

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Notes	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTERS</u>	
		Current Quarter Ended	Preceding Corresponding Quarter Ended	Current Year to Date Ended	Preceding Year To Date Ended
		30.06.2023	30.06.2022	30.06.2023	30.06.2022
		RM '000	RM '000	RM '000	RM '000
Revenue		21,054	24,925	87,013	83,508
Cost of sales		(20,229)	(19,930)	(69,201)	(65,283)
Gross profit		825	4,995	17,812	18,225
Other income		730	227	1,778	1,367
Administrative expenses		(1,859)	(2,115)	(7,899)	(6,804)
Other operating expenses		(892)	(1,733)	(4,114)	(5,525)
Finance costs		(423)	(166)	(983)	(663)
Net reversal/(impairment losses) on financial assets and contract assets		1,227	-	1,948	-
Profit before taxation		(392)	1,208	8,542	6,600
Taxation		205	507	(2,376)	(1,181)
Profit after taxation/total comprehensive income for the financial period		(187)	1,715	6,166	5,419
Attributable to:					
- Owners of the Company		85	1,520	4,512	4,804
- Non-controlling interests		(272)	195	1,653	615
		(187)	1,715	6,166	5,419
Earnings per share attributable to holders of the Company: (sen per share) <sup>2</sup>					
- Basic	B10	0.02	0.39	1.16	1.42
- Diluted	B10	0.02	0.39	1.16	1.42

Note:

- (1) The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.
- (2) Earnings per share is based on weighted average number of shares of 388,295,506 (2022: 337,402,924) for the period of 12 months.

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**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>30.06.2023</b>	<b>30.06.2022</b>
<b>Notes</b>	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	31,502	29,771
Investment properties	9,193	9,417
Investment in subsidiaries	-	-
Goodwill	16,099	16,099
Intangible assets	-	409
Right of use assets	12,867	12,696
Deferred tax assets	45	45
	<u>69,706</u>	<u>68,437</u>
<b>CURRENT ASSETS</b>		
Contract costs	-	-
Trade receivables and contract assets	73,566	45,069
Other receivables, deposits and prepayments	2,085	1,060
Amount due from interco	-	-
Inventory	3,346	3,857
Current tax assets	5,241	5,857
Short-term investments	25,723	26,872
Cash and bank balances	9,931	15,657
	<u>119,892</u>	<u>98,372</u>
<b>TOTAL ASSETS</b>	<u>189,598</u>	<u>166,809</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	97,181	97,181
Merger deficit	(16,052)	(16,052)
Retained profits	50,020	45,508
Equity attributable to owners of the Company	<u>131,149</u>	<u>126,637</u>
Non-controlling interests	6,655	5,002
<b>TOTAL EQUITY</b>	<u>137,804</u>	<u>131,639</u>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	B8 7,174	6,440
Lease liabilities	11,928	12,281
Deferred tax liabilities	1,001	1,099
	<u>20,103</u>	<u>19,820</u>

**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)**

		<b>UNAUDITED</b>	<b>AUDITED</b>
		<b>AS AT</b>	<b>AS AT</b>
		<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>Notes</b>	<b>RM'000</b>	<b>RM'000</b>
<b>CURRENT LIABILITIES</b>			
Trade payables and contract liabilities		12,944	9,054
Other payables, deposits and accruals		10,066	3,497
Amount due to interco		-	-
Borrowings	B8	7,653	1,561
Lease liabilities		880	416
Current tax liabilities		148	822
		<u>31,691</u>	<u>15,350</u>
<b>TOTAL LIABILITIES</b>		<u>51,794</u>	<u>35,170</u>
		<u>189,598</u>	<u>166,809</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>189,598</u>	<u>166,809</u>
		<u>0.35</u>	<u>0.34</u>
Net asset per share (RM) <sup>2</sup>		<u>0.35</u>	<u>0.34</u>

Notes:

- (1) The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the FYE 30 June 2022 and accompanying explanatory notes attached to the interim financial statements.
- (2) Based on the Company's issued share capital of 388,295,506 ordinary shares for financial period ended 30 June 2023 and for financial year ended 30 June 2022.

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**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<-----Non-Distributable----->		<Distributable>				
	Share Capital	Merger Deficit	Retained Profits	Attributable to Owners of the Company	Non- Controlling Interests	Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance at 1.7.2021</b>	63,390	(16,052)	40,704	88,042	308	88,350	
Profit after taxation/Total comprehensive income for the financial year	-	-	4,804	4,804	615	5,419	
<u>Contributions by owners of the Company:</u>							
Issuance of shares:							
- Private placement	19,557	-	-	19,557	-	19,557	
- Listing expenses	(274)	-	-	(274)	-	(274)	
- Acquisition of new subsidiary	14,857	-	-	14,857	-	14,857	
- Listing expenses	(349)	-	-	(349)	-	(349)	
	33,791	-	-	33,791	-	33,791	
Acquisition of a subsidiary	-	-	-	-	3,956	3,956	
Issuance of shares by subsidiaries to non-controlling interests	-	-	-	-	123	123	
<b>Balance at 30.06.2022</b>	<b>97,181</b>	<b>(16,052)</b>	<b>45,508</b>	<b>126,637</b>	<b>5,002</b>	<b>131,639</b>	
<b>Balance at 1.7.2022</b>	97,181	(16,052)	45,508	126,637	5,002	131,639	
Profit after taxation/Total comprehensive income for the financial year	-	-	4,512	4,512	1,653	6,165	
<b>Balance at 30.06.2023</b>	<b>97,181</b>	<b>(16,052)</b>	<b>50,020</b>	<b>131,149</b>	<b>6,655</b>	<b>137,804</b>	

Note:

(1) The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Current Year To Date Ended 30.06.2023 RM'000</b>	<b>Preceding Year To Date Ended 30.06.2022 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	8,540	2,953
Adjustments for:		
Amortisation of intangible assets	409	1,337
Depreciation of property, plant and equipment	3,202	759
Depreciation of right of use assets	433	421
Depreciation of investment properties	224	112
Gain on disposal of property, plant and equipment	(96)	(15)
(Gain)/Loss on foreign exchange - unrealised	1	11
Net reversal/(impairment losses) on financial assets and contract assets	(1,948)	248
Interest expenses on lease liabilities	459	229
Interest expenses on hire purchase	218	35
Interest expenses on term loans	138	58
Interest income	(1,106)	(162)
Operating profit before working capital changes	<u>10,474</u>	<u>5,986</u>
Changes in working capital:		
(Decrease)/Increase in inventories	511	-
(Increase)/Decrease in trade and other receivables	(27,577)	(10,126)
(Decrease)/Increase in trade and other payables	10,460	5,044
<b>CASH FROM/(FOR) OPERATIONS</b>	<u>(6,132)</u>	<u>904</u>
Interest received	1,106	162
Income tax paid	(2,538)	(859)
Interest paid	(138)	(97)
<b>NET CASH (FOR)/FROM OPERATING ACTIVITIES</b>	<u>(7,694)</u>	<u>110</u>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Acquisition of subsidiary company, net of cash acquired	-	(5,269)
Purchase of property, plant and equipment	(2,212)	(1,733)
Purchase of right-of-use assets	(605)	(256)
Proceeds from disposal of property, plant and equipment	96	15
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<u>(2,721)</u>	<u>(7,243)</u>

**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)**

	<b>Current Year</b>	<b>Preceding Year</b>
	<b>To Date Ended</b>	<b>To Date Ended</b>
	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	-	19,557
Drawdown of term loans	8,242	-
Repayment of lease liabilities	(348)	(208)
Repayment of term loans	(2,912)	(288)
Repayment of hire purchase payables	(1,441)	-
Share issuance expenses paid	-	(623)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<u>3,541</u>	<u>18,438</u>
Net changes in cash and cash equivalents	(6,874)	11,305
Effects of changes in foreign exchange rate	(2)	(11)
Cash and cash equivalents at beginning of financial year	<u>42,530</u>	<u>34,417</u>
Cash and cash equivalents at end of financial year	<u>35,654</u>	<u>45,711</u>
Cash and cash equivalents consist of:		
Cash and bank balances	9,931	17,132
Short- term investments	<u>25,723</u>	<u>28,579</u>
	<u>35,654</u>	<u>45,711</u>

Notes:

- (1) The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

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**A Explanatory notes to the Unaudited Interim Financial Report for the quarter ended 30 June 2023**

**A1 Basis of Preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30 June 2022.

**MFRSs and/or IC Interpretations (Including the Consequential Amendments)**

The Malaysian Accounting Standards Board had issued the following new standard, amendments and improvements to MFRSs and IC interpretation, all of which are effective for the financial period beginning on or after 1 January 2022.

- MFRS 17: Insurance Contracts
- Amendments to MFRS 3: Reference to the Conceptual Framework
- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 17: Insurance Contracts
- Amendment 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
- Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract
- Annual Improvements to MFRS Standards 2018 - 2020

The Group has not applied in advance any new or revised MFRS and IC interpretation which are applicable to the Group but are not yet effective for the Group’s current financial period.

**A2 Auditor’s Report of preceding annual financial statements**

The preceding year’s audited financial statements of the Group did not contain any qualification.

**A3 Comments about Seasonal and Cyclical Factors**

The Group did not experience significant fluctuations in operations due to seasonal factors or cyclical factors during the period under review.

**A4 Items of Unusual Nature and Amount**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the period under review.

**A5 Material Changes in Estimates**

There were no material changes in estimates that may have a material effect in the period under review and the financial period to date.

**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

**A Explanatory notes to the Unaudited Interim Financial Report for the quarter ended 30 June 2023 (Cont'd)**

**A6 Debt and Equity Securities**

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities since the last annual reporting date.

**A7 Dividends Paid**

No dividend has been paid in the current financial quarter under review and the previous corresponding period.

**A8 Segmental Reporting**

The segmental results of the Group for the quarter ended 30 June 2023 based on segment activities are as follows:

<b>Cumulative Quarter ended 30 June 2023</b>	<b>Satellite, mobile and fibre optic telecommunication networks</b>	<b>Power and telecommunication infrastructure works</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	61,142	25,968	(98)	87,012
Profit before tax	3,886	4,887	(233)	8,540
Taxation	(1,247)	(1,227)	98	(2,376)
Profit for the financial year	2,639	3,660	(135)	6,164

**A9 Valuation of Property, Plant and Equipment**

There was no revaluation of property, plant and equipment in the current financial quarter under review.

**A10 Capital Commitments**

	<b>As at 30.06.2023 RM'000</b>	<b>As at 30.06.2022 RM'000</b>
Approved and contracted for:		
- Property, plant and equipment	-	1,989
- Office building	-	1,917
Approved and not contracted for:		
- Telecommunication equipment	305	-
	<u>305</u>	<u>3,906</u>

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**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

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**A Explanatory notes to the Unaudited Interim Financial Report for the quarter ended 30 June 2023 (Cont'd)**

**A11 Material Subsequent Event**

**Proposed Free Warrants Issue**

On 13 October 2022, TA Securities Holdings Berhad (“TA Securities”) had, on behalf of the Company announced that the Company proposes to undertake the Proposed Free Warrants Issue, and the listing application has been submitted to Bursa Malaysia Securities Berhad (“Bursa Securities”) on 17 October 2022.

The Proposed Free Warrants Issue entails the issuance of up to 194,147,743 free warrants (“Warrant(s)”) for every 2 existing (“Binasat Shares” or “Shares”) held by the shareholders whose names appear in the record of depositors of the Company at the close of business on an entitlement date which will be determined later.

On 14 November 2022, TA Securities had, on behalf of the Company announced that Bursa Securities had, vide its letter dated on 14 November 2022, resolved to approve the following:

- (i) admission to the Official List and listing and quotation of up to 194,147,753 Warrants to be issued pursuant to the Proposed Free Warrants Issue; and
- (ii) listing and quotation of up to 194,147,753 new Binasat Shares to be issued arising from the exercise of the Warrants.

The approval granted by Bursa Securities for the Proposed Free Warrants Issue is subject to the following conditions:

- (i) Binasat and TA Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Free Warrants Issue;
- (ii) Binasat and TA Securities to inform Bursa Securities upon the completion of Proposed Free Warrants Issue;
- (iii) Binasat to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities’ approval once the Proposed Free Warrants Issue is completed; and
- (iv) Binasat to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable.

The Proposed Free Warrants Issue were duly passed by the shareholders of the Company at the Extraordinary General Meeting (“EGM”) held on 30 November 2022.

On 29 December 2022, the Company had executed the deed poll constituting the Warrants. In addition, the Company has resolved to fix the exercise price of the Warrants at RM0.32 each, representing a premium of approximately 1.23% to the 5-day volume weighted average market price of Binasat Shares up to and including 28 December 2022, being the last trading day of Binasat Shares immediately preceding the price-fixing date, of RM0.3161 per Binasat Shares.

On 27 January 2023, the Company completed a free Warrants issue, issuing a total of 194,147,748 Warrants. The Warrants were issued at no cost and on a pro-rata basis to all Binasat’s shareholders. The maturity date of the Warrants is 17 January 2026.

The Stock Short Name, Stock Number and ISIN Code of the Warrants are “BINACOM-WA”, “0195WA” and “MYQ0195WA610”.

There were no Warrants-A been exercised as at the quarter ended 30 June 2023.

**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

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**A Explanatory notes to the Unaudited Interim Financial Report for the quarter ended 30 June 2023 (Cont'd)**

**A12 Changes in Composition of the Group**

There were no changes in the composition of the Group in the period under review.

**A13 Contingent Assets or Liabilities**

The dispute relates to a sub-contract between Binasat Sdn Bhd (“Binasat”), a wholly owned subsidiary of the Company, and Rosado Tradeline Sdn Bhd (“Rosado”) under which Rosado has appointed Binasat as the subcontractor to carry out the works in respect of “Building the Fiber System – Implementation Services of Civil Infrastructure and Fiber Optic Cabling Works”.

As at the reporting date, Binasat has claimed approximately RM1,177,000 (including profit portion) being the sum due and amount owing for work carried out and completed for Rosado. Rosado has in response, counterclaimed against Binasat for general damages to be assessed by the Court and costs.

On 10 April 2023, the Company has entered into a consent judgement and Rosado has agreed with the settlement of RM875,000 to the Company, and the case has deemed to be concluded.

Contingent liabilities of the Group as at 30 June 2023 will be RM2,495,772 which comprises bank guarantees issued to our customers for the purpose of performance bonds and bank guarantee served as tender deposit for tendering new project.

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**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

**B Additional Information Required by the Listing Requirements**

**B1 Comparison with Preceding Year Corresponding Quarter**

	<u>Quarter ended</u>		Variance	
	30.06.2023	30.06.2022		
	(4Q 23)	(4Q 22)	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	21,054	24,925	(3,871)	-15.53%
Gross profit	825	4,995	(4,170)	-83.48%
Profit before taxation	(392)	1,208	(1,600)	-132.45%

In 4Q23, the Group's revenue decreased by RM3.87 million or 15.53% as compared to the preceding year corresponding quarter. The decrease was due to lower revenue generated from civil mechanical & engineering works.

The Group's gross profit ("GP") and profit before tax ("PBT") has decreased as per table above compared to the preceding year corresponding quarter. This was mainly due to lower revenue generated during the quarter and recognition of stock transfer to sites during the quarter.

**B2 Comparison with Preceding Year Corresponding Period**

	<u>Cumulative 12 months Period ended</u>		Variance	
	30.06.2023	30.06.2022		
	(4Q 23)	(4Q 22)	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	87,013	83,508	3,505	4.20%
Gross profit	17,812	18,225	(413)	-2.27%
Profit before taxation	8,542	6,600	1,942	29.42%

The Group's revenue of RM87.01 million for the current 12 months financial period was increased by 4.20% as compared to preceding year corresponding period of RM83.50 million. The increase was mainly due to higher revenue generated from fiber optic cabling works.

The Group's GP slight decreased by RM0.41 million or 2.27% as compared to the preceding year corresponding period. This was mainly due to higher subcontractors charges incurred.

The Group's PBT increased by 29.42% amounting to RM1.94 million as compared to the preceding year corresponding period, which was mainly due to higher GP as explained above.

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**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

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**B Additional Information Required by the Listing Requirements (Cont'd)**

**B3 Comparison with Immediate Preceding Quarter**

	<u>Quarter ended</u>		<u>Variance</u>	
	<u>30.06.2023</u>	<u>31.03.2023</u>		
	<u>(4Q 23)</u>	<u>(3Q 23)</u>		
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	21,054	22,736	(1,682)	-7.40%
Gross profit	825	6,099	(5,274)	-86.47%
Profit before taxation	(392)	3,721	(4,113)	-110.53%

In 3Q23, the Group's revenue decreased by RM1.68 million or 7.40% as compared to the immediate preceding quarter. The lower in revenue was mainly contributed from civil mechanical & engineering works.

The Group's GP and PBT decreased by RM5.27 million and RM4.11 million respectively as compared to the immediate preceding quarter, mainly due to recognition of stock transfer to sites during the quarter.

**B4 Commentary on Prospects**

During the quarter, the Company managed to secure a 2-year contract to provide internet services via satellite and 4G connectivity for Tabung Haji Plantation offices and mills in Sabah and Sarawak.

In August 2023, the Company has been appointed as the Maxis Exclusive Partner ("MEP") to manage and operate the 3 CODO MEP outlets located in Kelantan and Pahang. This appointment has diversify the Company's business into a new page, to expand into telecommunication retail business. Moving forward, the Company is targeted to expand this in other states and aiming to receive recurring income from these outlets.

In connection to the merger of Celcom and Digi, the Company been awarded with contract for telecommunication equipment installation, commissioning, integration, acceptance service, radio network optimisation service. In 2HY, the Company is targeting to obtain additional contract for managed services for Celcom and Digi merger projects.

Premised on the above, the Board is looking forward to better economic prospects in 2023 and will continue to tender more projects and will take a prudent approach in monitoring operations of the Group.

**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

**B Additional Information Required by the Listing Requirements (Cont'd)**

**B5 Profit Forecast**

The Company did not issue any profit forecast or guarantee during the current financial quarter under review.

**B6 Taxation**

	<b>Current Quarter Ended</b>	<b>Preceding Year Corresponding Quarter Ended</b>	<b>Current Year To Date Ended</b>	<b>Preceding Year To Date Ended</b>
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysia income tax:				
- Current tax	(569)	744	2,109	1,845
- Over/(Under) provision in the previous financial year	364	(710)	364	(763)
	<u>(205)</u>	<u>34</u>	<u>2,473</u>	<u>1,082</u>
Deferred tax:				
- Origination and reversal of temporary difference	-	(541)	(97)	59
- Underprovision in the previous financial year	-	-	-	40
	<u>-</u>	<u>(541)</u>	<u>(97)</u>	<u>99</u>
	<u>(205)</u>	<u>(507)</u>	<u>2,376</u>	<u>1,181</u>
Effective tax rate <sup>(1)</sup>	24.69%	61.59%	24.69%	27.95%

Note:

- (1) The Group's effective tax rate of 24.69% for the current year is slightly higher than the statutory rate mainly due to adjustment for non-deductible expenses.

**B7 Status of Corporate Proposals**

There is no outstanding corporate proposals which have been announced but are pending completion as at the date of this report.

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**B Additional Information Required by the Listing Requirements (Cont'd)**

**B8 Utilisation of Proceeds**

**(i) Public Issue**

As at 18 May 2020, the gross proceeds from the Company's initial public offering ("IPO") amounting to RM39.55 million has been utilised in the following manner:

<b>Details of use of proceeds</b>		<b>Estimated Timeframe for Utilisation<sup>(1)</sup></b>	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Percentage Utilised %</b>
1	Setting up a teleport	Within 24 months	14,360	14,360	100.00%
2	Enhancing operations and maintenance services capability	Within 36 months	4,900	1,505	30.71%
3	Enhancing fiber optic network installation and commissioning services capability	Within 36 months	4,800	58	1.21%
4	Regional business expansion in ASEAN countries	Within 36 months	1,500	8	0.53%
5	Working capital	Within 30 months	10,790	10,790	100.00%
6	Estimated listing expenses	Within 3 months	3,200	3,200	100.00%
			39,550	29,921	75.65%

Note:

- (1) From the date of listing of the Company on the ACE Market of Bursa Securities on 8 January 2018. The utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 13 December 2017 and the company's announcement dated 28 February 2020.

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**B Additional Information required by the Listing Requirements (Cont'd)**

**B8 Utilisation of Proceeds (Cont'd)**

**(i) Public Issue (Cont'd)**

As announced on 15 June 2020, items 2, 3 and 4 of the above utilisation of proceeds will be varied. Post variation, the status of utilisation as at 30 June 2023 is as follows:

<b>Details of use of proceeds</b>		<b>Estimated Timeframe for Utilisation</b>	<b>Initial Utilisation RM'000</b>	<b>Actual Utilisation as at 18 May 2020 RM'000</b>	<b>Balance unutilised as at 18 May 2020 RM'000</b>	<b>Varied Amount RM'000</b>	<b>Total amount after Variation RM'000</b>	<b>Actual utilisation RM'000</b>	<b>Balance unutilised as at 30 June 2023 RM'000</b>
2	Enhancing operations and maintenance services capability	Within 18 months <sup>(1)</sup>	4,900	1,505	3,395	-	3,395	2,971	424 <sup>(2)</sup>
3	Enhancing fiber optic network installation and commissioning services capability	Within 18 months <sup>(1)</sup>	4,800	58	4,742	1,492	6,234	6,234	-
4	Regional business expansion in ASEAN countries	Within 18 months <sup>(1)</sup>	1,500	8	1,492	(1,492)	-	-	-
			<b>11,200</b>	<b>1,571</b>	<b>9,629</b>	<b>-</b>	<b>9,629</b>	<b>9,205</b>	<b>0</b>

Note:

(1) From the date of announcement of variation as at 15 June 2020.

(2) As at 31 December 2021, the unutilised amount stood at RM1.37 million was earmarked for purchase of motor vehicle(s) to expand and replace some of the Group's aging fleet to improve its ability to deploy technicians to customers' sites. After careful deliberation of the economic climate, outbreak of COVID-19 and the operational needs of the Group, the Board has resolved to extend the timeframe for the utilisation of the remaining unutilised IPO proceeds for additional twenty-four (24) months from the date of this announcement. The extension of time is not subject to any regulatory authorities' or shareholders' approval. Nevertheless, the Board shall continue to be vigilant and prudent in managing the IPO proceeds and will continue to disclose the status of the utilization of the IPO proceeds in its quarterly reports and annual report until its full utilisation. The Board is of the opinion that the aforementioned extension of timeframe will not have any adverse effect on the financial performance of the Company and is in the best interest of the Company.

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**B Additional Information required by the Listing Requirements (Cont'd)**

**B8 Utilisation of Proceeds (Cont'd)**

**(ii) Private Placement**

On 14 October 2021, Company had announced to undertake a private placement of up to 64,715,900 new ordinary shares, representing not more than 20% of the total number of issued shares of the Company to third party investor(s).

Bursa Securities had on 1 November 2021 approved the listing and quotation of up to 64,715,900 Placement Shares to be issued pursuant to the Private Placement.

The Company had on 3 November 2021 issued the first tranche of 21,375,000 Placement Shares with the issue price of RM0.345 per Placement Share and second tranche of 21,271,700 Placement Shares with the issue price of RM0.303 per Placement Share on 19 December 2021.

The Private Placement was completed following the issuance of the third and final tranche of 22,069,200 Placement Share at an issue price of RM 0.260 per Placement Share on 21 December 2021.

The gross proceeds of RM19.56 million from the Company's Private Placement has been fully utilized as at the reporting date of 30 June 2023.

		Estimated Timeframe for Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance unutilised as at 30 June 2023 RM'000	Percentage Utilised %
1	Enhancing the Group's fiber optic network installation and commissioning service	Within 24 months	1,290	1,290	-	100.00%
2	Working capital	Within 24 months	18,082	18,082	-	100.00%
3	Estimated expenses for the Proposed Private Placement	Immediate	185	185	-	100.00%
			19,557	19,557	-	100.00%

**B9 Group Borrowings**

	As at 30.06.2023 RM'000	As at 30.06.2022 RM'000
<b>Non-current:</b>		
Term loans (secured)	4,224	4,862
Hire purchase payables (secured)	2,950	1,577
	<u>7,174</u>	<u>6,439</u>
<b>Current:</b>		
Term loans (secured)	6,721	616
Hire purchase payables (secured)	932	945
	<u>7,653</u>	<u>1,561</u>

All the Group's borrowings are denominated in Ringgit Malaysia.



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**B Additional Information required by the Listing Requirements (Cont'd)**

**B10 Material Litigation**

The Board wishes to report status of the suit case being commenced by its subsidiary, Binasat against the sub contract as below:

**Binasat (“Plaintiffs”) and Rosado Tradeline Sdn Bhd (“Rosado”) (“Defendant”)**

Binasat commenced this suit against Rosado claiming for the sum due and owing to Binasat for works carried out and completed for Rosado up to the date of the termination. On 10 April 2023, the Company has entered into a consent judgement to conclude this suit.

**B11 Earnings per Share**

The basic and diluted earnings per share for the current quarter and financial year-to-date are computed as follows:

	<b>Current Quarter Ended</b>	<b>Preceding Year Corresponding Quarter Ended</b>	<b>Current Year To Date Ended</b>	<b>Preceding Year To Date Ended</b>
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit after taxation attributable to owners of the Company (RM)	85	1,520	4,512	4,804
Weighted average number of shares	388,296	388,296	388,296	337,403
Basic earnings per share (sen) <sup>(1)</sup>	0.02	0.39	1.16	1.42
Diluted earnings per share (sen) <sup>(2)</sup>	0.02	0.39	1.16	1.42

Notes:

- (1) The basic earnings per share is calculated by dividing the profit after taxation attributable to owners of the Company by the weighted average number of ordinary shares for the period under review.
- (2) Diluted earnings per share is equivalent to the basic earnings per share as the Group does not have convertible securities as at 30 June 2023.

**B12 Derivatives**

The Group did not enter into any derivatives contracts during the current quarter under review.

**B13 Disclosure of gain/losses arising from fair value changes of financial liabilities**

The Group did not have any financial liabilities measured at fair value through profit and loss for the current quarter under review.

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**BINASAT COMMUNICATIONS BERHAD (Registration No. 201701008491 (1222656-D))**  
**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023**

**B Additional Information required by the Listing Requirements (Cont'd)**

**B14 Notes to the Statement of Profit or Loss and Other Comprehensive Income**

Profit before taxation is arrived at after charging/(crediting):

	<b>Current Quarter Ended 30.06.2023 RM'000</b>	<b>Preceding Year Corresponding Quarter Ended 30.06.2022 RM'000</b>	<b>Current Year To Date Ended 30.06.2023 RM'000</b>	<b>Preceding Year To Date Ended 30.06.2022 RM'000</b>
Amortisation of intangible assets	409	119	608	2,372
Net reversal/(impairment losses) on financial assets and contract assets	(1,948)	(337)	(2,321)	115
Depreciation of property, plant and equipment	3,202	431	7,915	1,993
Depreciation of investment properties	224	56	560	280
Depreciation of right of use assets	-	321	-	1,191
Unrealised (gain)/loss on foreign exchange	1	(135)	158	(159)
Realised (gain)/loss on foreign exchange	26	(37)	37	(75)
Interest expenses	1,047	175	2,224	821
Rental income	(292)	(103)	(872)	(527)
Interest income	(1,106)	(90)	(2,239)	(443)
Gain on disposal of property, plant and equipment	(96)	(2)	(288)	(32)
Other income <sup>(1)</sup>	(231)	(29)	(265)	(47)

Notes:

(1) Other income includes, amongst others, compensation from the Group's customer and processing fees.

Same as disclosed above and in the Condensed Consolidated Statement of Profit or Loss, other disclosure items pursuant to Note 16 of Appendix 9B Part A of the Listing Requirements are not applicable to the Group.

**BY ORDER OF THE BOARD**

**WONG YOUN KIM (MAICSA 7018778)**  
**WONG MEE KIAT (MAICSA 7058813)**  
**LIM LI HEONG (MAICSA 7054716)**  
**COMPANY SECRETARIES**

**KUALA LUMPUR**  
**30 AUGUST 2023**