

**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ⁽¹⁾
(The figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		(Unaudited) 30-Sep-23 RM'000	(Unaudited) 30-Sep-22 RM'000	(Unaudited) 30-Sep-23 RM'000	(Unaudited) 30-Sep-22 RM'000
Revenue	A7	26,196	22,947	76,099	68,595
Cost of Sales		(20,282)	(14,614)	(52,456)	(45,118)
Gross Profit		5,914	8,333	23,643	23,477
Other operating income		241	553	2,400	1,734
Administrative expenses		(10,624)	(13,674)	(30,107)	(46,530)
Loss from operations		(4,469)	(4,788)	(4,064)	(21,319)
Finance costs		(191)	(113)	(544)	(301)
Loss before taxation	A7	(4,660)	(4,901)	(4,608)	(21,620)
Taxation	B5	(864)	(666)	(2,398)	(1,865)
Loss for the financial period		(5,524)	(5,567)	(7,006)	(23,485)
Other comprehensive loss					
Foreign currency translation differences for foreign operation		(1)	-	(69)	-
Total comprehensive loss for the financial period		(5,525)	(5,567)	(7,075)	(23,485)
Loss for the financial period attributable to:					
Owners of the Company		(5,423)	(5,770)	(6,659)	(23,880)
Non-controlling interests		(101)	203	(347)	395
		(5,524)	(5,567)	(7,006)	(23,485)
Total comprehensive loss attributable to:					
Owners of the Company		(5,424)	(5,770)	(6,728)	(23,880)
Non-controlling interests		(101)	203	(347)	395
		(5,525)	(5,567)	(7,075)	(23,485)
Weighted average number of ordinary shares in issue ('000)	B10	2,034,112	2,034,112	2,034,112	2,003,162
Loss per share attributable to owners of the Company (sen):					
-Basic ⁽²⁾ /Diluted ⁽³⁾	B10	(0.27)	(0.28)	(0.33)	(1.19)

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BCM ALLIANCE BERHAD**Registration No: 201501009903 (1135238-U)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 31 December 2022 as well as the accompanying explanatory notes attached to this interim financial report.
- (2) Basic loss per share is calculated based on the weighted average number of ordinary shares in issue.
- (3) Diluted loss per share of the Group is equivalent to the basic loss per share as the effects on the assumed exercise of the share options under warrants is anti-dilutive.

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BCM ALLIANCE BERHAD

Registration No: 201501009903 (1135238-U)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾***(The figures have not been audited)*

	(Unaudited)	(Audited)
	As at	As at
	30-Sep	31 December
	2023	2022 ⁽²⁾
Note	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	17,290	17,384
Right-of-use assets	3,099	3,885
Investment properties	4,789	4,840
Intangible assets	22,358	20,108
Goodwill	1,332	1,332
Investment in quoted shares	7,955	2,567
	56,823	50,116
CURRENT ASSETS		
Inventories	28,224	19,915
Trade receivables	13,037	22,037
Other receivables, deposits and prepayments	68,069	78,283
Current tax assets	676	1,072
Fixed deposits with licensed banks	19,213	12,479
Cash and bank balances	12,803	22,324
TOTAL CURRENT ASSETS	142,022	156,110
TOTAL ASSETS	198,845	206,226
EQUITY AND LIABILITIES		
EQUITY		
Share capital	140,291	140,291
Other reserves	17,552	17,621
Retained earnings	519	7,178
Equity attributable to owners of the Company	158,362	165,090
Non-controlling interests	4,246	4,593
TOTAL EQUITY	162,608	169,683
CURRENT LIABILITIES		
Contract liabilities	285	324
Trade payables	10,895	10,660
Other payables and accruals	9,795	9,937
Lease liabilities	1,110	1,367
Bank borrowings	4,719	4,885
Current tax liabilities	812	-
TOTAL CURRENT LIABILITIES	27,616	27,173

**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued) ⁽¹⁾

(The figures have not been audited)

		(Unaudited) As at 30-Sep 2023 RM'000	(Audited) As at 31 December 2022 ⁽²⁾ RM'000
	Note		
NON-CURRENT LIABILITIES			
Lease liabilities	B7	2,163	2,579
Bank borrowings	B7	5,683	6,034
Deferred tax liabilities		775	757
TOTAL NON-CURRENT LIABILITIES		8,621	9,370
TOTAL LIABILITIES		36,237	36,543
TOTAL EQUITY AND LIABILITIES		<u>198,845</u>	<u>206,226</u>
Net assets per share (RM) ⁽³⁾		<u>0.08</u>	<u>0.08</u>

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2022 as well as the accompanying explanatory notes attached to this interim financial report.
- (2) The summary of the statement of financial position prepared based on the audited financial statement of the Group as at 31 December 2022.
- (3) Net assets per share is calculated based on the number of ordinary shares in issue of 2,034,112,087 shares as at 30 September 2023 (31 December 2022: 2,034,112,087 shares).

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**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

(The figures have not been audited)

	Non-Distributable					Distributable	Total	Non-	Total
	Share	Merger	Warrant	Revaluation	Translation				
	Capital	Reserves	Reserves	Reserve	Reserves	Earnings	Equity	Interests	Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Unaudited</u>									
Balance as at 1 January 2023	140,291	(16,049)	29,004	4,598	68	7,178	165,090	4,593	169,683
Comprehensive loss									
-Loss for the financial period	-	-	-	-	-	(6,659)	(6,659)	(347)	(7,006)
Other comprehensive loss									
-Foreign currencies translation differences for foreign operation	-	-	-	-	(69)	-	(69)	-	(69)
Total comprehensive loss	-	-	-	-	(69)	(6,659)	(6,728)	(347)	(7,075)
Balance as at 30 September 2023	140,291	(16,049)	29,004	4,598	(1)	519	158,362	4,246	162,608
<u>Unaudited</u>									
Balance as at 1 January 2022	124,566	(16,049)	29,004	4,598	-	35,892	178,011	4,599	182,610
Issue of ordinary shares	15,725	-	-	-	-	-	15,725	-	15,725
Comprehensive (loss)/income									
-(Loss)/Profit for the financial period	-	-	-	-	-	(23,880)	(23,880)	395	(23,485)
Balance as at 30 September 2022	140,291	(16,049)	29,004	4,598	-	12,012	169,856	4,994	174,850

Notes:

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the BCM Group for the FYE 31 December 2022 as well as the accompanying explanatory notes attached to this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued) ⁽¹⁾
(The figures have not been audited)

	(Unaudited) 9 months ended 30-Sep 2023 RM'000	(Unaudited) 9 months ended 30-Sep 2022 RM'000
Cash Flows From Investing Activities		
Acquisition of property, plant and equipment	(1,158)	(691)
Acquisition of right-of-use assets	-	(93)
Acquisition of intangible assets	(2,250)	(6,000)
Acquisition of quoted shares	(13,237)	-
Proceeds from disposal of property, plant and equipment	-	293
Proceeds from disposal of right-of-use assets	-	443
Proceeds from disposal of investment property	-	640
Proceeds from disposal of quoted shares	4,014	10,596
Net cash used in investing activities	<u>(12,631)</u>	<u>(486)</u>
Cash Flows From Financing Activities		
Proceeds from issue of ordinary shares	-	15,725
Proceeds from bank borrowings	-	1,536
(Uplift)/Placement of fixed deposits with licensed banks	363	(617)
Repayment of bank borrowings	(530)	(364)
Repayment of lease liabilities	(1,326)	(1,422)
Net cash (used in)/generated from financing activities	<u>(1,493)</u>	<u>14,858</u>
Net decrease in cash and cash equivalents	(2,438)	(14,083)
Cash and cash equivalents at the beginning of the period	32,106	63,517
Cash and cash equivalents at the end of the period	29,668	49,434
Cash and cash equivalents at the end of the period comprises:		
- Fixed deposits with licensed banks	19,213	27,158
- Cash and bank balances	12,803	24,939
- Bank overdraft	(232)	(201)
	<u>31,784</u>	<u>51,896</u>
Less: Fixed deposits pledged with licensed banks	(2,116)	(2,462)
Net cash and cash equivalent at the end of the period	<u>29,668</u>	<u>49,434</u>

Note:

(1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2022 as well as the accompanying explanatory notes attached to this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") No. 134: Interim Financial Reporting and Rules 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirement").

The interim financial statements should be read in conjunction with the audited financial statements for the FYE 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the FYE 31 December 2022. The Group has adopted those standards, amendments and interpretations that have become effective and such adoptions do not have material impact on the financial position and performance of the Group.

Adoption of new and amended standard

During the financial period, the Group has adopted the following amendments for MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial period.

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9- Comparative Information
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Adoption of the above amendments to MFRSs did not have any significant impact on the financial statements of the Group.

**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

A1. Basis of preparation (continued)

Standards issued but not yet effective

The Group has not applied the following standards, amendments and interpretations under MFRS framework that have been issued by the MASB as they have yet to be effective for the Group.

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective dates for financial period beginning on and after
Amendments to MFRS 107 Supplier Finance Arrangements and MFRS 7	1 January 2024
Amendments to MFRS 101 Non-current Liabilities with Convenants	1 January 2024
Amendments to MFRS 16 Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 121 Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128 Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

A2. Auditors' report of preceding annual audited financial statements

The audited financial statements of the Group for the FYE 31 December 2022 were not subject to any qualification.

A3. Seasonal or cyclical factors

The financial performance of the Group was not affected by seasonal or cyclical factors during the current financial quarter and financial period-to-date.

A4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial period-to-date.

A5. Material changes in estimates

There were no changes in the estimates of amounts reported in prior financial years that had a material effect on the current financial quarter and financial period-to-date.

A6. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter and financial period to-date.

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**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

A7. Segmental information

The Group's reportable segments comprise of commercial laundry equipment, medical devices, healthcare products, investment holding, laundry services and health food and beverage ("Health F&B").

For each reportable segment, the Group's chief operating decision makers which is the Board of Directors of the Company, reviews internal management reports on quarterly basis.

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INTERIM FINANCIAL REPORT FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

A7. Segmental information (continued)

Results for the 3 months ended 30 September

In RM'000

Business Segments	Q3 2023 (Unaudited)									Q3 2022 (Unaudited)								
	Commercial Laundry Equipment	Medical Devices	Healthcare Products	Investment Holding	Laundry Services	Health F&B	Other	Adjustment & Elimination	Total Group	Commercial Laundry Equipment	Medical Devices	Healthcare Products	Investment Holding	Laundry Services	Health F&B	Other	Adjustment & Elimination	Total Group
Revenue (i) external customers	12,677	10,024	2,624	-	497	374	-	-	26,196	10,544	5,300	4,982	-	420	1,701	-	-	22,947
(ii) inter-segment	584	-	-	740	-	-	-	(1,324)	-	7	-	-	666	-	-	-	(673)	-
Total Revenue	13,261	10,024	2,624	740	497	374	-	(1,324)	26,196	10,551	5,300	4,982	666	420	1,701	-	(673)	22,947
Results-Segment results	(995)	1,092	(3,665)	(423)	(401)	(249)	10	(48)	(4,679)	2,008	(54)	(3,334)	(83)	(3,265)	(263)	14	21	(4,956)
Interest income	11	26	8	165	-	^	-	-	210	21	12	20	115	^	^	-	-	168
Finance costs	(25)	(55)	(52)	-	(4)	(55)	-	-	(191)	(10)	(32)	(46)	(8)	(6)	(11)	-	-	(113)
(Loss)/Profit before taxation	(1,009)	1,063	(3,709)	(258)	(405)	(304)	10	(48)	(4,660)	2,019	(74)	(3,360)	24	(3,271)	(274)	14	21	(4,901)
Taxation	(559)	(325)	20	-	-	-	-	-	(864)	(526)	38	(166)	(28)	16	-	-	-	(666)
(Loss)/Profit after taxation	(1,568)	738	(3,689)	(258)	(405)	(304)	10	(48)	(5,524)	1,493	(36)	(3,526)	(4)	(3,255)	(274)	14	21	(5,567)
Other non cash items:																		
-Depreciation of property, plant and equipment	(76)	(75)	(74)	(43)	(128)	(3)	-	27	(372)	(65)	(75)	(74)	(26)	(116)	(4)	-	22	(338)
-Depreciation of right-of-use assets	(111)	(110)	(55)	(36)	(102)	(6)	-	-	(420)	(63)	(96)	(48)	(47)	(93)	(6)	-	-	(353)
-Depreciation of investment properties	-	-	-	-	-	(17)	-	-	(17)	-	-	-	-	-	(17)	-	-	(17)
-Gain on disposal of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	60	-	-	-	-	-	-	60
-Gain on disposal of right-of-use assets	-	-	-	-	-	-	-	-	-	-	60	124	-	-	-	-	-	184
-(Loss)/Gain on disposal of quoted investments - realised	-	-	(3)	-	-	-	-	-	(3)	-	-	(3,308)	(1,078)	-	-	-	-	(4,386)
- unrealised	-	-	(591)	-	-	-	-	-	(591)	-	-	(415)	125	-	-	-	-	(290)
-(Loss)/Gain on foreign exchange differences - unrealised	(41)	95	8	-	-	-	-	-	62	(25)	(13)	98	-	-	-	-	-	60
-Inventories written down	-	-	-	-	-	-	-	-	-	(48)	(65)	-	-	-	-	-	-	(113)
-Property, plant and equipment written off	-	(4)	(6)	-	-	(21)	-	-	(31)	-	(2)	(1)	-	(43)	-	-	-	(46)

^ Represent less than RM1,000

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INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

A7. Segmental information (continued)

Results for the 9 months ended 30 September

In RM'000

Business Segments	Q3 2023 (Unaudited)									Q3 2022 (Unaudited)								
	Commercial Laundry Equipment	Medical Devices	Healthcare Products	Investment Holding	Laundry Services	Health F&B	Others	Adjustment & Elimination	Total Group	Commercial Laundry Equipment	Medical Devices	Healthcare Products	Investment Holding	Laundry Services	Health F&B	Other	Adjustment & Elimination	Total Group
Revenue (i) external customers	41,480	21,459	9,245	-	1,517	2,398	-	-	76,099	29,252	20,620	13,451	-	1,122	4,150	-	-	68,595
(ii) inter-segment	6,368	-	1	1,986	-	-	-	(8,355)	-	7	1,195	^	2,035	-	-	-	(3,237)	-
Total Revenue	47,848	21,459	9,246	1,986	1,517	2,398	-	(8,355)	76,099	29,259	21,815	13,451	2,035	1,122	4,150	-	(3,237)	68,595
Results-Segment results	5,341	1,109	(7,797)	(1,056)	(675)	(975)	11	(751)	(4,793)	4,067	1,654	(3,014)	(17,823)	(5,838)	(938)	11	63	(21,818)
Interest income	25	60	474	170	^	^	-	-	729	35	36	42	376	10	^	-	-	499
Finance costs	(72)	(129)	(135)	(16)	(12)	(180)	-	-	(544)	(31)	(98)	(96)	(26)	(17)	(33)	-	-	(301)
Profit/(Loss) before taxation	5,294	1,040	(7,458)	(902)	(687)	(1,155)	11	(751)	(4,608)	4,071	1,592	(3,068)	(17,473)	(5,845)	(971)	11	63	(21,620)
Taxation	(1,919)	(498)	19	-	-	-	-	-	(2,398)	(1,031)	(422)	(407)	(28)	16	7	-	-	(1,865)
Profit/(Loss) after taxation	3,375	542	(7,439)	(902)	(687)	(1,155)	11	(751)	(7,006)	3,040	1,170	(3,475)	(17,501)	(5,829)	(964)	11	63	(23,485)
Other non cash items:																		
-Depreciation of property, plant and equipment	(232)	(226)	(221)	(100)	(364)	(10)	-	58	(1,095)	(197)	(289)	(221)	(79)	(348)	(11)	-	64	(1,081)
-Depreciation of right-of-use assets	(355)	(324)	(162)	(139)	(286)	(19)	-	-	(1,285)	(187)	(303)	(140)	(188)	(262)	(19)	-	-	(1,099)
-Depreciation of investment properties	-	-	-	-	-	(51)	-	-	(51)	-	(1)	-	-	-	(51)	-	-	(52)
-Gain/(Loss) on disposal of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	60	-	-	-	(9)	-	-	51
-Gain on disposal of right-of-use assets	-	-	-	-	-	-	-	-	-	-	147	124	-	-	-	-	-	271
-Gain on disposal of an investment property	-	-	-	-	-	-	-	-	-	-	49	-	-	-	-	-	-	49
-Gain/(Loss) on disposal of quoted investments - realised	-	-	326	-	-	-	-	-	326	-	-	-	(3,308)	(14,737)	-	-	-	(18,045)
- unrealised	-	-	(4,035)	(125)	-	-	-	-	(4,160)	-	-	-	(415)	(1,456)	-	-	-	(1,871)
-Gain/(Loss) on foreign exchange differences - unrealised	89	16	(176)	-	-	-	-	-	(71)	(159)	(132)	266	-	-	-	-	-	(25)
-Inventories written down	-	-	-	-	-	-	-	-	-	(48)	(65)	-	-	-	-	-	-	(113)
-Property, plant and equipment written off	(362)	(4)	(11)	-	-	(21)	-	-	(398)	-	(2)	(1)	-	(60)	-	-	-	(63)
Segment assets	51,083	35,754	44,318	161,686	69,580	5,807	-	(169,383)	198,845	31,512	33,080	49,193	153,741	68,381	8,469	-	(135,760)	208,616
Segment liabilities	(20,352)	(12,216)	(53,559)	(9,222)	(80,262)	(7,290)	-	146,664	(36,237)	(5,965)	(10,753)	(45,491)	(823)	(78,159)	(7,355)	-	114,780	(33,766)

^ Represent less than RM1,000

**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

A8. Dividends paid

No dividends were paid during the current quarter under review.

A9. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter.

A10. Capital commitments

There were no capital commitments of the Group as at 30 September 2023.

A11. Changes in the composition of the Group

There were no changes to the composition of the Group during the current financial quarter under review.

A12. Contingent liabilities and contingent assets

Since the last annual balance sheet date, there were no contingent liabilities and contingent assets as at the date of this interim financial report that are expected to have an operational or financial impact on the current financial period-to-date.

A13. Material events subsequent to the end of the quarter

There were no other material events subsequent to the end of the current quarter and financial period-to-date that have not been reflected in the interim financial report.

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**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

A14. Related party transactions

The Group's significant related party transactions in the current period and financial period-to-date under review are as follows:

	(Unaudited) Current quarter ended 30 September 2023 RM'000	(Unaudited) Cumulative quarter ended 30 September 2023 RM'000
Transactions with a company in which certain directors of the Company have substantial financial interest: -		
Lease payment on premises.	50	151
	=====	=====

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**INTERIM FINANCIAL REPORT FOR THE
THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023**

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of performance

	Individual Quarter		Changes	
	(Unaudited)	(Unaudited)		
	30 September 2023	30 September 2022	RM'000	%
Revenue	26,196	22,947	3,249	14.16
Operating loss	(4,710)	(5,341)	631	11.81
Loss before interest and tax	(4,469)	(4,788)	319	6.66
Loss before tax	(4,660)	(4,901)	241	4.92
Loss after tax	(5,524)	(5,567)	43	0.77
Loss attributable to owners of the Company	(5,423)	(5,770)	347	6.01

Current quarter (3 months)

For the current quarter ended 30 September 2023, the Group recorded revenue of RM26.20 million as compared to RM22.95 million in the corresponding quarter ended 30 September 2022, an increase of RM3.25 million or 14.16%. The higher revenue was mainly due to the increase in revenue contribution from medical devices business segment, commercial laundry equipment business segment and laundry services business segment.

For the current quarter, our medical devices business segment posted an increase in revenue by RM4.72 million or 89.13% to RM10.02 million as compared to RM5.30 million in the corresponding quarter ended 30 September 2022. The substantial improvement was mainly attributable to more orders secured from its customers for medical imaging equipment.

The revenue contribution from commercial laundry equipment business segment was increased by RM2.13 million or 20.23% from RM10.54 million in the corresponding quarter ended 30 September 2022 compared to RM12.68 million in current quarter. The higher revenue was mainly attributed to increase in the setup of self-operated laundrettes by our customers across the country as a result of the effectiveness of our marketing strategy and the positive response from customers. There was a shift in customer sentiment, as they transitioned from a conservative mindset to one filled with hope and confidence to invest in the laundry business segment. The ongoing urbanization and population growth trends influence this change in perspective.

The Group's laundry services business segment increased in revenue by RM0.08 million or 18.33%. It contributed RM0.50 million revenue in the current quarter compared to RM0.42 million in the corresponding quarter ended 30 September 2022. The improvement was mainly due to increase in demand from customers for use of our quality and speedy laundry services.

The Group's healthcare products business segment registered a lower revenue by RM2.36 million or 47.33% to RM2.62 million in the current quarter as compared to RM4.98 million in the corresponding quarter ended 30 September 2022. The reduction was mainly due to our healthcare products business segment had faced slow replenishment from our retailers and dealers as a result of materialised risks from tightening global financial conditions under current uncertain economic climate.

**INTERIM FINANCIAL REPORT FOR THE
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B1. Review of performance (continued)

Current quarter (3 months)

The Group's health food and beverage business segment decreased in revenue by RM1.33 million or 78.01% from RM1.70 million in the corresponding quarter ended 30 September 2022 compared to RM0.37 million in current quarter. The lower revenue was mainly due to lower sales orders from our retailers and customers under current uncertain economic climate.

The Group recorded loss before tax of RM4.66 million in current quarter as compared to loss before tax of RM4.90 million in the corresponding quarter ended 30 September 2022. The reduction in loss before tax of RM0.24 million or 4.92% in the current quarter was primarily driven by higher revenue as mentioned above.

Cumulative quarter (9 months)

	Cumulative Quarter		Changes	
	(Unaudited) 30 September 2023 RM'000	(Unaudited) 30 September 2022 RM'000	RM'000	%
Revenue	76,099	68,595	7,504	10.94
Operating loss	(6,464)	(23,053)	16,589	71.96
Loss before interest and tax	(4,064)	(21,319)	17,255	80.94
Loss before tax	(4,608)	(21,620)	17,012	78.69
Loss after tax	(7,006)	(23,485)	16,479	70.17
Loss attributable to owners of the Company	(6,659)	(23,880)	17,221	72.11

For the cumulative nine (9) months period ended 30 September 2023, the Group's revenue had increased by RM7.50 million or 10.94% to RM76.10 million as compared to RM68.60 million in the corresponding cumulated quarter ended 30 September 2022. As disclosed in Note A7, the higher revenue was mainly due to increase in revenue contribution from commercial laundry equipment business segment and medical devices business segment and laundry services business segment.

The commercial laundry equipment business segment recorded an increase in revenue by RM12.23 million or 41.80% to RM41.48 million as compared to RM29.25 million in the corresponding cumulative quarter ended 30 September 2022. The higher revenue was mainly due to increase in the setup of self-operated laundrettes by our customers across the country as a result of effectiveness of our promotion package, advertisement platform and webinar conducted in current cumulative quarter.

The medical devices business segment registered a revenue of RM21.46 million in the cumulative quarter ended 30 September 2023, an increase of RM0.84 million or 4.07% compared to RM20.62 million in the corresponding cumulative quarter ended 30 September 2022. The improvement in revenue was mainly attributable to more orders secured from its customers for medical imaging equipment.

**INTERIM FINANCIAL REPORT FOR THE
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B1. Review of performance (continued)

Cumulative quarter (9 months) (continued)

The Group's laundry services business segment contributed RM1.52 million revenue in the current cumulative quarter, an increase of 35.20% or RM0.40 million compared to RM1.12 million in the corresponding cumulative quarter ended 30 September 2022. The improvement was mainly due to increase in demand from customers for use of our high-quality and speedy laundry services.

The Group's healthcare products business segment registered a lower revenue by RM4.21 million or 31.27% to RM9.25 million in the current cumulative quarter as compared to RM13.45 million in the corresponding cumulative quarter ended 30 September 2022. This reduction was mainly due to our healthcare products business segment had faced slow replenishment from our retailers and dealers as a result of materialised risks from tightening global financial conditions under current uncertain economic climate.

The Group's health food and beverage business segment was decreased by RM1.75 million or 42.22% from RM4.15 million in the corresponding cumulative quarter ended 30 September 2022 compared to RM2.40 million in current cumulative quarter. The lower revenue was mainly due to lower sales orders from our retailers and customers under current uncertain economic time.

For the cumulative quarter under review, the Group registered loss before tax of RM4.61 million as compared to loss before tax of RM21.62 million in the correspondence cumulative quarter ended 30 September 2022. The improvement in loss before tax of RM17.01 million or 78.69% in current cumulative quarter was mainly due to the higher revenue recorded as mentioned above and reduction in loss on disposal of quoted investments by RM16.08 million.

B2. Comparison with immediate preceding quarter's results

	Individual Quarter		Changes	
	(Unaudited) 30 September 2023 RM'000	(Unaudited) 30 June 2023 RM'000	RM'000	%
Revenue	26,196	28,414	(2,218)	(7.81)
Operating (loss)/profit	(4,710)	329	(5,039)	(1,531.61)
(Loss)/Profit before interest and tax	(4,469)	2,259	(6,728)	(297.83)
(Loss)/Profit before tax	(4,660)	2,075	(6,735)	(324.58)
(Loss)/Profit after tax	(5,524)	897	(6,421)	(715.83)
(Loss)/Profit attributable to owners of the Company	(5,423)	1,111	(6,534)	(588.12)

For the current quarter ended 30 September 2023, the Group recorded a revenue of RM26.20 million and loss before tax of RM4.66 million as compared to a revenue of RM28.41 million and profit before tax of RM2.08 million in the immediate preceding quarter ended 30 September 2023.

There were increase in revenue contribution from the medical devices business segment by RM3.69 million or 58.13% to RM10.02 million in the current quarter as compared to RM6.34 million in the immediate preceding quarter. The increase in revenue contribution from this business segment was mainly attributable to more orders secured from its customers for medical imaging equipment.

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B2. Comparison with immediate preceding quarter's results (continued)

The Group's healthcare products business segment registered a higher revenue by RM0.67 million or 34.29% to RM2.62 million in the current quarter as compared to RM1.95 million in the immediate preceding quarter. The increase of revenue primarily attributed to certain retailers and dealers restocking popular healthcare products under a new bonus scheme.

The Group's laundry services business segment increased in revenue by RM0.01 million or 1.84%. It contributed RM0.50 million in revenue in the current quarter compared to RM0.49 million in the immediate preceding quarter. The increase in revenue was mainly due to higher demand for consumption of self-service laundry services especially in urban areas where space is limited.

For the commercial laundry equipment business segment, its revenue decreased by RM5.79 million or 31.35% to RM12.68 million in the current quarter as compared to RM18.47 million in the immediate preceding quarter. The decline in revenue was primarily attributable to customers making more of their purchases during the promotional period in the immediate preceding quarter.

The Group's health food and beverage business segment decreased in revenue by RM0.79 million or 67.95%. It contributed RM0.37 million revenue in the current quarter compared to RM1.17 million in the immediate preceding quarter. The lower revenue was mainly due to lower sales orders from our retailers and customers under current uncertain economic climate.

The Group recorded loss before tax of RM4.66 million in current quarter as compared to profit before tax of RM2.08 million in the immediate preceding quarter. The deterioration in loss before tax of RM6.74 million or 324.58% in the current quarter was primarily due to lower revenue recorded as mentioned above, weaker Ringgit against United States dollar, Euro and Singapore dollar, additional marketing expenses incurred for commercial laundry equipment business segment.

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B3. Prospects

In tandem with the Group's focus to enhance its revenue growth, optimise margin, business and operation support functions as well as to increase shareholders' value, BCM intends to achieve its objectives through the following strategies:

(i) Continuous introduction of our new portfolio of products and services.

In 2023, BCM will continue to introduce few best-in-class and cost-effective solution for medical devices; stand-alone clinical application software and healthcare products that have strong demand or traction in the market as well as intends to introduce advanced health station, Smart Healthcare and digital solution (transition from analogue X-ray to digital trend) to expand our portfolio of products and brands to enhance the Group's future performance.

The Group also starting to broaden the endoscopy product portfolio beginning with detox endoscope washers and high level disinfection products.

The Group will keep increasingly focusing on consumable proprietary products as well as cash-in spare parts and surgical related consumable products. BCM also intends to introduce new cardiovascular surgery system and operating table that suitable for those hospital has limited space to install larger system.

(ii) Pursue active business expansion via organic and inorganic growth.

BCM aggressively expands its product and service offerings via organic and inorganic growth to create additional income streams in future.

This is in line with the Group's business direction and strategy which is continuously looking for opportunities to further expand its business to ultimately improve its financial performance and enhance shareholders' value.

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B3. Prospects (continued)

- (iii) Broaden our client base by attracting new customers and enhancing the relationship with our existing customers.

BCM is targeting to add more new prospective hospitals and medical centres into its portfolio of clients, especially through the supply of big-ticket medical equipment. This will support the Group's continuous effort to widen its product line and after-sales services.

The Group's healthcare products segment also targeting to attract more new customers under various categories such as chain pharmacy; chain independent pharmacy; independent pharmacy; hospital; clinic; medical dealers; corporate; non-medical retail shop; E-commerce company; online and etc., to boost up its performance in 2023.

Our management and marketing team are also working proactively to secure new customers to expand our current customer base via various promotion packages; up-to-date advertisement channels and data-driven digital marketing activities. We are keeping improvement to provide continuous sales support to our existing customer by rendering value-added training as well as providing suggestion and recommendation on any suitable device/machine, suitable upgrade, replacement and service packages to our existing customer as an initiative to secure potential sales order in 2023.

- (iv) Strengthening of self-service launderette and commercial laundry equipment business.

Penetrated our commercial laundry equipment business segment into the Philippines market represents our strong ambition step into the Southeast Asia market. The Group is optimistic about its outlook in the Philippines market, going into 2023. Besides that, the Group also intends to penetrate into other Southeast Asia markets in the near future to enhance the Group's future revenue.

In 2023, The Group work aggressively to enhance its marketing promotion activities to ensure that everything goes as planned.

Online platform to sell laundry equipment spare parts and providing maintenance services, also another digital one-stop solution platform planned to be implemented by the Group in future to boost up its future revenue.

The Group intends to set up another few new self-service laundrette outlets in future, to improve our capability to meet customers' demand and to enhance the Group's revenue. Setting up the first fully cashless laundromat in Malaysia also be one of our value-added concepts in this market.

The Group has ventured into the provision of on-demand laundry services via its wholly-owned subsidiary company namely BCM Laundry Services Sdn. Bhd.. This is aimed at capitalising on the increase in demand for various online delivery services, including on-demand laundry services, following a behavioural shift in consumers opting for goods and services to be delivered to their doorstep to avoid going out in order to minimise exposure to COVID-19. Premised on the above, the Group is optimistic the outlook and prospects of its laundry services business segment in 2023.

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B3. Prospects (continued)

(v) Strengthening of health food and beverage business segment

The Group is continue to increase the distribution points; accelerate the mastery of online channels; listing products via various hypermarkets and distribution centres; conducting attractive marketing campaigns and various branding exercises (including co-branding with other famous brands and sponsorship event) to promote products; enhance marketing strategy and looking for new products with higher profit margins in order to enhance the health food and beverage business segment's income stream in 2023.

Overall, the Group remains in a positive position in moving into the endemic phase which paves the way for the recovery of economic activities and consumer confidence, with the backing of the Group's respectable good services provided and healthy financial position cum liquidity. In any event, the Group will exercise prudence in all its expenditures while capturing the future growth business opportunities in moving forward.

The Group believes that the prospects will remain the favourite in the medium term in challenging business conditions.

B4. Profit forecast or profit guarantee

The Group does not have any profit forecast or profit guarantee for the current quarter under review in any public documents.

B5. Taxation

	Individual Quarter Ended		Cumulative Quarter Ended	
	(Unaudited)		(Unaudited)	
	30-Sep	30-Sep	30-Sep	30-Sep
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Income tax expense:				
-Current financial period	487	664	2,227	1,793
Deferred tax expense				
-Current financial period	377	2	171	72
Total tax expense	<u>864</u>	<u>666</u>	<u>2,398</u>	<u>1,865</u>

The Group's effective tax rate for the current quarter and financial period-to-date is higher than the statutory tax rate mainly due to certain non-tax deductible expenses.

B6. Status of corporate proposals

As at the latest practicable date, 21 November 2023, there were no corporate proposal announced and not completed in the current quarter and financial year-to-date.

**INTERIM FINANCIAL REPORT FOR THE
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B7. Lease liabilities & bank borrowings

The Group's lease liabilities and bank borrowings were as follows: -

	As at 30 September 2023 (Unaudited)		
	Long term RM'000	Short term RM'000	Total RM'000
Secured			
(i) Bank borrowings			
- Banker acceptance	-	2,099	2,099
- Trust Receipts	-	1,828	1,828
- Bank overdraft	-	232	232
- Term loans	5,683	560	6,243
Sub-total	5,683	4,719	10,402
(ii) Lease liabilities	2,163	1,110	3,273
Grand total	7,846	5,829	13,675

	As at 31 December 2022 (Audited)		
	Long term RM'000	Short term RM'000	Total RM'000
Secured			
(i) Bank borrowings			
- Banker acceptance	-	4,028	4,028
- Trust receipts	-	51	51
- Bank overdraft	-	218	218
- Term loans	6,034	588	6,622
Sub-total	6,034	4,885	10,919
(ii) Lease liabilities	2,579	1,367	3,946
Grand total	8,613	6,252	14,865

Notes:

- (1) All bank borrowings are denominated in Ringgit Malaysia and there were no foreign currency denomination bank borrowings.
- (2) All bank borrowings are secured and the Group do not have any unsecured bank borrowings.
- (3) There were additional RM0.19 million lease liabilities arising from rental of premises and RM0.15 million lease liability arising from hire purchase finance for a motor vehicle in the current quarter ended 30 September 2023.
- (4) The average effective interest rates per annum are as follows:

	Rates (%)
Banker acceptance	1.50-4.07
Bank overdraft	6.60
Trust receipts	6.14-6.92
Term loans	4.20-8.64
Lease liabilities	2.22-9.90

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B8. Changes in material litigation

As at 21 November 2023 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report), the BCM Group is not involved in any litigations or arbitrations, either as a defendant or plaintiff, which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

B9. Dividend Proposed/Declared

There was no dividend proposed/declared for the current financial period under review.

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B10. Loss per share

The basic/diluted loss per share is calculated based on the Group's loss attributable to owners of the Company divided by the weighted average number of ordinary shares as follows:

	Individual Quarter (Unaudited) 30 September 2023	Individual Quarter (Unaudited) 30 September 2022	Cumulative Quarter (Unaudited) 30 September 2023	Cumulative Quarter (Unaudited) 30 September 2022
Loss attributable to owners of the Company (RM'000)	(5,423)	(5,770)	(6,659)	(23,880)
Weighted average number of issuance shares ('000)	2,034,112	2,034,112	2,034,112	2,003,162
Basic ⁽¹⁾ /Diluted ⁽²⁾ loss per share (sen)	<u>(0.27)</u>	<u>(0.28)</u>	<u>(0.33)</u>	<u>(1.19)</u>

Notes:

- (1) Basic loss per share for the current quarter and cumulative quarter is calculated based on the net loss attributable to owners of the Company divided by the weighted average number of ordinary shares for the current quarter and cumulative quarter respectively.
- (2) Diluted loss per share of the Company for the current quarter and cumulative quarter is equivalent to the basic loss per share as the effects on the assumed exercise of the share options under warrants is anti-dilutive.

B11. Financial Instruments

(a) Derivatives

There were no outstanding derivatives as at 30 September 2023.

(b) Gain/(Loss) arising from fair value changes in financial liabilities

There were no gain/ (loss) arising from fair value changes in financial liabilities during the current quarter and period to-date.

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**INTERIM FINANCIAL REPORT FOR THE
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	(Unaudited) Current quarter ended 30 September 2023 RM'000	(Unaudited) Cumulative quarter ended 30 September 2023 RM'000
Loss before taxation is arrived after charging/(crediting):-		
Depreciation of property, plant and equipment	372	1,095
Depreciation of right-of-use assets	420	1,285
Depreciation of investment properties	17	51
Gain on disposal of property, plant and equipment	-	-
Gain on disposal of right-of-use assets	-	-
Gain on disposal of investment property	-	-
Gain/(Loss) on derivatives	-	-
Impairment loss on receivables	-	-
Inventory written down	-	-
Interest expenses	191	544
Interest income	(210)	(729)
Loss/(Gain) on disposal of quoted investments - realised	3	(326)
- unrealised	591	4,160
Property, plant and equipment written off	31	398
(Gain)/Loss on foreign exchange differences - unrealised	(62)	71
- realised	21	(1)

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B13. Approvals obtained for registration of medical devices from Medical Device Authority of Malaysia for registration

In relation to the requirements on registration of medical devices, Section 5 (1) of the Medical Devices Act, 2012 requires, amongst others, that all medical products classified as medical devices under the Medical Devices Act, 2012 and Medical Devices Regulation, 2012 shall be registered before they can be imported, exported or placed in the market. As at 21 November 2023, the Group has submitted a total of one hundred and twelve (112) online applications to register medical devices that the Group are currently distributing and which are classified as medical devices pursuant to the Medical Devices Act, 2012 and Medical Devices Regulation, 2012 with the Medical Device Authority ("MDA").

As at 21 November 2023, out of the total applications submitted by the Group, there were: -

- (i) One hundred and nine (109) applications that have been successfully approved by MDA and was in use by the Group; and
- (ii) Three (3) applications were still under consideration by the MDA.

**BY ORDER OF THE BOARD
28 November 2023**