)</b>
<b>Loss per share attributable to owners of the Company:</b>				
Basic loss per share (cent per share)	(5.84)	(0.19)	(8.97)	(0.53)
Diluted loss per share (cent per share)	(5.84)	(0.19)	(8.97)	(0.53)

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**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024**

	<b>Unaudited As At 30-Sep-2024 RM'000</b>	<b>Audited As At 31-Dec-2023 RM'000</b>
<b><u>Assets</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	47,713	42,874
Right-of-use assets	93,476	116,940
Investment property	9,511	9,539
Intangible assets	10,349	11,452
<b>Total non-current assets</b>	<b>161,049</b>	<b>180,805</b>
<b>Current assets</b>		
Inventories	681	407
Trade receivables	885	4,657
Other receivables, deposits and prepayments	53,693	62,626
Other investments	17,575	12,067
Current tax assets	85	46
Deposits with financial institution	4,601	8,047
Cash and bank balances	9,699	18,590
<b>Total current assets</b>	<b>87,219</b>	<b>106,440</b>
<b>Total assets</b>	<b>248,268</b>	<b>287,245</b>
<b><u>Equity and Liabilities</u></b>		
<b>Equity</b>		
Share capital	239,297	221,844
Reserves	(103,359)	(71,808)
	135,938	150,036
Non-controlling interests	(16,102)	(13,735)
<b>Total equity</b>	<b>119,836</b>	<b>136,301</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Lease liabilities	93,534	107,080
Term loan	6,146	-
<b>Total non-current liabilities</b>	<b>99,680</b>	<b>107,080</b>
<b>Current liabilities</b>		
Trade payables	1,370	1,977
Other payables and accruals	15,055	17,759
Amount due to directors	6,132	7,744
Amount due to related party	3,200	3,200
Current tax liabilities	16	8
Finance lease liability	-	71
Lease liabilities	2,918	13,105
Term loan	61	-
<b>Total current liabilities</b>	<b>28,752</b>	<b>43,864</b>
<b>Total liabilities</b>	<b>128,432</b>	<b>150,944</b>
<b>Total equity and liabilities</b>	<b>248,268</b>	<b>287,245</b>
<b>Net assets per shares attributable to Owners of the Company (cent per share)</b>	<b>0.56</b>	<b>0.72</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 2023 and the accompanying explanatory notes to the interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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
<b><u>Audited</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	-	-	-	(11,242)	(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)
<b>Balance at 31 December 2023</b>	<b>221,844</b>	<b>1,395</b>	<b>12,259</b>	<b>(85,462)</b>	<b>150,036</b>	<b>(13,735)</b>	<b>136,301</b>
<b><u>Unaudited</u></b>							
<b>Balance at 1 January 2024</b>	221,844	1,395	12,259	(85,462)	150,036	(13,735)	136,301
Transaction with owners:							
Issuance of ordinary shares pursuant to:							
- expiration of warrants	12,259	-	(12,259)	-	-	-	-
- private placement	5,194	-	-	-	5,194	-	5,194
Total transaction with owners	17,453	-	(12,259)	-	5,194	-	5,194
Loss for the financial year	-	-	-	(15,704)	(15,704)	(2,701)	(18,405)
Other comprehensive loss:							
Currency translation differences	-	(3,588)	-	-	(3,588)	334	(3,254)
Total comprehensive loss for the financial year	-	(3,588)	-	(15,704)	(19,292)	(2,367)	(21,659)
<b>Balance at 30 September 2024</b>	<b>239,297</b>	<b>(2,193)</b>	<b>-</b>	<b>(101,166)</b>	<b>135,938</b>	<b>(16,102)</b>	<b>119,836</b>

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 30 SEPTEMBER 2024**

	<b>Year-To-Date Ended</b>	
	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Unaudited 30-Sep-23 RM'000</b>
<b>Cash flows from operating activities</b>		
Loss before tax	(18,383)	(10,387)
Adjustments for:		
Amortisation of intangible assets	1,039	1,022
Amortisation of investment property	28	38
Depreciation of property, plant and equipment	4,570	4,558
Depreciation of right of use assets	9,803	10,150
Employee benefit expenses	-	358
Fair value adjustment of other investments	599	(939)
Fair value adjustment of investment in money market fund	(153)	(737)
Interest expense	415	610
Impairment of inventories	-	275
Written off of property, plant and equipment	32	25
Written off of intangible asset	64	-
Loss on disposal of property, plant and equipment	(50)	-
Reversal of impairment losses on receivables	-	(2)
Reversal of impairment losses on inventories	(949)	-
Rental concessions	(1)	(1)
Unrealised foreign exchange (gain)/loss	4,664	-
<b>Operating (loss)/profit before working capital changes</b>	<b>1,678</b>	<b>4,970</b>
Changes in working capital:		
Inventories	675	(636)
Receivables	8,794	(20,171)
Payables	(4,031)	(3,142)
<b>Cash flow generated from/(used in) operations</b>	<b>7,116</b>	<b>(18,979)</b>
Tax paid	(61)	(72)
<b>Net cash flow generated from/(used in) operating activities</b>	<b>7,055</b>	<b>(19,051)</b>
<b>Cash flow from investing activities</b>		
Acquisition of other investments	(6,413)	(4,135)
Acquisition of property, plant and equipment	(8,052)	(2,795)
Withdrawal of money market fund	3,600	28,400
Proceeds from disposal of property, plant and equipment	468	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(10,397)</b>	<b>21,470</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024 (CONT'D)**

	<b>Year-To-Date Ended</b>	
	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Unaudited 30-Sep-23 RM'000</b>
<b>Cash flows from financing activities</b>		
Interest paid	(357)	(610)
Proceeds from issuance of shares	5,194	967
Repayment of finance lease liability	(71)	(61)
Repayment of lease liabilities	(9,643)	(9,717)
Repayment of term loan	(148)	-
<b>Net cash used in financing activities</b>	<b>(5,025)</b>	<b>(9,421)</b>
<b>Net decrease in cash and bank balances</b>	<b>(8,367)</b>	<b>(7,002)</b>
Effects of exchange rate changes	(524)	2,094
Cash and bank balances at the beginning of financial year	18,590	21,846
<b>Cash and bank balances at the end of financial year</b>	<b>9,699</b>	<b>16,938</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 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.

***MFRS, 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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***MFRS, Interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 1, MFRS 7, MFRS 9 MFRS 10, MFRS 107	Annual Improvements - Volume 11

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures

***MFRS, 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 expect for:

	<b>Quarter Ended</b>		<b>Year-To-Date Ended</b>	
	<b>Unaudited No. of shares</b>	<b>Unaudited RM'000</b>	<b>Unaudited No. of shares</b>	<b>Unaudited RM'000</b>
Private Placement	-	-	66,000	5,194

**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 30-Sep-24 RM'000</b>	<b>Unaudited 30-Sep-23 RM'000</b>	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Unaudited 30-Sep-23 RM'000</b>
Malaysia	1,594	2,659	5,630	11,891
Taiwan	8,995	10,484	33,862	31,262
	10,589	13,143	39,492	43,153
Less: Inter-company transactions	-	(1)	-	(4)
Total revenue	10,589	13,142	39,492	43,149



**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 30-Sep-24 RM'000</b>	<b>Unaudited 30-Sep-23 RM'000</b>	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Unaudited 30-Sep-23 RM'000</b>
<b>Segment revenue</b>				
Leisure and hospitality	8,995	10,484	33,862	31,262
Logistics services	-	159	-	653
Value added products and services	1,594	2,500	5,630	11,238
<b>Total</b>	<b>10,589</b>	<b>13,143</b>	<b>39,492</b>	<b>43,153</b>
Less: Inter-company transactions	-	(1)	-	(4)
<b>Total revenue</b>	<b>10,589</b>	<b>13,142</b>	<b>39,492</b>	<b>43,149</b>
<b>Segment result</b>				
Leisure and hospitality	(2,657)	(1,548)	(3,834)	(5,093)
Logistics services	(1,191)	(551)	(2,886)	(4,546)
Value added products and services	(1,444)	(2,568)	(5,194)	(58)
Others	(4,449)	(81)	(6,491)	(785)
<b>Total</b>	<b>(9,741)</b>	<b>(4,748)</b>	<b>(18,405)</b>	<b>(10,482)</b>
<b>Segment assets</b>				
Leisure and hospitality			148,303	173,839
Logistics services			16,464	7,154
Value added products and services			13,877	16,809
Others			69,624	88,442
<b>Total</b>			<b>248,268</b>	<b>286,244</b>
<b>Segment liabilities</b>				
Leisure and hospitality			123,114	142,199
Logistics services			495	642
Value added products and services			3,462	3,809
Others			1,361	2,240
<b>Total</b>			<b>128,432</b>	<b>148,890</b>

**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 30-Sep-24 RM'000</b>	<b>Audited 31-Dec-23 RM'000</b>
Contracted but not provided for		
Intangible assets	2,011	101
Property, plant and equipment	39	39
	<u>2,050</u>	<u>140</u>

**A13. Related party transactions**

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

	<b>Quarter Ended</b>		<b>Year-To-Date Ended</b>	
	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Unaudited 30-Sep-23 RM'000</b>	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Unaudited 30-Sep-23 RM'000</b>
Related Party				
Sales of vending machine subscription package	2	1	4	3
Sales of vending machine maintenance and support	-	-	-	3
Sales of logistics services	-	25	-	148
Sales of advertising services	-	11	-	11
Purchases of networks subscription	1	8	2	27

**A14. Cash and cash equivalents**

Total cash and cash equivalents were as follows:

	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Audited 31-Dec-23 RM'000</b>
Deposits with financial institution	4,601	8,047
Cash and bank balances	9,699	18,590
	<u>14,300</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:

	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Audited 31-Dec-23 RM'000</b>
<b><u>Financial Assets</u></b>		
<b>Level 1</b>		
Other investments	17,575	12,067
Deposits with financial institution	4,601	8,047
	<u>22,176</u>	<u>20,114</u>

The Group does not have any financial instruments measured at Level 2 and Level 3 as at 30 September 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
	30-Sep-24	30-Sep-23		30-Sep-24	30-Sep-23	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	10,589	13,142	(2,553)	39,492	43,149	(3,657)
Gross profit	5,750	7,674	(1,924)	22,177	28,774	(6,597)
Loss from operations	(9,629)	(4,470)	(5,159)	(18,006)	(9,804)	(8,202)
Loss before tax	(9,763)	(4,653)	(5,110)	(18,383)	(10,387)	(7,996)
Loss after tax	(9,741)	(4,748)	(4,993)	(18,405)	(10,482)	(7,923)
Loss net of tax attributable to Owners of the Company	(8,791)	(3,574)	(5,217)	(15,704)	(9,976)	(5,728)

Quarter Ended 30 September 2024 (Q3 2024) compared to Quarter Ended 30 September 2023 (Q3 2023), and Year-To-Date Ended 30 September 2024 (YTD 2024) compared to Year-To-Date Ended 30 September 2023 (YTD 2023)

For Q3 2024 vs Q3 2023, the Group's revenue decreased from RM 13.1 million to RM 10.6 million and loss before tax (LBT) increased from RM 4.7 million to RM 9.8 million. For YTD 2024 vs YTD 2023, the Group's revenue decreased from RM 43.1 million to RM 39.5 million and LBT increased from RM 10.4 million to RM 18.4 million.

Leisure and Hospitality

The revenue decreased in Q3 2024 and increased in YTD 2024 compared to the corresponding periods in 2023. In Q3 2024 vs Q3 2023, the revenue decreased from RM 10.5 million to RM 9.0 million, which was attributed to the decrease in hotel's average occupancy rate from 74% to 73%. As a result, the LBT increased from RM 1.5 million to RM 2.7 million.

In YTD 2024 vs YTD 2023, the revenue increased from RM 31.3 million to RM 33.9 million, which was attributed to the increase in hotel's average occupancy rate from 72% to 79%. As a result, the LBT decreased from RM 5.1 million to RM 3.8 million.

Value-Added Products and Services

The revenue decreased in both Q3 2024 and YTD 2024 compared to the corresponding periods in 2023. In Q3 2024 vs Q3 2023, the revenue decreased from RM 2.5 million to RM 1.6 million. Similarly, in YTD 2024 vs YTD 2023, the revenue decreased from RM 11.2 million to RM 5.6 million. The decrease was primarily caused by a decrease in digital advertising revenue.

As a result, in Q3 2024 vs Q3 2023, the LBT decreased from RM 2.6 million to RM 1.4 million. Similarly, in YTD 2024 vs YTD 2023, the LBT increased from RM 60.0 thousand to RM 5.2 million.

Logistics Services

The revenue decreased in both Q3 2024 and YTD 2024 compared to the corresponding periods in 2023. In Q3 2024 vs Q3 2023, the revenue decreased from RM 159.0 thousand to RM Nil. Similarly, in YTD 2024 vs YTD 2023, the revenue decreased from RM 653.0 thousand to RM Nil.

As a result, in Q3 2024 vs Q3 2023, the LBT increased from RM 551.0 thousand to RM 1.0 million. In YTD 2024 vs YTD 2023, the LBT decreased from RM 4.5 million to RM 2.9 million.

After undertaking a thorough business review, the Group decided to cease its logistics business.

Others

In Q3 2024 vs Q3 2023, the LBT increased from RM 81.0 thousand to RM 4.4 million. In YTD 2024 vs YTD 2023, the LBT increased from RM 785.0 thousand to RM 6.5 million. The increase was attributed to higher unrealised foreign exchange losses.

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

	<b>Quarter Ended</b>		
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Changes</b>
	<b>30-Sep-24</b>	<b>30-Jun-24</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	10,589	14,105	(3,516)
Gross profit	5,750	7,836	(2,086)
Loss from operations	(9,629)	(4,319)	(5,310)
Loss before tax	(9,763)	(4,417)	(5,346)
Loss after tax	(9,741)	(4,438)	(5,303)
Loss net of tax attributable to Owners of the Company	(8,791)	(3,342)	(5,449)

Quarter Ended 30 September 2024 (Q3 2024) versus Quarter Ended 30 June 2024 (Q2 2024)

The Group's revenue decreased from RM 14.1 million to RM 10.6 million and LBT increased from RM 4.4 million to RM 9.8 million.

Leisure and Hospitality

The revenue of the leisure and hospitality segment decreased from RM 12.0 million to RM 9.0 million. This decrease in revenue was attributed to the decrease in the hotel's average occupancy rate from 81% to 73%. The LBT increased from RM 1.1 million to RM 2.7 million due to lower revenue.

Value-Added Products and Services

The revenue of the value-added products and services segment decreased from RM 2.1 million to RM 1.6 million due to the lower revenue from sales of products through direct sales. The LBT decreased from RM 2.2 million to RM 1.4 million due to lower operating expenses.

Logistics Services

The revenue of the logistics services segment remained RM Nil. The LBT increased from RM 852.0 thousand to RM 1.0 million. After undertaking a thorough business review, the Group decided to cease its logistics business.

Others

The LBT of the others segment increased from RM 294.0 thousand to RM 4.4 million. The increase in LBT was due to higher unrealised foreign exchange losses.

**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 the business. 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.

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**

	<b>Quarter Ended</b>		<b>Year-To-Date Ended</b>	
	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Unaudited 30-Sep-23 RM'000</b>	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Unaudited 30-Sep-23 RM'000</b>
Income tax:				
- Current year tax	16	60	60	60
- (Over)/under provision in prior years	(38)	35	(38)	35
	<u>(22)</u>	<u>95</u>	<u>22</u>	<u>95</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**

Save as disclosed below, there were no corporate proposals announced but not completed at the date of issue of this interim financial report.

On 28 October 2024, 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 diversification of the principal activities of DGB and its subsidiaries to include leisure and hospitality business (“Proposed Diversification”); (ii) proposed variation of the utilisation of proceeds previously raised from the rights issue with warrants exercise undertaken by the company that was completed on 22 January 2021 (“Proposed Variation”); and (iii) proposed establishment of a new employee share issuance scheme of up to 30% of the total number of issued shares to the eligible directors and eligible employees of DGB and its subsidiaries (excluding dormant subsidiaries, if any) (“Proposed SIS”).

**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	25,811	34,189	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>69,841</b>	<b>44,924</b>	

ii. Private Placement

The utilisation of the proceeds of RM5,194,200 from the private placement of 66,000,000 new ordinary shares of RM0.0787 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>
Working capital for the Kimpton Da An Hotel	4,794	4,794	-	Within 12 months
Expenses in relation to the corporate exercises	400	400	-	Immediate
<b>Total</b>	<b>5,194</b>	<b>5,194</b>	<b>-</b>	

**B8. Borrowings and debt securities**

Total group borrowings and debt securities were as follows:

	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Audited 31-Dec-23 RM'000</b>
<u>Short Term Borrowing (Secured)</u>		
Finance lease liability	-	71
Term Loan	61	-
<u>Long Term Borrowings (Secured)</u>		
Term Loan	6,146	-
Total	<u>6,207</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**

	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Audited 31-Dec-23 RM'000</b>
Trade receivables	5,263	9,134
Less: Accumulated impairment losses	(4,378)	(4,477)
	<u>885</u>	<u>4,657</u>

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

	<b>Unaudited 30-Sep-24 RM'000</b>	<b>Audited 31-Dec-23 RM'000</b>
Not past due	736	543
Past due but not impaired		
- 0 to 30 days	1	2,035
- 31 to 90 days	-	117
- more than 90 days	4,526	6,439
	4,527	8,591
Allowance for impairment	(4,378)	(4,477)
	<u>885</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.

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<u>Unaudited</u> <u>30-Sep-24</u>	<u>Unaudited</u> <u>30-Sep-23</u>	<u>Unaudited</u> <u>30-Sep-24</u>	<u>Unaudited</u> <u>30-Sep-23</u>
Net loss attributable to Owners of the Company (RM'000)	(12,565)	(3,574)	(19,292)	(9,976)
Weighted average number of ordinary shares in issue ('000)	<u>215,078</u>	<u>1,882,433</u>	<u>215,078</u>	<u>1,882,433</u>
Basic loss per share (cent)	<u>(5.84)</u>	<u>(0.19)</u>	<u>(8.97)</u>	<u>(0.53)</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>30-Sep-24</u>	<u>Unaudited</u> <u>30-Sep-23</u>	<u>Unaudited</u> <u>30-Sep-24</u>	<u>Unaudited</u> <u>30-Sep-23</u>
Net loss attributable to Owners of the Company (RM'000)	(12,565)	(3,574)	(19,292)	(9,976)
Weighted average number of ordinary shares in issue ('000)	<u>215,078</u>	<u>1,882,433</u>	<u>215,078</u>	<u>1,882,433</u>
Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted loss per share	<u>215,078</u>	<u>1,882,433</u>	<u>215,078</u>	<u>1,882,433</u>
Diluted basic loss per share (cent)	<u>(5.84)</u>	<u>(0.19)</u>	<u>(8.97)</u>	<u>(0.53)</u>

**B13. Comprehensive Income Disclosure**

	Quarter Ended		Year-To-Date Ended	
	Unaudited 30-Sep-24 RM'000	Unaudited 30-Sep-23 RM'000	Unaudited 30-Sep-24 RM'000	Unaudited 30-Sep-23 RM'000
<i>Loss before tax is derived after charging:</i>				
Amortisation of intangible assets	401	341	1,039	1,022
Amortisation of investment property	9	13	28	38
Depreciation of property, plant and equipment	1,472	1,608	4,570	4,558
Depreciation of right of use assets	3,007	3,364	9,803	10,150
Fair value adjustment of other investments	(658)	(2,149)	599	(939)
Fair value adjustment of investment in money market fund	(37)	(125)	(153)	(737)
Interest expense	133	180	415	610
Interest income	-	458	-	-
Impairment of inventory	-	275	-	275
Reversal of impairment losses on receivables	-	-	-	(2)
Reversal of impairment losses on inventories	-	-	(949)	-
Short-term leases or leases of low value assets	40	341	450	823
Unrealised foreign exchange (gain)/loss	4,664	-	4,664	-

**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