



# CAREPLUS GROUP BERHAD

[Registration No. 201001011474 (896134-D)]

(Incorporated in Malaysia)

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

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

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 15 months ended	
	Current Period Quarter 31-Mar-2023 RM'000	Preceding Period Corresponding Quarter 31-Mar-2022 RM'000	Current Period To Date 31-Mar-2023 RM'000	Preceding Period Corresponding To Date 31-Mar-2022 RM'000
Revenue	33,684	-	295,248	-
Cost of sales	(47,205)	-	(386,570)	-
Gross loss	(13,521)	-	(91,322)	-
Other operating income	5,601	-	2,262	-
Administration expenses	(2,580)	-	(11,501)	-
Finance costs	(700)	-	(2,395)	-
Share of loss in joint venture	(4,456)	-	(36,276)	-
Loss before taxation	(15,656)	-	(139,232)	-
Income tax (expense)/credit	(113)	-	1,384	-
Loss after taxation	(15,769)	-	(137,848)	-
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive loss for the financial period	(15,769)	-	(137,848)	-
<b>Loss after taxation:</b>				
Owners of the Company	(15,772)	-	(137,891)	-
Non-controlling interest	3	-	43	-
	(15,769)	-	(137,848)	-



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

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

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 15 months ended	
	Current Period Quarter 31-Mar-2023 RM'000	Preceding Period Corresponding Quarter 31-Mar-2022 RM'000	Current Period To Date 31-Mar-2023 RM'000	Preceding Period Corresponding To Date 31-Mar-2022 RM'000
<b>Total comprehensive loss for the financial period attributable to:</b>				
Owners of the Company	(15,772)	-	(137,891)	-
Non-controlling interest	3	-	43	-
	<u>(15,769)</u>	<u>-</u>	<u>(137,848)</u>	<u>-</u>
<b>Loss per share (sen)</b>				
- Basic	(2.76)	-	(24.12)	-
- Diluted	<u>(2.70)</u>	<u>-</u>	<u>(23.64)</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 year ended 31 December 2021 and the accompanying explanatory notes in this interim financial report.



# CAREPLUS GROUP BERHAD

[Registration No. 201001011474 (896134-D)]

(Incorporated in Malaysia)

Unaudited Quarterly Financial Report for the Quarter Ended 31 March 2023

## Unaudited Condensed Consolidated Statements of Financial Position

	UNAUDITED As at 31-Mar-2023 RM'000	AUDITED As at 31-Dec-2021 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment in joint venture	-	68,296
Goodwill on consolidation	205	205
Property, plant and equipment	307,528	288,848
Right-of-Use Assets	-	708
Other receivables and prepaid expenses	7,221	-
	<u>314,954</u>	<u>358,057</u>
<b>Current assets</b>		
Inventories	18,532	67,237
Trade receivables	21,536	42,451
Other receivables, deposits and prepaid expenses	8,501	10,764
Amount owing by a joint venture	27,896	1,615
Tax recoverable	8,510	1,502
Derivative assets	-	284
Fixed deposits with licensed banks	55,584	87,288
Cash and bank balances	22,960	38,801
	<u>163,519</u>	<u>249,942</u>
<b>TOTAL ASSETS</b>	<u>478,473</u>	<u>607,999</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	173,819	171,284
Treasury shares	(235)	(188)
Share-based payment reserve	2,005	736
Retained profits	175,576	313,467
	<u>351,165</u>	<u>485,299</u>
Non-controlling interest	409	366
<b>Total equity</b>	<u>351,574</u>	<u>485,665</u>



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

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

	UNAUDITED As at 31-Mar-2023 RM'000	AUDITED As at 31-Dec-2021 RM'000
<b>Non-current liabilities</b>		
Long-term borrowings	37,792	12,314
Deferred tax liabilities	8,899	8,899
Other payables and accrued expenses	5,261	13,569
Lease liabilities	-	359
	<u>51,952</u>	<u>35,141</u>
<b>Current liabilities</b>		
Trade payables	19,241	24,356
Other payables and accrued expenses	27,384	32,598
Contract liabilities	13,707	20,277
Lease liabilities	-	354
Amount owing to joint venture	-	177
Tax payable	-	1,289
Short-term borrowings	14,615	8,142
	<u>74,947</u>	<u>87,193</u>
<b>Total liabilities</b>	<u>126,899</u>	<u>122,334</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>478,473</u>	<u>607,999</u>
Net assets per share attributable to owners of the Company (sen)	<u>61.49</u>	<u>85.49</u>

#### Notes:

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes in this interim financial report.



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[Registration No. 201001011474 (896134-D)]

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

### Unaudited Condensed Consolidated Statements of Cash Flows

	<b>Current Year To Date 31-Mar-2023 RM'000</b>	<b>Preceding Year Corresponding To Date 31-Mar-2022 RM'000</b>
<b>CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES</b>		
Loss before tax	(139,232)	-
Adjustments for:		
Depreciation of property, plant and equipment	31,156	-
Depreciation of right-of-use assets	364	-
Interest expense	2,395	-
Reversal of inventories written down to net realisable value	(1,805)	-
Fair value loss on derivatives	284	-
Allowance for doubtful debts on trade receivables	(19)	-
Unrealised gain on foreign exchange	(763)	-
Interest income	(2,031)	-
Gain on disposal of joint venture	(5,188)	-
Gain on disposal of property, plant and equipment	(50)	-
Gain on disposal of right-of-use assets	(32)	-
Share of loss in joint venture	36,276	-
Equity-settled share-based payments	3,804	-
Operating loss before working capital changes	<u>(74,841)</u>	<u>-</u>
Decrease in inventories	50,510	-
Decrease in trade and other receivables	15,679	-
Increase in amount owing by joint venture	(26,041)	-
Decrease in trade and other payables	(18,807)	-
Decrease in contract liabilities	(6,570)	-
Decrease in amount owing to joint venture	(177)	-
Cash used in operations	<u>(60,247)</u>	<u>-</u>
Income tax paid	(6,913)	-
<b>Net cash used in operating activities</b>	<u>(67,160)</u>	<u>-</u>
<b>CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES</b>		
Interest received	2,031	-
Proceeds from disposal of property, plant and equipment	255	-
Disposal of joint venture	37,208	-
Purchase of property, plant and equipment	(50,041)	-
<b>Net cash used in investing activities</b>	<u>(10,547)</u>	<u>-</u>
<b>Balance carried forward</b>	(77,707)	-



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

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

	<b>Current Year To Date 31-Mar-2023 RM'000</b>	<b>Preceding Year Corresponding To Date 31-Mar-2022 RM'000</b>
<b>Balance brought forward</b>	(77,707)	-
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		
Net repayment of bills payable	(931)	-
Purchase of treasury shares	(47)	-
Drawdown of term loans	9,389	-
Drawdown of hire purchase	28,800	-
Repayment of hire purchase obligations	(3,832)	-
Repayment of term loans	(1,521)	-
Interest paid	(2,343)	-
Repayment of lease liabilities	(337)	-
Changes in pledged fixed deposits	(42)	-
<b>Net cash generated from financing activities</b>	<u>29,136</u>	<u>-</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(48,571)	-
<b>EFFECTS OF FOREIGN EXCHANGE TRANSLATION</b>	984	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<u>123,801</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<u><u>76,214</u></u>	<u><u>-</u></u>
<b>CASH AND CASH EQUIVALENTS COMPRISE OF:</b>		
Fixed deposits	55,584	-
Cash and bank balances	22,960	-
Less: Fixed deposits pledged to licensed banks	(2,330)	-
	<u><u>76,214</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 year ended 31 December 2021 and the accompanying explanatory notes in this interim financial report.



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## Unaudited Quarterly Financial Report for the Quarter Ended 31 March 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 Mar 2023	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1.1.2022	171,284	(188)	736	313,467	485,299	366	485,665
Transaction with owners:							
Equity-settled share-based payments	2,535	-	1,269	-	3,804	-	3,804
Purchase of treasury shares	-	(47)	-	-	(47)	-	(47)
Total transactions with the owners of the Company	2,535	(47)	1,269	-	3,757	-	3,757
Total comprehensive loss for the financial period	-	-	-	(137,891)	(137,891)	43	(137,848)
<b>Balance at 31.3.2023</b>	<b>173,819</b>	<b>(235)</b>	<b>2,005</b>	<b>175,576</b>	<b>351,165</b>	<b>409</b>	<b>351,574</b>
<b>Period Ended 31 Mar 2022</b>							
Balance at 1.1.2022	-	-	-	-	-	-	-
Transaction with owners:							
Equity-settled share-based payment	-	-	-	-	-	-	-
Total comprehensive loss for the financial period	-	-	-	-	-	-	-
<b>Balance at 31.3.2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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 year ended 31 December 2021 and the accompanying explanatory notes in this interim financial report.



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## Unaudited Quarterly Financial Report for the Quarter Ended 31 March 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 year ended 31 December 2021 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 year ended 31 December 2021 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 30 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.





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

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

The auditors' reports for the Company and its subsidiaries for the financial year ended 31 December 2021 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.

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

There was no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities during the current financial quarter under review.

### 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. 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

On 28 February 2023, the Company had completed the disposal of its entire 50% equity interest held in Careplus (M) Sdn Bhd ("CMSB") for a cash consideration of RM37,500,000.

Other than the disclosures above, there were no changes in the composition of the Group during the current quarter under review and financial period to-date.



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

### 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 judgement 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, 21.3.2024, 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 judgement sum and/or legal cost to be incurred.



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

### 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 9.8.2023 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 judgement sum and/or cost to be incurred.

### 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-Mar-2023 RM'000</b>
<u>Authorised and contracted but not provided for:</u>	
Construction of building	19,387
Construction of plant and machineries	13,473
	<u>32,860</u>
 <u>Authorised but not contracted and not provided for:-</u>	
Construction of land and building	<u>19,898</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 March 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:-

- (a) On 5 April 2023, the Company had announced the allocation and granting of 4,390,000 new ordinary shares in Careplus pursuant to the Company's Share Grant Plan ("SGP Grant") to the eligible Directors and employees of the Group. The vesting period is for a period of 5 years from the date of offer, with the first vesting on 7 April 2023 or such other date to be determined by the SGP Committee.



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

### 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.

(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>15 Months Ended 31-Mar-2023 RM'000</b>
<b><u>Transactions with joint venture:</u></b>	
Sales to joint venture	5,997
Purchases from joint venture	(9,366)
Interest income	296
Salary charged to	4,070
Services charged to	2,827
Rental charged to	150
Management fee charged to	276
<b><u>Transactions with a close member of the family of a director:</u></b>	
Insurance and renewal of road tax services expenses	387
Renovation, electrical services and factory maintenance	465
Rental paid	208
Consultancy fee and allowance	87
Sewerage treatment project	423
Agent fees	180
<b><u>Transactions with directors:</u></b>	
Rental paid	382

(c) Key management personnel

	<b>15 Months Ended 31-Mar-2023 RM'000</b>
Short-term employee benefits	3,590



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(Incorporated in Malaysia)

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

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

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

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31/3/2023	Preceding Year Corresponding Quarter 31/3/2022	Current Year to-date 31/3/2023	Preceding Year Corresponding Period 31/3/2022
	RM'000	RM'000	RM'000	RM'000
Revenue	33,684	-	295,248	-
Loss before interest, tax, depreciation and amortization ("LBITDA")	(11,102)	-	(75,008)	-
Loss before interest and tax ("LBIT")	(14,956)	-	(136,837)	-
Loss before taxation ("LBT")	(15,656)	-	(139,232)	-
Loss after taxation ("LAT")	(15,769)	-	(137,848)	-
Loss attributable to owners of the Company	(15,772)	-	(137,891)	-

#### 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 RM33.7 million while loss before tax is RM15.7 million for the current quarter. For 15 months financial period ended 31 March 2023, the Group recorded revenue of RM295.2 million and loss before tax of RM139.2 million.

The marginal reduction in losses after tax was mainly attributed to a one-off gain of RM5.2 million from the disposal of entire 50% equity interest held in CMSB.



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

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

	<b>Current Quarter 31/3/2023</b>	<b>Immediate Preceding Quarter 31/12/2022</b>		
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	33,684	45,535	(11,851)	(26.03)
LBITDA	(11,102)	(12,552)	1,450	11.55
LBIT	(14,956)	(18,322)	3,366	18.37
LBT	(15,656)	(18,846)	3,190	16.93
LAT	(15,769)	(18,914)	3,145	16.63
Loss attributable to owners of the Company	(15,772)	(18,936)	3,164	16.71

In the current quarter, the Group recorded revenue of RM33.7 million, a decrease of RM11.9 million (26.03%) over the immediate preceding quarter. Loss before tax is lower at RM15.7 million, a decrease of RM3.2 million compared against the immediate preceding quarter.

The marginal reduction in loss after tax was driven by streamline in all operation units as well as a one-off gain of RM5.2 million from the disposal of entire 50% equity interest held in CMSB.

### 3. Prospects

The Group's business outlook remain challenging as it navigates through the low ASP, stiff competition and low utilisation rate. The Group will place greater emphasis on cost management, reducing overhead and hold lower resources as demand will not increase overnight to ensure that the Group's will be able to sustain its presence in market place in the long run.

The Group remains optimistic of the longer-term prospects of the gloves sector as gloves will remain a critical medical device for contagious disease control despite current setback.



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

### 4. Profit Forecast and Profit Guarantee

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

### 5. Taxation

The Group's taxation figures were as follows:

	<b>3-Months Ended 31-Mar-2023 RM'000</b>	<b>15-Months Ended 31-Mar-2023 RM'000</b>
Current income tax (expense)/credit	(113)	428
Over provision in prior year	-	(1,812)
	<u>(113)</u>	<u>1,384</u>

The applicable Malaysian income tax rate for the financial year ending 31 March 2023 is 24% (2021: 24%)

### 6. Realised and Unrealised Retained Profits of the Group

	<b>As at 31-Mar-2023 RM'000</b>	<b>As at 31-Mar-2022 RM'000</b>
Total retained profits, net of consolidation adjustments:		
Realised	198,877	283,759
Unrealised	<u>(9,660)</u>	<u>(9,420)</u>
	189,217	274,339
Less: Consolidation adjustments	(13,641)	1,433
As at 31.3.2023 / 31.3.2022	<u>175,576</u>	<u>275,772</u>



# CAREPLUS GROUP BERHAD

[Registration No. 201001011474 (896134-D)]

(Incorporated in Malaysia)

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

### 7. (Loss)/Profit Before Tax

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

	3 Months Ended 31-Mar- 2023 RM'000	3 Months Ended 31-Mar- 2022 RM'000	15 Months Ended 31-Mar- 2023 RM'000	15 Months Ended 31-Mar- 2022 RM'000
Depreciation of right-of-use assets	-	-	364	-
Depreciation of property, plant and equipment	5,741	-	31,156	-
Fair value loss on derivatives	256	-	284	-
Gain on disposal of property, plant and equipment	-	-	(50)	-
Interest expenses	700	-	2,395	-
Interest income	(628)	-	(2,031)	-
Rental expenses	672	-	5,810	-
Realised loss/(gain) on foreign exchange	968	-	(189)	-
Rental income	(53)	-	(508)	-
Unrealised gain on foreign exchange	(1,491)	-	(763)	-
Inventories written down/(Reversal) to net realisable value	680	-	(1,805)	-

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.





# CAREPLUS GROUP BERHAD

[Registration No. 201001011474 (896134-D)]

(Incorporated in Malaysia)

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

### 8. 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 to be issued pursuant to the Proposed 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.

- (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 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	-	37,400
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>100</b>	<b>37,400</b>



# CAREPLUS GROUP BERHAD

[Registration No. 201001011474 (896134-D)]

(Incorporated in Malaysia)

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

### 9. Investment in joint venture

The details of the joint venture are as follows:

	As at 31-Mar-2023 RM'000	As at 31-Mar-2022 RM'000
Reconciliation to carrying amount		
Beginning balance as at 1 January 2022/1 January 2021	68,296	68,296
Share of loss in joint venture	(36,276)	(11,032)
Carrying amount of the Group's interest in the joint venture	32,020	57,264
Disposal of Investment in joint venture	(48,509)	-
Gain from disposal of joint venture	16,489	-
Ending balance as at 31 Mar 2023/31 Mar 2022	-	57,264

Name of company	Principal activities	Country of incorporation	Group's effective interest	
			31 Mar 2023 %	31 Mar 2022 %
Careplus (M) Sdn. Bhd.	Manufacturing gloves and provision for quality control services for outsourced gloves	Malaysia	-	50

The following table summarises the financial information of the Group's material joint venture:

	As at 31-Mar-2023 RM'000	As at 31-Mar-2022 RM'000
Non-current assets	146,834	152,232
Current assets	108,106	122,342
Non-current liabilities	(18,502)	(21,424)
Current liabilities	(187,842)	(154,067)
Net assets	48,596	99,083
Revenue	267,075	37,209
Loss for the year	(72,552)	(22,065)
Share of loss in joint venture	(36,276)	(11,032)

The shares of loss in the joint venture of RM36.3 million was derived from the loss for the period from 1 January 2022 until 28 February 2023.

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

	As at 31-Mar-2023 RM'000	As at 31-Mar-2022 RM'000
Net assets of the joint venture	48,596	99,083
Proportion of the Group's interest in the joint venture	50%	50%
	24,298	49,542
Goodwill	7,722	7,722
Carrying amount of the Group's interest in the joint venture	32,020	57,264



# CAREPLUS GROUP BERHAD

[Registration No. 201001011474 (896134-D)]

(Incorporated in Malaysia)

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

### 10. Group Borrowings and Debt Securities

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

	<u>As of 31 March 2023</u>		<b>Total RM'000</b>
	<b>Long term RM'000</b>	<b>Short term RM'000</b>	
Secured:			
Hire purchase	22,651	6,539	29,190
Term loans	15,141	2,507	17,648
Bills payable	-	5,569	5,569
	<u>37,792</u>	<u>14,615</u>	<u>52,407</u>

	<u>As of 31 March 2022</u>		<b>Total RM'000</b>
	<b>Long term RM'000</b>	<b>Short term RM'000</b>	
Secured:			
Hire purchase	2,707	1,211	3,918
Term loans	10,224	489	10,713
Bills payable	-	10,293	10,293
	<u>12,931</u>	<u>11,993</u>	<u>24,924</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 (31.3.2022: RM8.21 million).

### 11. Derivatives Financial Instruments

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

<b>Type of Derivatives</b>	<b>Contract/Notional Value RM'000</b>	<b>Assets RM'000</b>
Currency forwards - Less than 1 year	-	-

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.



# CAREPLUS GROUP BERHAD

[Registration No. 201001011474 (896134-D)]

(Incorporated in Malaysia)

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

### 12. 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.

### 13. Loss Per Share

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

	3 Months Ended 31-Mar-2023	3 Months Ended 31-Mar-2022	15 Months Ended 31-Mar-2023	15 Months Ended 31-Mar-2022
Loss attributable to owners of the Company (RM'000)	(15,772)	-	(137,891)	-
Weighted average number of ordinary shares:				
Number of shares issued at beginning of year ('000)	568,079	-	568,079	-
Effect of weighted average number of ordinary shares in respect of shares issuance pursuant to SGP ('000)	3,806	-	3,806	-
Effect of weighted average number of ordinary shares in respect of purchase of treasury shares ('000)	(105)	-	(105)	-
	<u>571,780</u>	<u>-</u>	<u>571,780</u>	<u>-</u>
Basic loss per share (sen)	<u>(2.76)</u>	<u>-</u>	<u>(24.12)</u>	<u>-</u>
Weighted average number of shares used in calculation of basic earnings per share ('000)	571,780	-	571,780	-
Effect of dilutive potential ordinary shares – SGP ('000)	11,602	-	11,602	-
	<u>583,382</u>	<u>-</u>	<u>583,382</u>	<u>-</u>
Diluted loss per share (sen)	<u>(2.70)</u>	<u>-</u>	<u>(23.64)</u>	<u>-</u>