

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023⁽¹⁾

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000	Current Year-To-Date 31.03.2023 RM'000	Preceding Year Corresponding Period 31.03.2022 RM'000
Revenue	A9	17,212	23,956	17,212	23,956
Cost of sales		(12,536)	(15,818)	(12,536)	(15,818)
Gross profit (“GP”)		4,676	8,138	4,676	8,138
Other income		721	136	721	136
Selling and distribution expenses		(580)	(678)	(580)	(678)
Administrative expenses		(3,193)	(2,867)	(3,193)	(2,867)
Other expenses		(172)	(4)	(172)	(4)
Profit from Operations		1,452	4,725	1,452	4,725
Finance costs		(29)	(2)	(29)	(2)
Profit before tax (“PBT”)	B12	1,423	4,723	1,423	4,723
Taxation	B6	(285)	(1,780)	(285)	(1,780)
Profit after tax (“PAT”)		1,138	2,943	1,138	2,943
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations		88	28	88	28
Total comprehensive income for the financial period		1,226	2,971	1,226	2,971
Profit for the financial period attributable to:					
• Owners of the Company		1,017	2,943	1,017	2,943
• Non-controlling interests		121	-	121	-
		1,138	2,943	1,138	2,943
Total comprehensive income for the financial period attributable to:					
• Owners of the Company		1,105	2,971	1,105	2,971
• Non-controlling interests		121	-	121	-
		1,226	2,971	1,226	2,971
Earnings per share attributable to owners of the Company					
• Basic (sen)	B11	0.07	0.24	0.07	0.24
• Diluted (sen)	B11	0.07	0.24	0.07	0.24

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023⁽¹⁾

	UNAUDITED	AUDITED
	As at 31.03.2023 RM'000	As at 31.12.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	26,420	22,921
Investment properties	264	265
Goodwill	4,126	856
Deferred tax assets	751	773
Total non-current assets	31,561	24,815
Current Assets		
Inventories	13,646	11,842
Trade receivables	16,599	21,830
Other receivables	1,206	1,332
Current tax assets	1,821	643
Cash and cash equivalents	82,218	77,646
Total current assets	115,490	113,293
TOTAL ASSETS	147,051	138,108
EQUITY AND LIABILITIES		
Equity		
Share capital	86,365	86,365
Retained earnings	50,878	49,832
Reserves	(12,631)	(12,815)
Equity attributable to owners of the Company	124,612	123,382
Non-controlling interests	741	-
Total Equity	125,353	123,382
Liabilities		
Non-current liabilities		
Hire purchase payables	228	-
Loan and borrowings	2,823	-
Lease liabilities	11	24
Deferred tax liabilities	1,180	1,100
Total non-current liabilities	4,242	1,124
Current liabilities		
Trade payables	7,766	4,136
Other payables	9,266	9,374
Hire purchase payables	211	-
Loan and borrowings	197	-
Lease liabilities	16	92
Total current liabilities	17,456	13,602
TOTAL LIABILITIES	21,698	14,726
TOTAL EQUITY AND LIABILITIES	147,051	138,108
NET ASSETS PER SHARE (RM)⁽²⁾	0.08	0.08

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) Based on share capital of 1,468,945,200 shares in issuance as at 31 December 2022 and 31 March 2023.

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AIMFLEX BERHAD (1273151-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023⁽¹⁾

	Non-distributable				Distributable	
	Share Capital RM'000	Translation Reserve RM'000	Merger Reserve RM'000	Share Options Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
As at 1 January 2022	55,346	701	(16,628)	1,983	36,248	77,650
Total comprehensive income:						
- Profit for the year	-	-	-	-	13,219	13,219
- Foreign currency translation differences for foreign operations	-	362	-	-	-	362
	-	362	-	-	13,219	13,581
Transactions with owners:						
- Share options forfeited	-	-	-	(365)	365	-
- Issuance of shares	31,019	-	-	-	-	31,019
- Share options granted under ESOS	-	-	-	1,132	-	1,132
	31,019	-	-	767	365	32,151
As at 31 December 2022	86,365	1,063	(16,628)	2,750	49,832	123,382

AIMFLEX BERHAD (1273151-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023⁽¹⁾ (CONT'D)

	Non-distributable				Distributable		Total attributable to owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Translation reserve RM'000	Merger Reserve RM'000	Share Options Reserve RM'000	Retained Earnings RM'000				
As at 1 January 2023	86,365	1,063	(16,628)	2,750	49,832	123,382	-	123,382	
Acquisition of subsidiaries	-	-	-	-	-	-	620	620	
Total comprehensive income:									
- Profit for the period	-	-	-	-	1,017	1,017	121	1,138	
- Foreign currency translation differences for foreign operations	-	88	-	-	-	88	-	88	
	-	88	-	-	1,017	1,105	121	1,226	
Total transactions with owners:									
- Share options forfeited	-	-	-	(29)	29	-	-	-	
- Share options granted under ESOS	-	-	-	125	-	125	-	125	
	-	-	-	96	29	125	-	125	
As at 31 March 2023	86,365	1,151	(16,628)	2,846	50,878	124,612	741	125,353	

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE FIRST (1ST) QUARTER ENDED
31 MARCH 2023⁽¹⁾ (CONT'D)**

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023⁽¹⁾**

	CUMULATIVE QUARTER	
	Current Year- To-Date 31.03.2023 RM'000	Preceding Year Corresponding Period 31.03.2022 RM'000
Cash Flows From Operating Activities		
Profit before tax	1,423	4,723
Adjustments for:		
Depreciation of property, plant and equipment	490	420
Depreciation of right-of-use asset	70	58
Depreciation of investment properties	2	1
(Reversal of)/Impairment losses on receivables	(69)	(280)
Interest expense	29	2
Property, plant and equipment written off	-	-
Provision for warranty	(2)	9
Dividend income	-	(46)
Interest income	(336)	(4)
Gain on disposal of property, plant and equipment	(36)	-
Rental income	(7)	(7)
Share-based payments for ESOS	125	335
Unrealised gain on foreign exchange	(134)	(26)
Operating profit before working capital changes	<u>1,555</u>	<u>5,185</u>
Change in working capital		
Inventories	(1,776)	961
Trade and other receivables	7,271	12,810
Trade and other payables	(627)	(3,954)
	<u>4,868</u>	<u>9,817</u>
Cash from operations	6,423	15,002
Interest paid	(34)	(2)
Interest received	90	4
Tax paid	(1,385)	(259)
Net cash from operating activities	<u>5,094</u>	<u>14,745</u>
Cash Flows From Investing Activities		
Increase in fixed deposits pledged with licensed banks	-	(120)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(288)	-
Purchase of property, plant and equipment	(459)	(123)
Proceeds from disposal of property, plant and equipment	54	-
Dividend received	-	46
Rental received	7	7
Net cash used in investing activities	<u>(686)</u>	<u>(190)</u>

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023⁽¹⁾ (CONT'D)**

	CUMULATIVE QUARTER	
	Current Year- To-Date 31.03.2023 RM'000	Preceding Year Corresponding Period 31.03.2022 RM'000
Cash Flows From Financing Activities		
Proceeds from issuance of ordinary shares		-
Drawdown of term loan	163	-
Repayment of term loan	(15)	-
Repayment of hire purchase payables	(46)	-
Repayment of lease liabilities	(28)	(28)
Net cash from/(used in) financing activities	<u>74</u>	<u>(28)</u>
Net increase in cash and cash equivalents	4,482	14,527
Cash and cash equivalents at the beginning of the financial period	76,425	21,311
Effect of exchange translation differences on cash and cash equivalents	90	29
Cash and cash equivalents at the end of the financial period	<u>80,997</u>	<u>35,867</u>
Cash and cash equivalents at the end of the financial period comprises:		
Cash and bank balances	56,997	35,867
Fixed deposits with licensed banks	25,221	1,203
	<u>82,218</u>	<u>37,070</u>
Less: Fixed deposits pledged with licensed banks	(1,221)	(1,203)
	<u>80,997</u>	<u>35,867</u>

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

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AIMFLEX BERHAD (1273151-K)

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report of AIMFLEX BERHAD (“AIMFLEX” or “the Company”) and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting and Rule 9.22 of Listing Requirements of Bursa Securities.

This interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.

A2. Summary of Significant Accounting Policies

The significant 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 for the financial year ended 31 December 2022 except for the adoption of the following new and amended MFRSs with effect from 1 January 2023:

- Amendment to MFRS 17 Initial Application of MFRS 17 and MFRS 9 - Comparative Information
- Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 108 Definition of Accounting Estimates
- Amendments to MFRS 101 and MFRS Practice Statement 2 Disclosure of Accounting Policies

The adoptions of the above standards, amendments and interpretations do not have any material impact to the financial position and performance of the Group.

A3. Auditors’ report on preceding annual financial statements

The audited financial statements of the Company for the financial year ended 31 December 2022 was not subject to any qualification.

A4. Seasonal or cyclical factors

The business operations of the Group were not materially affected by seasonal and cyclical effects.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

A6. Material changes in estimates

There were no material changes in the estimates that have a material effect to the Group in the current financial quarter under review.

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A7. Debt and equity securities

There was no issuance or repayment of debts and equity securities, share buy-backs and share cancellations during the current financial quarter under review.

A8. Dividends paid

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

A9. Segmental information

The Group's segmental information for the current financial period ended 31 March 2021 is as follows:

(a) Analysis of revenue by business segments

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000	Current Year-To-Date 31.03.2023 RM'000	Preceding Year Corresponding Period 31.03.2022 RM'000
Manufacturing	14,822	22,116	14,822	22,116
Distribution	2,390	1,840	2,390	1,840
Total	17,212	23,956	17,212	23,956

(b) Analysis of revenue by geographical location

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000
Manufacturing				
Malaysia	9,670	7,568	9,670	7,568
Philippines	1,627	1,868	1,627	1,868
Singapore	3,419	12,019	3,419	12,019
Others	106	662	106	662
Sub-total	14,822	22,117	14,822	22,117

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental information (Cont'd)

(b) Analysis of revenue by geographical location (Cont'd)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000
Distribution				
Malaysia	1,350	970	1,350	970
Singapore	1,026	696	1,026	696
India	-	141	-	141
Hong Kong	-	-	-	-
Indonesia	14	-	14	-
Others	-	32	-	32
Sub-total	2,390	1,839	2,390	1,839
Total	17,212	23,956	17,212	23,956

A10. Valuation of property, plant and equipment

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

A11. Material events subsequent to the end of the current financial quarter

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

A12. Changes in the composition of the Group

Save as disclosed below, there were no other material changes in the composition of the Group for the current financial quarter under review.

During the current quarter under review, the Group

- (1) acquired a 60% stake in Owin Industrial Sdn Bhd on 19 January 2023; and
- (2) acquired a 60% stake in Union Tech Automation Sdn Bhd on 31 January 2023.

A13. Contingent assets and contingent liabilities

There were no contingent assets and contingent liabilities as at the date of this interim report.

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A14. Capital commitments

	UNAUDITED
	As at
	31.03.2023
	RM'000
Property, plant and equipment	
Contracted but not provided for	1,307
Approved but not contracted for	6,800
	<u>8,107</u>

A15. Related party transactions

There were no material related party transactions during the current financial quarter under review.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1. Review of Performance****(a) Results for current quarter and current financial year-to-date**

	INDIVIDUAL QUARTER/ CUMULATIVE QUARTER		VARIANCE	
	3 months ended 31.03.2023 RM'000	3 months ended 31.03.2022 RM'000	RM'000	%
Revenue	17,212	23,956	(6,744)	(28.2%)
PBT	1,423	4,723	(3,300)	(69.9%)

The Group recorded revenue of RM17.21 million for the current financial quarter ended 31 March 2023 ("Q1 2023"), a decrease of 28.2% as compared to the same quarter ended 31 March 2022 ("Q1 2022"). The decrease was mainly due to lower revenue recorded from the manufacturing segment by 33.0%.

In Q1 2023, the Group's revenue was principally derived from the manufacturing segment, contributing approximately 86.1% of the Group's total revenue (Q1 2022: 92.3%). On the geographical standpoint, the Malaysia was the largest contributor to the Group's revenue of 64.0% in Q1 2023 (Q1 2022: Singapore was the largest contributor, contributing 53.1%).

The Group registered a PBT of RM1.42 million in Q1 2023 as compared to RM4.72 million in Q1 2022, which represents a decrease of 69.9%. Lower PBT recorded in Q1 2023 was mainly due to lower gross profit (caused by lower manufacturing revenue) by RM3.46 million.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. Review of Performance (Cont'd)

(b) Results for financial year-to-date

Please refer to B1(a) above.

B2. Comparison with immediate preceding quarter's results

	INDIVIDUAL QUARTER		VARIANCE	
	3 months ended 31.03.2023 RM'000	3 months ended 31.12.2022 RM'000	RM'000	%
Revenue	17,212	18,769	(1,557)	(8.3%)
PBT	1,423	3,326	(1,903)	(57.2%)

The Group recorded a revenue of RM17.21 million in Q1 2023 as compared to RM18.77 million in the preceding financial quarter ended 31 December 2022 ("Q4 2022"), a decrease of RM1.56 million during current financial quarter. The decrease was mainly attributable to the lower revenue recorded from the manufacturing segment by 8.5% or RM1.37 million.

The Group registered a PBT of RM1.42 million in Q1 2023 as compared to PBT of RM3.33 million in Q4 2022, which represents a decrease of 57.2%. Lower PBT recorded in Q1 2023 was mainly due to lower gross profit by RM4.65 million (caused by lower revenue of RM1.56 million and higher direct labour cost of RM2.43 million as the direct labour costs in Q4 2022 included the effect of bonus accrual reversal). This was offset by lower administrative expenses in Q1 2023 as the administrative expenses in Q4 2022 included the impairment losses on receivables amounting to RM2.00 million.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B3. Prospects and outlook

The global economy continues to be driven by resilient domestic demand supported by strong labour market conditions, and a stronger-than-expected rebound of China's economy. Nevertheless, the global economy continues to be weighed down by elevated cost pressures and higher interest rates. Headline inflation continued to moderate, but core inflation has persisted above historical averages. For most central banks, the monetary policy stance is likely to remain tight. The growth outlook remains subject to downside risks, mainly from an escalation of geopolitical tensions, higher-than-anticipated inflation outturns, and a sharp tightening in financial market conditions including from further stress in the banking sector (*Source: Bank Negara Malaysia Monetary Policy Statement 3 May 2023*).

On a separate note, Malaysia Semiconductor Industry Association (MSIA) said that Malaysia's electrical and electronics (E&E) industry is likely to see slower growth in 2023 compared to last year amid global headwinds (*Source: Bernama news 21.02.2023*).

The Group shares the view of MSIA. However, the Group remains cautiously optimistic of the longer-term prospect of the E&E industry and manufacturing automation in view of the robustness of the Industry Revolution 4.0 and chronic issue of labour shortages.

The Group continues to exercise prudence in carrying out our business and strive to promote rapid growth in revenue. In addition, the Group continues to be on a lookout for new automation concepts and ideas. Internally, we recognise the importance of optimising our operations to enhance productivity and efficiency, and we will take proactive steps to streamline our processes accordingly.

In pursuing expansion, the Group continues to seek opportunities to acquire companies or businesses that align with our core business. We will also explore new markets as well as invest in research and development activities.

B4. Profit Forecast or Profit Guarantee

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

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B5. Status of corporate proposals

There is no corporate proposal announced but not completed as at the date of this interim report.

B6. Income tax expenses

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000	Current Year-To-Date 31.03.2023 RM'000	Preceding Year Corresponding Period 31.03.2022 RM'000
Income tax expense:				
- Current year	192	855	192	855
Foreign withholding tax	3	11	3	11
	<u>195</u>	<u>866</u>	<u>195</u>	<u>866</u>
Deferred tax expense				
- origination and reversal of temporary differences	80	914	80	914
- prior year	10	-	10	-
	<u>90</u>	<u>914</u>	<u>90</u>	<u>914</u>
Total tax expense	<u>285</u>	<u>1,780</u>	<u>285</u>	<u>1,780</u>
Effective tax rate (%)	19.1	37.5	19.1	37.5

Notes:

- (1) The Group's current quarter and year-to-date effective tax rate was lower than the statutory income tax mainly due to one of the subsidiaries, Aimflex Systems Sdn Bhd, has been granted the Pioneer Status incentives by the Malaysian Investment Development Authority under the provisions of the Promotion of Investment Act 1986 for a period of 10 years commencing on 7 February 2022.
- (2) Income tax expense is recognised based on management's estimate.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of proceeds from the IPO

(a) Based on the IPO Price, the gross proceeds arising from the Public issue amounting to RM39.09 million is intended to be utilised in the following manner:-

Details of utilisation	Proposed Utilisation	Actual Utilisation	Unutilised Amount	Estimated timeframe for utilisation upon listing
	RM'000	RM'000	RM'000	
Process and product development	4,200	4,200	-	Within 48 months
Repayment of borrowings	13,482	13,482	-	Within 12 months
Construction of new D&D centre	6,800	-	6,800	Within 84 months ⁽¹⁾
Capital expenditures	5,200	2,468	2,732	Within 84 months ⁽¹⁾
Working capital requirements	5,905	5,905	-	Within 36 months
Estimated listing expenses	3,500	3,500	-	Within 1 month
	39,087	29,555	9,532	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 21 June 2019.

⁽¹⁾ The Board of Directors has approved the extension of timeframe for the utilisation of the remaining unutilised IPO Proceeds earmarked for “Construction of new D&D centre” and “Capital expenditures” for up to 84 months from the date of listing.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

(b) Based on the Subscription Price, the gross proceeds arising from the Subscription issue amounting to RM31.02 million is intended to be utilised in the following manner:-

<u>Details of utilisation</u>	<u>Proposed Utilisation</u> RM'000	<u>Actual Utilisation</u> RM'000	<u>Unutilised Amount</u> RM'000	<u>Estimated timeframe for utilisation upon listing</u>
Business / Investment opportunities	6,000	2,115	3,885	Within 24 months
Working capital requirements	24,924	13,035	11,889	Within 24 months
Listing expenses	95	95	-	Upon completion
	<u>31,019</u>	<u>15,245</u>	<u>15,774</u>	

The utilisation of proceeds as disclosed above should be read in conjunction with the Circular of the Company dated 14 April 2022.

B8. Group borrowings and debt securities

The Group's borrowings are as follows:-

	31.03.2023 RM'000	31.12.2022 RM'000
<u>Non-current liabilities</u>		
Loan and borrowings	2,823	-
Hire purchase	228	-
	<u>3,051</u>	<u>-</u>
<u>Current liabilities</u>		
Loan and borrowings	197	-
Hire purchase	211	-
	<u>408</u>	<u>-</u>
Total borrowings	<u>3,459</u>	<u>-</u>

The Group's borrowings stated above were the existing borrowings of the two subsidiaries acquired in January 2023 (see Note A12).

B9. Material litigation

There were no material litigation involving the Group as at the end of the reporting period.

B10. Dividend proposed

No dividend has been proposed for the current financial quarter under review.

B11. Earnings per share

The basic and diluted earnings per share (“EPS”) are calculated by dividing the profit for the period attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial period as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2023	Preceding Year Corresponding Quarter 31.03.2022	Current Year-To-Date 31.03.2023	Preceding Year Corresponding Period 31.03.2022
Profit attributable to ordinary owners of the Company (RM'000)	1,017	2,943	1,017	2,943
Weighted average number of ordinary shares ('000)	1,468,945	1,224,121	1,468,945	1,224,121
Basic EPS (sen)	0.07	0.24	0.07	0.24
Diluted EPS (sen) ⁽¹⁾	0.07	0.24	0.07	0.24

Notes:

- (1) The basic and diluted EPS are the same as the exercise of the Group’s exercisable ESOS will not have material impact to the diluted EPS for the reporting period .

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B12. Disclosure on selected expense/income items as required by the Listing Requirements

Profit before tax is arrived after charging/(crediting):

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000	Current Year-To-Date 31.03.2023 RM'000	Preceding Year Corresponding Period 31.03.2022 RM'000
Depreciation of property, plant and equipment	490	420	490	420
Depreciation of right-of-use asset	70	58	70	58
Depreciation of investment properties	2	1	2	1
Interest expense	29	2	29	2
Rental expense	61	1	61	1
Share-based payment	125	335	125	335
Dividend income	-	(46)	-	(46)
Subsidies received	(5)	(4)	(5)	(4)
Loss/(Gain) on foreign exchange				
- Realised	172	(33)	172	(33)
- Unrealised	(134)	(26)	(134)	(26)
Gain on disposal of property, plant and equipment	(36)	-	(36)	-
Interest income	(336)	(4)	(336)	(4)
Rental income	(7)	(7)	(7)	(7)
(Reversal of)/Impairment losses on receivables	(69)	(280)	(69)	(280)

Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements of Bursa Securities are not applicable.