



# CAREPLUS GROUP BERHAD

[Registration No. 201001011474 (896134-D)]

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 6 months ended	
	Current Period Quarter 31-Dec-2023 RM'000	Preceding Period Corresponding Quarter 31-Dec-2022 RM'000	Current Period To Date 31-Dec-2023 RM'000	Preceding Period Corresponding To Date 31-Dec-2022 RM'000
Revenue	21,483	-	35,353	-
Cost of sales	(26,201)	-	(46,723)	-
Gross loss	(4,718)	-	(11,370)	-
Other operating expenses	244	-	(629)	-
Administration expenses	(2,610)	-	(3,800)	-
Finance costs	(522)	-	(1,125)	-
Loss before taxation	(7,606)	-	(16,924)	-
Income tax	(18)	-	(63)	-
Loss after taxation	(7,624)	-	(16,987)	-
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive loss for the financial period	(7,624)	-	(16,987)	-
<b>Loss after taxation:</b>				
Owners of the Company	(7,393)	-	(16,691)	-
Non-controlling interest	(231)	-	(296)	-
	(7,624)	-	(16,987)	-



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## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income (Cont'd)

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 6 months ended	
	Current Period Quarter 31-Dec-2023 RM'000	Preceding Period Corresponding Quarter 31-Dec-2022 RM'000	Current Period To Date 31-Dec-2023 RM'000	Preceding Period Corresponding To Date 31-Dec-2022 RM'000
<b>Total comprehensive loss for the financial period attributable to:</b>				
Owners of the Company	(7,393)	-	(16,691)	-
Non-controlling interest	(231)	-	(296)	-
	<u>(7,624)</u>	<u>-</u>	<u>(16,987)</u>	<u>-</u>
<b>Loss per share (sen)</b>				
- Basic	(1.27)	-	(2.87)	-
- Diluted	<u>(1.24)</u>	<u>-</u>	<u>(2.80)</u>	<u>-</u>

#### Notes:

The financial year end of the Group has been changed from 31 December 2022 to 30 June 2023. As such, there are no comparative figures for the preceding year corresponding quarter and preceding year corresponding period.

The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited consolidated financial statements for the financial period ended 30 June 2023 and the accompanying explanatory notes in this interim financial report.



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[Registration No. 201001011474 (896134-D)]

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### Unaudited Condensed Consolidated Statements of Financial Position

	UNAUDITED As at 31-Dec-2023 RM'000	AUDITED As at 30-Jun-2023 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	218,500	215,558
Right-of-use assets	929	1,298
Other receivables and prepaid expenses	7,329	7,257
	<u>226,758</u>	<u>224,113</u>
<b>Current assets</b>		
Inventories	15,500	11,486
Trade receivables	8,367	15,040
Other receivables, deposits and prepaid expenses	31,966	10,946
Tax recoverable	8,111	8,040
Derivative assets	4	-
Fixed deposits with licensed banks	42,878	53,713
Cash and bank balances	15,027	37,273
	<u>121,853</u>	<u>136,498</u>
<b>TOTAL ASSETS</b>	<u>348,611</u>	<u>360,611</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	181,038	175,429
Treasury shares	(235)	(235)
Share-based payment reserve	213	213
Retained earnings	76,032	92,723
	<u>257,048</u>	<u>268,130</u>
Non-controlling interest	(221)	425
<b>Total equity</b>	<u>256,827</u>	<u>268,555</u>



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## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### Unaudited Condensed Consolidated Statements of Financial Position (Cont'd)

	UNAUDITED As at 31-Dec-2023 RM'000	AUDITED As at 30-June-2023 RM'000
<b>Non-current liabilities</b>		
Long-term borrowings	30,868	35,462
Deferred tax liabilities	577	577
Other payables and accrued expenses	7,404	7,568
Lease liabilities	398	682
	<u>39,247</u>	<u>44,289</u>
<b>Current liabilities</b>		
Trade payables	7,742	2,835
Other payables and accrued expenses	19,978	21,285
Contract liabilities	14,542	13,856
Lease liabilities	566	646
Tax payable	4	4
Short-term borrowings	9,705	9,141
	<u>52,537</u>	<u>47,767</u>
<b>Total liabilities</b>	<u>91,784</u>	<u>92,056</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>348,611</u>	<u>360,611</u>
Net assets per share attributable to owners of the Company (sen)	<u>44.19</u>	<u>46.34</u>

#### **Notes:**

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited consolidated financial statements for the financial period ended 30 June 2023 and the accompanying explanatory notes in this interim financial report.



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## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### Unaudited Condensed Consolidated Statements of Cash Flows

	Current Year To Date 31-Dec-2023 RM'000	Preceding Year Corresponding To Date 31-Dec-2022 RM'000
<b>CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES</b>		
Loss before tax	(16,924)	-
Adjustments for:		
Depreciation of property, plant and equipment	10,249	-
Depreciation of right-of-use assets	317	-
Interest expense	1,125	-
Fair value loss on derivative assets	(4)	-
Reversal of inventories written down to net realisable value	(830)	-
Unrealised loss on foreign exchange	69	-
Interest income	(1,157)	-
Gain on disposal of property, plant and equipment	(97)	-
Gain on disposal of right-of-use assets	(2)	-
Equity-settled share-based payments	833	-
Operating loss before working capital changes	<u>(6,421)</u>	<u>-</u>
Increase in inventories	(3,183)	-
Increase in trade and other receivables	(14,751)	-
Increase in trade and other payables	3,566	-
Increase in contract liabilities	686	-
Cash used in operations	<u>(20,103)</u>	<u>-</u>
Income tax paid	(200)	-
Income tax refund	65	-
<b>Net cash used in operating activities</b>	<u>(20,238)</u>	<u>-</u>
<b>CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES</b>		
Interest received	1,157	-
Proceeds used in disposal of property, plant and equipment	103	-
Purchase of property, plant and equipment	(13,198)	-
<b>Net cash used in investing activities</b>	<u>(11,938)</u>	<u>-</u>
<b>Balance carried forward</b>	<u>(32,176)</u>	<u>-</u>



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## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### Unaudited Condensed Consolidated Statements of Cash Flows (Cont'd)

	<b>Current Year To Date 31-Dec-2023 RM'000</b>	<b>Preceding Year Corresponding To Date 31-Dec-2022 RM'000</b>
<b>Balance brought forward</b>	(32,176)	-
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		
Proceeds from issuance from shares of private placement	4,776	-
Net payment of bills payable	379	-
Shares for non-controlling interest	30	-
Acquisition of shares from non-controlling interest	(380)	-
Repayment of hire purchase obligations	(3,281)	-
Repayment of term loans	(1,127)	-
Interest paid	(1,125)	-
Repayment of lease liabilities	(311)	-
Changes in pledged fixed deposits	(22)	-
<b>Net cash used in financing activities</b>	<u>(1,061)</u>	<u>-</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(33,237)	-
<b>EFFECTS OF FOREIGN EXCHANGE TRANSLATION</b>	134	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<u>88,628</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<u><u>55,525</u></u>	<u><u>-</u></u>
<b>CASH AND CASH EQUIVALENTS COMPRISE OF:</b>		
Fixed deposits	42,878	-
Cash and bank balances	15,027	-
Less: Fixed deposits pledged to licensed banks	(2,380)	-
	<u><u>55,525</u></u>	<u><u>-</u></u>

#### Notes :

The financial year end of the Group has been changed from 31 December 2022 to 30 June 2023. As such, there are no comparative figures for the preceding year corresponding period.

The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited consolidated financial statements for the financial period ended 30 June 2023 and the accompanying explanatory notes in this interim financial report.



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## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### Unaudited Condensed Consolidated Statements of Changes in Equity

	← Non-Distributable →			Distributable			Total equity
	Share capital	Treasury shares	Share-based payments reserve	Retained earnings	Attributable to owners of the company	Non-controlling interest	
Period Ended 31 Dec 2023	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1.7.2023	175,429	(235)	213	92,723	268,130	425	268,555
Transaction with owners:							
Issuance of shares:							
- private placement	4,879	-	-	-	4,879	-	4,879
- expenses on private placement	(103)	-	-	-	(103)	-	(103)
Equity-settled share-based payments	833	-	-	-	833	-	833
Share acquisition by non-controlling interest	-	-	-	-	-	30	30
Share acquisition from non-controlling interest	-	-	-	-	-	(380)	(380)
Total transactions with the owners of the Company	5,609	-	-	-	5,609	(350)	5,259
Total comprehensive loss for the financial period	-	-	-	(16,691)	(16,691)	(296)	(16,987)
<b>Balance at 31.12.2023</b>	<b>181,038</b>	<b>(235)</b>	<b>213</b>	<b>76,032</b>	<b>257,048</b>	<b>(221)</b>	<b>256,827</b>

#### **Notes:**

The financial year end of the Group has been changed from 31 December 2022 to 30 June 2023. As such, there are no comparative figures for the preceding year corresponding period.

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited consolidated financial statements for the financial period ended 30 June 2023 and the accompanying explanatory notes in this interim financial report.



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## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

#### 1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The interim financial report should be read in conjunction with the audited consolidated financial statements of the Company for the financial period ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

The significant accounting policies and presentation adopted by the Group for the interim financial statements are consistent with those of the Group’s consolidated audited financial statements for the financial period ended 31 December 2023 except for the adoption of the following new MFRS/amendments:

Amendments to MFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to MFRSs	Annual Improvements to MFRS Standards 2018 – 2020
Amendments to MFRS 3	Reference to Conceptual Framework
Amendments to MFRS 116	Property, Plant, and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Costs of fulfilling a Contract

The adoption of the abovementioned standards did not have material impact on the financial statements of the Group.

#### 2. Change in Financial Year End

On 3 November 2022, the Company announced the change of financial year end from 31 December 2022 to 30 June 2023. No comparative financial information was presented in this interim financial report. For the comparative financial information, reference is made to the quarterly report of the previous year for the corresponding period.

#### 3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ reports for the Company and its subsidiaries for the financial period ended 31 December 2023 were not subject to any qualification.

#### 4. Seasonal or Cyclical Factors

The Group’s business operations were not significantly affected by any major seasonal or cyclical factors.

#### 5. Significant Unusual Items

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

#### 6. Material Changes in Estimates

There were no material changes in estimates of amounts reported that have a material effect on the current quarter under review.





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## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### 7. Details of Changes in Debts and Equity Securities

In the current period, the Company increased its issued and paid-up ordinary share capital from RM175,428,581 comprising 578,493,999 ordinary shares to RM181,037,565 comprising 594,970,399 ordinary shares by the issuance of:

- (a) Issuance of 3,600,000 new ordinary shares at an issue price of RM0.2830 each, arising from the exercise of a private placement on 1 August 2023.
- (b) Allotment and issuance of 2,876,400 new ordinary shares at an issue price of RM0.2896 each, pursuant to the exercise of Share Grant Plan on 15 September 2023.
- (c) Issuance of 5,000,000 new ordinary shares at an issue price of RM0.3770 each, arising from the exercise of a private placement on 21 December 2023.
- (d) Issuance of 5,000,000 new ordinary shares at an issue price of RM0.3950 each, arising from the exercise of a private placement on 22 December 2023

The new ordinary shares issued rank pari passu with the existing ordinary shares of the Company.

### 8. Dividends Paid

There was no dividend paid during the current quarter under review.

### 9. Segmental Reporting

The Group's business comprises mainly of manufacturing and sales of latex and nitrile gloves. The Group's manufacturing activities are operated solely in Malaysia. The diversification of business to renew energy segment is yet reach the criteria of disclosure requirement. On this basis, no reportable operating segment is presented as all information required are disclosed in this report.

### 10. Valuation of Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. The carrying amounts of property, plant and equipment are reviewed at each reporting period to determine whether there is any indication of impairment.

### 11. Changes in the Composition of the Group

In the current quarter under review, the Company diversified into Electric Vehicle ("EV") business via two (2) subsidiary companies and they are NexV Synergy Sdn Bhd ("NSSB") and NexV Manufacturing Sdn Bhd ("NMSB"). 70% equity stake held by the Company in NSSB to start-up dealership of Neta V and further expand into dealership of other EV brands with the support of our partner, GoAuto Group Sdn Bhd ("GoAuto"). Further, 51% equity stakes held by the Company in NMSB for manufacturing and/or assembly hub for new energy vehicles.

On 21 July 2023, the Company acquired the remaining 10% equity stake in Centro Heights Sdn Bhd ("CHSB") not already held by the Company. Hence, CHSB has become the Company's wholly-owned subsidiary in the current quarter under review.



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### 11. Changes in the Composition of the Group (Cont'd)

On 16 January 2024, the company acquired 30% equity stake in GVT which held by W&R Resources Sdn Bhd ("W&R"). Hence, GVT has become associate company own by the Company in the coming quarter under review.

On 20 January 2024, the company acquired 30% equity stake in Intro Synergy Sdn Bhd ("ISSB") which held by GoAuto Group Sdn Bhd ("GoAuto"). Hence, ISSB has become associate company own by the Company in the coming quarter under review.

### 12. Valuation of inventories

Reviews are made monthly by management on expected selling price and economic trends when assessing the net realisable value of inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

### 13. Contingent Liabilities and Contingent Assets

#### Rubbercare Protection Products Sdn Bhd v Petrolife Aero Sdn Bhd

On 10 June 2022, Rubbercare Protection Products Sdn. Bhd. ("RPP"), a wholly owned subsidiary of Careplus Group Berhad, filed a Statement of Claim at the High Court in Seremban, Negeri Sembilan against Petrolife Aero Sdn. Bhd ("RPP's Suit"). ("Petrolife") in respect of a dispute on the supply of Liquefied Natural Gas ("LNG") to RPP for its new factory upon the completion of the said new plant with the issuance of a certificate of completion and compliance. Petrolife has demanded that RPP takes delivery of the LNG commencing March 2022. RPP is seeking, among others, that Petrolife refunds the deposit paid of RM1,500,000, less the allowed deduction pursuant to the appointment, and that Petrolife removes its LNG Tank Farm System from RPP's factory. In response, Petrolife filed a counterclaim alleging breach of contract and loss of RM27,083,764.

On 30 August 2022, RPP was served with a sealed Writ of Summons accompanied by a Statement of Claim, both dated 5 August 2022 by Petrolife ("Petrolife's Suit"). Petrolife sought to claim against RPP an amount of RM27,083,764 for allegedly losses suffered, a claim similar to its counterclaim in RPP's Suit, and other legal costs and damages and 5% interest for all judgment sums and legal cost from the date of filing the Writ of Summons until the date of full settlement. Upon RPP's application to strike out Petrolife's Suit on grounds of multiplicity, the Kuala Lumpur High Court allowed the same and struck out Petrolife's Suit with costs. Petrolife's Suit with no. WA-22NCC-414-08/2022 (previously WA-22NCvC-438-08/2022) is no longer live.

RPP's Suit has been fixed for trial on 7.3.2024, 8.3.2024, 22.3.2024.

Based on legal opinion sought, the directors are of the opinion that Petrolife's counterclaim in RPP's Suit is not expected to have any material business and operational impacts to the Group. Hence, no provision is required at this stage, as it is not probable that a future sacrifice of economic benefits will be required, save except for the amount counterclaimed by Petrolife with the interest on the judgment sum and/or legal cost to be incurred.



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### 13. Contingent Liabilities and Contingent Assets (Cont'd)

#### Test Rite International Company Ltd v Careglove Global Sdn Bhd

Careglove Global Sdn Bhd ("CGG"), a wholly owned subsidiary of Careplus Group Berhad, was served a sealed Writ of Summons No. BA-22NCvC-89-03/2023 accompanied by a Statement of Claim, both dated 3 March 2023 filed by Test Rite International Company Limited ("Test Rite"), which was received by CGG on 7 March 2023 ("Test Rite's Suit"). Test Rite alleges, inter alia, that CGG has breached a Supplier Agreement in relation to the supply of Nitrile Examination Gloves ordered by Test Rite and a Deposit Refund Agreement allegedly entered into by Test Rite and CGG. In response to Test Rite's Suit for USD1,500,000-00 and general damages, CGG counterclaimed to forfeit the deposit paid by Test Rite amounting to USD 2,780,250-00 including the sum of USD 280,250-00 paid to Test Rite out of goodwill and losses amounting to approximately RM33.96 million.

There are 2 interlocutory applications fixed for hearing on 12.3.2024 where the Court will determine CGG's application to transfer the suit from Shah Alam to the Seremban High Court and Test Rite's application for summary judgment.

Based on legal opinion sought, the directors are of the opinion that Test Rite's Suit is not expected to have any material business and operational impacts to the Group. Hence, no provision is required at this stage, as it is not probable that a future sacrifice of economic benefits will be required, save except for the amount claimed by Test Rite with the interest on the judgment sum and/or cost to be incurred.

#### Rubbercare Protection Products Sdn Bhd v Liew Kwan Yong

On 10 April 2023, RPP filed a Statement of Claim at the High Court in Seremban against Liew Kwan Yong ("LKY") trading as Reliance Electrical and Mechanical Engineering ("RPP's Suit Against LKY") claiming, amongst others, a declaration that LKY is not entitled to any payment of the invoices issued by it amounting to RM194,372-00, an order that LKY pays RPP RM1,241,144-80 for all the invoices issued by LKY for works that were not carried out, and general damages. No counterclaim has been filed by LKY.

On 17 April 2023, RPP was served with a sealed Writ of Summons accompanied by a Statement of Claim, both dated 6 April 2023 by LKY ("LKY's Suit"). LKY sought to claim against RPP in the Sessions Court of Seremban the sum of RM196,172-00 for alleged services rendered and goods supplied with interest and cost. RPP has denied any and all liabilities and has filed a counterclaim for, amongst others, a declaration that LKY is not entitled to any payment of the invoices issued by it amounting to RM194,372-00, an order that LKY pays RPP RM1,241,144-80 for all the invoices issued by LKY for works that were not carried out, and general damages.

Upon RPP's application to transfer LKY's Suit from the Sessions Court to the High Court of Seremban to be consolidated with RPP's Suit Against LKY, the High Court has allowed the same and RPP's Suit Against LKY has been consolidated with LKY's Suit. RPP has also applied for discovery against LKY which was allowed on 1.11.2023. Trial dates have yet to be fixed.



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## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### 13. Contingent Liabilities and Contingent Assets (Cont'd)

#### Rubbercare Protection Products Sdn Bhd v Liew Kwan Yong (Cont'd)

There are 2 interlocutory applications fixed for hearing on 30.5.2024 where the Court will determine RPP's application for discovery of LKY's LHDN tax submissions and RPP's application to enter judgment against LKY for non-compliance with the first discovery order dated 1.11.2023 obtained by RPP.

Based on legal opinion sought, the directors are of the opinion that LKY's Suit is not expected to have any material business and operational impacts to the Group. Hence, no provision is required at this stage, as it is not probable that a future sacrifice of economic benefits will be required, save except for the amount claimed by LKY with the interest on the judgment sum and/or legal cost to be incurred.

#### Director General of Royal Malaysia Customs Department vs Careglove Global Sdn Bhd

Careglove Global Sdn Bhd ("CGG"), a wholly owned subsidiary of Careplus Group Berhad, had filed an Application for Leave to apply for judicial review at the High Court of Kuala Lumpur against the Director General of Customs to challenge the validity of the Bills of Demand ("Application for Judicial Review") amounting to the sum of RM1,728,342.97 ("Disputed Sales Tax") to CGG on 2 August 2023.

Notwithstanding the Application for Judicial Review, CGG has paid the disputed Sales Tax to the Customs in order to comply with the law and to avoid civil sanctions from the Customs. The hearing for Leave to apply for judicial review is presently fixed on 28.2.2024. The Company will make further announcement on any material development of the matter from time to time.



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### 14. Capital Commitments

Authorised capital expenditure not provided for in the interim financial report as at the end of the current quarter were as follows:

	<b>As at 31-Dec-2023 RM'000</b>
<u>Authorised and contracted but not provided for:</u>	
Construction of land and building	10,912
Construction of plant and machineries	16,078
	<u>26,990</u>
 <u>Authorised but not contracted and not provided for:-</u>	
Construction of land and building	45,145
Construction of plant and machineries	412
	<u>45,557</u>

### 15. Events Subsequent to the End of the Interim Reporting Period

Save as disclosed below, there were no other events subsequent to the current financial quarter ended 31 December 2023 up to the date of this interim financial report that have not been reflected in this interim financial report, which may substantially affect the results of the operations of the Group.

### 16. Related Party Disclosures

(a) Identities of related parties

The Company has controlling related party relationships with:

- (i) Its subsidiaries
- (ii) Its joint venture
- (iii) Entities controlled by certain key management personnel, directors and/or substantial shareholders; and
- (iv) The directors who are the key management personnel.



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## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### 16. Related Party Disclosures (Cont'd)

- (b) In addition to balances detailed elsewhere in the financial statements, the Group carried out the following transactions with its related parties during the period under review:

	<b>6 Months Ended 31-Dec-2023 RM'000</b>
<b><u>Transactions with a close member of the family of a director:</u></b>	
Insurance and renewal of road tax services expenses	40
Rental paid	64
Consultancy fee and allowance	286
<b><u>Transactions with directors:</u></b>	
Rental paid	<u>143</u>
(c) Key management personnel	
	<b>6 Months Ended 31-Dec-2023 RM'000</b>
Short-term employee benefits	<u>1,135</u>



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### B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE LISTING REQUIREMENTS

#### 1. Financial review for current quarter and financial year to date

	INDIVIDUAL/CUMULATIVE PERIOD	
	Current Year Quarter	Preceding Year Corresponding Quarter
	31/12/2023	31/12/2022
	RM'000	RM'000
Revenue	21,483	-
Loss before interest, tax, depreciation and amortization ("LBITDA")	(2,878)	-
Loss before interest and tax ("LBIT")	(7,084)	-
Loss before taxation ("LBT")	(7,606)	-
Loss after taxation ("LAT")	(7,624)	-
Loss attributable to owners of the Company	(7,393)	-

#### Performance Review (current period vs preceding year's corresponding period)

As announced on 30 November 2022, the financial year end of the Company has been changed from 31 December 2022 to 30 June 2023. As such, no comparative financial information is available for the preceding year corresponding period.

The Group recorded revenue of RM21.5 million while loss before tax is RM7.6 million for the current quarter.



# CAREPLUS GROUP BERHAD

[Registration No. 201001011474 (896134-D)]

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report for the Quarter Ended 31 December 2023

### 2. Financial review for current quarter compared with immediate preceding quarter

	Current Quarter 31/12/2023	Immediate Preceding Quarter 30/9/2023		
	RM'000	RM'000	RM'000	%
Revenue	21,483	13,870	7,613	54.89
LBITDA	(2,878)	(3,217)	339	(10.54)
LBIT	(7,084)	(8,715)	1,631	(18.71)
LBT	(7,606)	(9,318)	1,712	(18.37)
LAT	(7,624)	(9,363)	1,739	(18.57)
Loss attributable to owners of the Company	(7,393)	(9,298)	1,905	(20.49)

In the current quarter, the Group recorded revenue of RM21.5 million, an increase of RM7.6 million (54.89%) over the immediate preceding quarter. Loss before tax is lower at RM7.6 million, a decrease of RM1.7 million compared against the immediate preceding quarter.

As compared to immediate preceding quarter, the reduction in loss before tax was mainly due to the optimisation initiatives taken by the Group to save the costs related to operation, utilities, manpower and better production efficiency arising from higher capacity utilisation. This quarter, additional overhead and start-up cost in New Energy (“NE”) businesses contributed to the losses.

### 3. Prospects

The Group’s glove business outlook remains challenging as it navigates through the low average selling price (“ASP”), stiff competition and low utilisation rate. The Group has placed greater emphasis on cost management and will continue to improve cost efficiency by controlling energy wastage and headcount utilisation. Although gloves demand and capacity utilisation are low, but they are expected to increase in the coming months.

The Group NE Business had just started to operate. The construction of the CKD plant in Chembong had commenced with the ground breaking by Dato’ Seri Hj. Aminuddin bin Harun, Menteri Besar Negeri Sembilan, on 14.10.2023.

The Group remains optimistic on the recovery of the gloves division and with the addition of Solar Energy and EV in NE businesses, the Group are positive on the long-term prospects of the companies.

### 4. Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in any public document.





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### 5. Taxation

The Group's taxation figures were as follows:

	3-Months Ended 31-Dec-2023 RM'000	6-Months Ended 31-Dec-2023 RM'000
Current tax	<u>(18)</u>	<u>(63)</u>

The Group's effective tax rate is lower than the statutory tax rate due to claimable capital allowances, reinvestment allowance and unabsorbed tax losses brought forward from previous year by subsidiaries.

### 6. Loss Before Tax

Loss before tax was arrived at after charging / (crediting): -

	3 Months Ended 31-Dec- 2023 RM'000	3 Months Ended 31-Dec- 2022 RM'000	6 Months Ended 31-Dec- 2023 RM'000	6 Months Ended 31-Dec- 2022 RM'000
Depreciation of right-of-use assets	152	-	317	-
Depreciation of property, plant and equipment	5,047	-	10,249	-
Fair value loss on derivatives	(4)	-	(4)	-
Gain on disposal of property, plant and equipment	(100)	-	(97)	-
Interest expenses	521	-	1,125	-
Interest income	(594)	-	(1,157)	-
Rental expenses	131	-	255	-
Realised gain on foreign exchange	21	-	(213)	-
Rental income	(79)	-	(155)	-
Unrealised loss on foreign exchange	(236)	-	69	-
Reversal of inventories written down to net realisable value	(458)	-	(830)	-

There were no gain or loss on disposal of unquoted investment or properties, write-off of receivables, impairment of assets and exceptional items during the current quarter under review.



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### 7. Status of Corporate Proposal

Save as disclosed below, there were no other corporate proposals announced but not completed at the latest practicable date which is not earlier than seven (7) days from the date of issue of this interim financial report:

- (a) On 12 January 2023, the Company had announced that it proposed to undertake the proposed private placement of up to 114,604,459 new Careplus Shares, representing 20% of the total number of issued Careplus Shares at an issue price to be determined and announced at a later date after receipt of all relevant approvals.

On 31 January 2023, Bursa Malaysia Securities Berhad ("**Bursa Securities**") has, vide its letter dated 31 January 2023, resolved to approve the listing and quotation for up to 114,604,459 new ordinary shares to be issued pursuant to the Proposed Private Placement.

On 9 March 2023, the Company has obtained approval from the shareholders of Careplus for the listing and quotation for up to 114,604,459 new ordinary shares ("**Placement Shares**") to be issued pursuant to the Proposed Private Placement ("**Private Placement**") at an extraordinary general meeting held on the even date ("**Shareholders' Approval**").

On 30 March 2023, the Company had announced that it entered into a share subscription agreement ("**Subscription Agreement**") with Macquarie Bank Limited ("**Macquarie**") to grant Macquarie the right to subscribe for up to 114,000,000 Placement Shares, which is in line with the Shareholders' Approval and in accordance with the terms and conditions of the Subscription Agreement.

On 7 July 2023, the Company had vide its letter dated 7 July 2023, approved the Company's application for an extension of time until 30 January 2024 to complete the implementation of the Private Placement.

As at 1 August 2023, the Company had successfully placed out 3,600,000 Placement Shares at a subscription price of RM0.2830, which raised the gross proceeds of approximately RM1.02 million. For clarification purposes, the Company has agreed to accept a subscription price below the Floor Price for this tranche of shares. The subscription price of RM0.283 represents a discount of approximately 5.92% to the VWAP of Careplus Shares during the 5 consecutive trading days up to and including 31 July 2023 of RM0.3008.

As at 19 December 2023, the Company had successfully placed out 5,000,000 Placement Shares at a subscription price of RM0.3770, which raised the gross proceeds of approximately RM1.89 million. For clarification purposes, the Company has agreed to accept a subscription price below the Floor Price for this tranche of shares. The subscription price of RM0.3770 represents a discount of approximately 5.75% to the VWAP of Careplus Shares during the 5 consecutive trading days up to and including 18 December 2023 of RM0.4000.

As at 20 December 2023, the Company had successfully placed out 5,000,000 Placement Shares at a subscription price of RM0.3950, which raised the gross proceeds of approximately RM1.98 million. For clarification purposes, the Company has agreed to accept a subscription price below the Floor Price for this tranche of shares. The subscription price of RM0.3950 represents a discount of approximately 5.89% to the VWAP of Careplus Shares during the 5 consecutive trading days up to and including 19 December 2023 of RM0.4197.



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### 7. Status of Corporate Proposal (Cont'd)

As at 3 January 2024, the Company had successfully placed out 5,000,000 Placement Shares at a subscription price of RM0.4050, which raised the gross proceeds of approximately RM2.03 million. For clarification purposes, the Company has agreed to accept a subscription price below the Floor Price for this tranche of shares. The subscription price of RM0.4050 represents a discount of approximately 5.81% to the VWAP of Careplus Shares during the 5 consecutive trading days up to and including 2 January 2024 of RM0.4300.

As at 5 January 2024, the Company had successfully placed out 5,000,000 Placement Shares at a subscription price of RM0.4030, which raised the gross proceeds of approximately RM2.02 million. For clarification purposes, the Company has agreed to accept a subscription price below the Floor Price for this tranche of shares. The subscription price of RM0.4030 represents a discount of approximately 5.99% to the VWAP of Careplus Shares during the 5 consecutive trading days up to and including 4 January 2024 of RM0.4287.

As at 9 January 2024, the Company had successfully placed out 4,900,000 Placement Shares at a subscription price of RM0.4050, which raised the gross proceeds of approximately RM1.98 million. For clarification purposes, the Company has agreed to accept a subscription price below the Floor Price for this tranche of shares. The subscription price of RM0.4050 represents a discount of approximately 5.86% to the VWAP of Careplus Shares during the 5 consecutive trading days up to and including 8 January 2024 of RM0.4302.

As at 10 January 2024, the Company had successfully placed out 4,796,000 Placement Shares at a subscription price of RM0.4170, which raised the gross proceeds of approximately RM1.99 million. For clarification purposes, the Company has agreed to accept a subscription price below the Floor Price for this tranche of shares. The subscription price of RM0.4170 represents a discount of approximately 3.09% to the VWAP of Careplus Shares during the 5 consecutive trading days up to and including 3 January 2024 of RM0.4303.

As at 29 January 2024, the Company had successfully placed out 47,167,000 Placement Shares at a subscription price of RM0.3480, which raised the gross proceeds of approximately RM16.41 million. For clarification purposes, the Company has agreed to accept a subscription price below the Floor Price for this tranche of shares. The subscription price of RM0.3480 represents a discount of approximately 5.25% to the VWAP of Careplus Shares during the 5 consecutive trading days up to and including 23 January 2024 of RM0.3673.

As at 30 January 2024, the Company had successfully placed out total of 80,463,000 Placement Shares were issued pursuant to the Private Placement and were listed and quoted on the Main Market of Bursa Securities marking the completion of the Private Placement.



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### 7. Status of Corporate Proposal (Cont'd)

The table below sets out the status of utilisation proceeds raised from Private Placement as at 21 February 2024:

Descriptions	Proposed Utilisation*	A Actual Proceeds Raised as at 21 February 2024	B Actual Utilisation	A-B=C Balance	Estimated timeframe for the utilisation of proceeds from the date of listing of the Placement Shares
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	
Capital Expenditure	34,353	29,087	29,087	-	Within 24 months
Working Capital	15,000	-	-	-	Within 24 months
Estimated expenses in relation to the Private Placement	500	230	230	-	Within 1 month
<b>Total Proceeds</b>	<b>49,853</b>	<b>29,317</b>	<b>29,317</b>	<b>-</b>	

Note:

\*As per announcement dated 12 January 2023

- (b) On 13 February 2023, the Company had entered into a conditional sale and purchase agreement SPA with Ansell Services (Asia) Sdn Bhd ("**Ansell**") for the disposal of Careplus' entire 50% equity interest held in Careplus (M) Sdn Bhd ("**CMSB**"), comprising 32,050,000 ordinary shares in CMSB, to Ansell for a total consideration of RM37,500,000, to be satisfied entirely in cash. The Disposal has become unconditional and has been completed on 28 February 2023.

The status of utilisation of the Disposal Consideration are set out as follows: -

Details of Utilisation	Timeframe for utilisation	Initial Consideration RM'000	Retained Consideration RM'000	Total Disposal Consideration RM'000	Amount Utilised RM'000	Amount Unutilised RM'000
Working capital	Within 30 months	29,900	7,500	37,400	29,900	7,500
Estimated expenses for the Disposal	Upon Completion	100	-	100	100	-
<b>Total</b>		<b>30,000</b>	<b>7,500</b>	<b>37,500</b>	<b>30,000</b>	<b>7,500</b>

- (c) On 2 June 2023, the Company had announced that it executed a legally binding term sheet with GoAuto Group Sdn Bhd ("**GoAuto**") to set out the agreements and commitments of the Parties towards the proposed collaboration as joint partners in the field of new business development in electric vehicles ("**EV**"), which include the setting-up of an importation, distribution, assembling and manufacturing hub for EV via joint venture company(ies).

On 6 July 2023, the Company had announced that it entered into a joint venture and shareholders agreement with GoAuto ("**JVSA**") in respect of a project to start-up a dealership of "NETA" brand of ("**EV**") ("**EV Dealership**").



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### 7. Status of Corporate Proposal (Cont'd)

On 4 September 2023, the Company and GoAuto had announced to enter the following agreements:-

- (i) a JVSA in respect of the project to be undertaken by Nexv Manufacturing Sdn Bhd ("**NMSB**") in connection with NEV Manufacturing Hub to be built by Careplus Properties Sdn Bhd on an existing 73.34 acres land located in Chembong, Negeri Sembilan held by Careplus Properties Sdn Bhd ("**JVSA 1**") ("**Proposed NMSB JV**");
- (ii) a JVSA in respect of the project to be undertaken by Intro Synergy Sdn Bhd ("**ISSB**") in connection with the importation of EV under the Neta Brand for exclusive distribution in Malaysia ("**EV Distributionship**") ("**JVSA 2**") and a share swap agreement between Careplus and GoAuto, for the Company's purchase of 30% equity interest in Intro Synergy Sdn Bhd, to be satisfied via the issuance and allotment of the new ordinary shares in Careplus ("**Consideration Shares**") ("**Proposed ISSB JV**").

In conjunction with the Proposed NMSB JV and Proposed ISSB JV (collectively, "**Proposed Joint Ventures**"), the Board also proposes to undertake the following:-

- (i) Proposed Provision of Financial Assistance from Careplus to NMSB and ISSB pursuant to the terms of the respective JVSA 1 and JVSA 2 ("**Proposed Provision of Financial Assistance**"); and
- (ii) Proposed Diversification of the existing business operations of the Group to include the EV Business ("**Proposed Diversification**").

*(the Proposed Joint Ventures, Proposed Provision of Financial Assistance and Proposed Diversification are collectively referred to as the "**Proposals**")*

On 19 September 2023, the Company announced that the listing application in relation to the Proposals has been submitted to Bursa Securities. Subsequently, Bursa Securities has vided its letter dated 6 October 2023 to approve the listing and quotation for 25,000,000 Consideration Shares to be issued pursuant to the Proposed ISSB JV.

On 24 October 2023, the Company announced that MITI had granted a Manufacturing License pursuant to Industrial Co-ordination Act 1975 ("**Manufacturing License**") to NMSB to undertake the activity of manufacture and assembly of energy efficient vehicle (EEV) for passenger vehicles, commercial vehicles and electric motorcycles. The Manufacturing License is subject to, amongst others, the conditions that the manufacturing and assembly activities comply to requirements by the Department of Environment and compliance with the guidelines of local authorities and relevant laws.

On 25 October 2023, the shareholders of the Company had approved all the resolutions for the Proposals at the EGM of the Company.

On 20 January 2024, 25,000,000 Consideration Shares pursuant to ISSB JV have been issued and allotted to the GoAuto. Therefor proposed acquisition of 30.0% equity interest in ISSB is completion.

On 29 December 2023, the Company and W&R Resources Sdn Bhd ("**W&R**") had announced to enter the following agreements:-



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### 7. Status of Corporate Proposal (Cont'd)

(i) a conditional share purchase agreement (“Conditional SPA”) with W&R for the acquisition by Careplus of 750,000 ordinary shares in GVT Sdn Bhd (“GVT”), representing a 30.0% equity interest in GVT for a total purchase consideration of RM2.70 million to be satisfied entirely via the issuance and allotment of 6,750,000 new ordinary shares in Careplus (“Careplus Share(s)” or “Share(s)”) (“Consideration Shares”) at an issue price of RM0.4000 per Consideration Share, subject to the terms and conditions stipulated in the Conditional SPA; and

(ii) a shareholders agreement with W&R in respect of GVT.

On 2 January 2024, the Company announced that the listing application in relation to the Proposals has been submitted to Bursa Securities. Subsequently, Bursa Securities has vided its letter dated 8 January 2024 to approve the listing and quotation for 6,750,000 Consideration Shares to be issued pursuant to the Proposed acquisition of 30.0% equity interest in GVT.

On 16 January 2024, 6,750,000 Consideration Shares have been issued and allotted to the W&R. Therefor proposed acquisition of 30.0% equity interest in GVT is completion.

### 8. Group Borrowings and Debt Securities

(a) The Group’s borrowings as of 31 December 2023 and 31 December 2022 were as follows:

	<u>As of 31 December 2023</u>		
	<u>Long term</u>	<u>Short term</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Secured:			
Hire purchase	17,503	6,770	24,273
Term loans	13,365	2,556	15,921
Bills payable	-	379	379
	<u>30,868</u>	<u>9,705</u>	<u>40,573</u>

	<u>As of 31 December 2022</u>		
	<u>Long term</u>	<u>Short term</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Secured:			
Hire purchase	-	-	-
Term loans	-	-	-
Bills payable	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

(b) There were no unsecured debts during the current quarter under review.

(c) There were no bill payables denominated in USD during the current quarter under review.



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### 9. Derivatives Financial Instruments

As of 31 December 2023, the Group's outstanding derivatives were as follows:

Type of Derivatives	Contract/Notional Value RM'000	Assets RM'000
Currency forwards - Less than 1 year	1,381	4

The Group entered currency forwards to hedge highly probable forecast transactions denominated in foreign currencies, which are expected to occur in the future. The currency forwards have maturity dates that match the expected occurrence of these transactions.

All derivative financial instruments are executed with creditworthy counter parties with a view to limit the credit risk exposure of the Group.

### 10. Material Litigation

As at the date of this report, there are no material litigation against the Group or taken by the Group except for the ongoing legal case disclosed in the "Contingent Liabilities and Contingent Assets" section of this report.



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### 11. Loss Per Share

The computation of basic and diluted loss per share for the financial period ended 31 December 2023 and 31 December 2022 was as follows: -

	3 Months Ended 31-Dec- 2023	3 Months Ended 31-Dec- 2022	6 Months Ended 31-Dec- 2023	6 Months Ended 31-Dec- 2022
Loss attributable to owners of the Company (RM'000)	(7,393)	-	(16,691)	-
Weighted average number of ordinary shares:				
Number of shares issued at beginning of year ('000)	579,222	-	578,494	-
Effect of weighted average number of ordinary shares in respect of shares issuance pursuant to SGP ('000)	725	-	851	-
Effect of weighted average number of ordinary shares in respect of purchase of treasury shares ('000)	1,195	-	1,797	-
	<u>581,142</u>	<u>-</u>	<u>581,142</u>	<u>-</u>
Basic loss per share (sen)	<u>(1.27)</u>	<u>-</u>	<u>(2.87)</u>	<u>-</u>
Weighted average number of shares used in calculation of basic earnings per share ('000)	581,142	-	581,142	-
Effect of dilutive potential ordinary shares – SGP ('000)	14,184	-	14,184	-
	<u>595,326</u>	<u>-</u>	<u>595,326</u>	<u>-</u>
Diluted loss per share (sen)	<u>(1.24)</u>	<u>-</u>	<u>(2.80)</u>	<u>-</u>