



RESERVOIR LINK ENERGY BHD

Company No. : 201401044508 (1120690-K)

(Incorporated in Malaysia)

**Interim Financial Report
For The Financial Period Ended
30 September 2024
(1st Quarter)**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024 ^(a)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
REVENUE	42,921	67,688	42,921	67,688
COST OF SALES	(36,963)	(58,383)	(36,963)	(58,383)
GROSS PROFIT	5,958	9,305	5,958	9,305
OTHER INCOME	3,781	28	3,781	28
	9,739	9,333	9,739	9,333
ADMINISTRATIVE EXPENSES	(6,292)	(4,979)	(6,292)	(4,979)
PROFIT FROM OPERATION	3,447	4,354	3,447	4,354
FINANCE COSTS	(1,880)	(571)	(1,880)	(571)
FAIR VALUE LOSSES/GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH LOSS OR PROFIT	(83)	-	(83)	-
SHARE OF RESULTS OF A JOINT VENTURE (NET OF TAX)	49	11	49	11
NET PROFIT BEFORE TAXATION	1,533	3,794	1,533	3,794
INCOME TAX EXPENSES	(403)	(1,272)	(403)	(1,272)
NET PROFIT AFTER TAXATION	1,130	2,522	1,130	2,522
OTHER COMPREHENSIVE INCOME <u>Items that will be reclassified subsequently to profit or loss</u>				
Foreign currency translation differences	(920)	108	(920)	108
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	210	2,630	210	2,630
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-				
Owners of the Group	684	1,217	684	1,217
Non-controlling interests	446	1,305	446	1,305
	1,130	2,522	1,130	2,522
TOTAL COMPREHENSIVE (LOSS)/INCOME ATTRIBUTABLE TO:-				
Owners of the Group	(89)	1,319	(89)	1,319
Non-controlling interests	299	1,311	299	1,311
	210	2,630	210	2,630
EARNING PER SHARE (SEN)				
Basic ^(b)	0.22	0.41	0.22	0.41
Diluted ^(c)	0.21	0.41	0.21	0.41

Notes:

- (a) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2024 and the accompanying explanatory notes are an integral part of this interim financial report.
- (b) Based on the weighted average number of ordinary shares outstanding during the financial period/ year under review.
- (c) Based on the weighted average number of ordinary shares adjusted on the assumption that the outstanding warrants are fully exercised and converted into ordinary shares.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024 ^(a)

	Unaudited	Audited
	As At 30.09.2024	As At 30.06.2024
	RM'000	RM'000
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	72,451	76,455
Investment properties	4,728	4,757
Investment in an associate	290	290
Right-of-use assets	157	182
Deferred tax assets	1,055	542
Joint Venture	1,183	1,134
Intangible assets	3,186	3,227
Goodwill	13,973	13,973
	<u>97,023</u>	<u>100,560</u>
CURRENT ASSETS		
Inventories	9,001	8,821
Trade receivables	38,670	42,139
Other receivables, deposits and prepayments	22,451	18,446
Amount owing by related parties	-	393
Amount owing by joint venture	2,188	869
Amount owing by associated companies	-	46
Tax recoverable	2,870	2,866
Contract Assets	35,955	33,389
Short-term investments	938	1,021
Derivatives financial	-	3
Fixed deposits with licensed banks	11,298	9,677
Cash and bank balances	8,799	13,483
	<u>132,170</u>	<u>131,153</u>
TOTAL ASSETS	<u>229,193</u>	<u>231,713</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024 ^(a)

	Unaudited	Audited
	As At 30.09.2024	As At 30.06.2024
	RM'000	RM'000
EQUITY AND LIABILITIES		
EQUITY		
Share capital	57,389	55,763
Treasury Shares	(505)	(505)
Share option reserve	319	319
Foreign exchange translation reserve	116	889
Retained profits	41,365	40,681
Contingent consideration	4,410	4,410
Merger deficit	(15,779)	(15,779)
	<u>87,315</u>	<u>85,778</u>
Non-controlling interests	9,912	7,901
TOTAL EQUITY	<u>97,227</u>	<u>93,679</u>
NON-CURRENT LIABILITIES		
Bank borrowings	32,608	37,444
Lease liabilities	1,302	1,503
Deferred tax liabilities	593	-
	<u>34,503</u>	<u>38,947</u>
CURRENT LIABILITIES		
Bank borrowings	39,798	43,437
Lease liabilities	412	312
Trade payables	38,424	41,619
Other payables and accrual	11,558	7,810
Amount owing to related parties	1,954	1,172
Amount owing to directors	1,050	502
Provision for taxation	1,686	1,919
Contract Liabilities	2,581	2,316
	<u>97,463</u>	<u>99,087</u>
TOTAL LIABILITIES	<u>131,966</u>	<u>138,034</u>
TOTAL EQUITY AND LIABILITIES	<u>229,193</u>	<u>231,713</u>
Net asset per share ^(b) (RM)	0.31	0.30

Notes:

- (a) *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 audited financial statements of the Company for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to this interim financial report.*
- (b) *Based on the Company's issued share capital of 290,445,000 ordinary shares as at the end of the financial period .*

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024 ^(a)

				Non-distributable		Distributable		Attributable to owners of the Company	Non-controlling Interest	Total
	Share Capital	Treasury Shares	Merger Deficit	Share option reserve	Foreign Exchange Translation Reserve	Contingent Consideration	Retained Profits			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Balance at 01.07.2024	55,763	(505)	(15,779)	319	889	4,410	40,681	85,778	7,901	93,679
Contributions by and distribution to owners of the Company:-										
- Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-
'- Changes in a subsidiary's ownership interests that do not result in a loss of control	-	-	-	-	-	-	-	-	1,712	1,712
- Issuance of ordinary shares via private placement	1,626	-	-	-	-	-	-	1,626	-	1,626
Total transaction with owners	1,626	-	-	-	-	-	-	1,626	1,712	3,338
Profit after taxation for the financial year	-	-	-	-	-	-	684	684	446	1,130
Other comprehensive income for the financial period:										
Foreign exchange translation difference	-	-	-	-	(773)	-	-	(773)	(147)	(920)
Balance at 30.09.2024	57,389	(505)	(15,779)	319	116	4,410	41,365	87,315	9,912	97,227

Note:

(a) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2024 ^(a)

	(Unaudited)	(Unaudited)
	Year-To-Date Ended	
	30.09.2024	30.09.2023
	RM'000	RM'000
<u>Cash Flows from/(for) operating activities</u>		
Profit before tax	1,533	3,794
<u>Adjustments for:</u>		
Amortisation of intangible assets	41	-
Depreciation of property, plant and equipment	2,338	1,070
Depreciation of investment properties	29	29
Depreciation of right-of-use assets	25	68
Finance costs	1,880	571
Loss/(gain) on disposal of property, plant and equipment	166	-
Share based payment	-	151
Interest income	(78)	(68)
Share of (profit)/ loss of joint ventures	(49)	(11)
Unrealised loss/(gain) on foreign exchange	(846)	164
	5,040	5,768
Operating (loss)/profit before working capital changes		
(Increase)/Decrease in inventories	(181)	(740)
(Increase)/Decrease in contract cost assets	2,581	(482)
(Increase)/Decrease in receivables	(3,052)	(15,041)
(Increase)/Decrease in contract assets	(6,022)	(17,951)
Increase/(Decrease) in payables	4,903	15,376
Increase/(Decrease) in associates	46	-
Increase/(Decrease) in related parties	(921)	-
Increase/(Decrease) in directors loan	548	-
(Increase)/Decrease in amount owing by joint ventures	(6)	(9)
	2,936	(13,078)
Cash (for)/from operations		
Interest paid	(1,880)	(571)
Income tax paid	(636)	(613)
Income tax refunded	101	-
	521	(14,262)
Net cash (for)/from operating activities		

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2024 ^(a)

	(Unaudited)	(Unaudited)
	Year-To-Date Ended	
	30.09.2024	30.09.2023
	RM'000	RM'000
Cash flows from/(for) investing activities		
Interest income received	78	68
Purchase of property, plant and equipment	(893)	(479)
(Increase)/Decrease in short-term investments	58	-
(Increase)/Decrease in pledged fixed deposits with licensed banks	(1,621)	(1,649)
Net cash (for)/from investing activities	(2,378)	(2,060)
Cash flows from/(for) financing activities		
Increase in non-controlling interests	1,712	-
Net drawdown/(repayment) of borrowings	(4,153)	13,073
Net proceeds from issuance of ordinary shares	1,626	7,795
Repayment of lease liabilities	(162)	(141)
Net cash from/(for) financing activities	(977)	20,727
Net decrease in cash and cash equivalents	(2,834)	4,405
Cash and cash equivalents at beginning of the financial period	7,554	1,611
Effect of foreign exchange translation	(771)	(39)
Cash and cash equivalents at end of the financial period	3,949	5,977
Cash and cash equivalents comprise the followings:		
Fixed deposits with licensed banks	11,162	8,788
Cash and bank balances	8,799	11,718
Cash and cash equivalents as reported in the Statement of Financial Position	19,961	20,506
Less: Fixed deposits with licensed banks more than 3 months	(11,162)	(8,788)
Less: Bank overdrafts	(4,850)	(5,740)
	3,949	5,977

Note:

(a) 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 audited financial statements of the Company for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to this interim financial report.

PART A : EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING**A1. Basis of Preparation**

The condensed consolidated interim financial report (“**Interim Financial Report**”) of Reservoir Link Energy Berhad (“**RLEB**” or “**the Company**”) and its subsidiaries (“**the Group**”) are unaudited and have been prepared in accordance with the requirements of MFRS 134 Interim Financial Reporting and Rule 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”).

The Interim Financial Report should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2024 and the accompanying notes attached to this Interim Financial Report.

A2. Significant Accounting Policies

The significant accounting policies adopted in the preparation of this Interim Financial Report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30 June 2024.

The Group has not adopted the amendments to following standards that had been issued by the Malaysian Accounting Standards Board (“**MASB**”) which are effective in the following financial years:

- i. Financial year beginning on or after 1 January 2025:**
 - Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates

- ii. Financial year beginning on or after 1 January 2026:**
 - Amendments to MFRS 9 and Financial Instruments: Disclosures – Amendment
MFRS 7 Amendments to the Classification and
Measurement of Financial Instruments

- iii. Financial year beginning on or after 1 January 2027:**
 - MFRS 18 Presentation and Disclosure in Financial
Statements
 - MFRS 19 Subsidiaries without Public Accountability:
Disclosures

- iv. Effective date yet to be determined:**
 - Amendments to MFRS 10 and Sale or Contribution of Assets between
MFRS 128 an Investor and its Associate or Joint Venture

A3. Auditors’ Report

The audited financial statements of the Group for the financial year ended 30 June 2024 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not affected by seasonal or cyclical factors.

A5. Material Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group during the current financial quarter under review.

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.

A7. Debt and Equity Securities

Save as disclosed in Note B6, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter and current financial period-to-date.

A8. Dividend

There was no dividend declared in the current quarter under review.

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A9. Segmental Reporting

The Group's segment information for the current quarter financial period ended 30 September 2024 is as follows:

Operating Segment	Investment holding	Oil and gas related activities	Renewable energy related and other activities	Consolidation adjustments	The Group
Revenue	RM'000 903	RM'000 26,423	RM'000 23,876	RM'000 (8,281)	RM'000 42,921
Consolidated revenue					42,921
Segment Results	(409)	1,411	2,519	(74)	3,447
Finance costs	(10)	437	(2,141)	(166)	(1,880)
Fair Value Losses On Financial Assets At Fair Value Through Profit Or Loss	(83)	-	-	-	(83)
Share of profit of equity-accounted joint ventures	-	-	-	-	49
Consolidated profit before taxation					1,533

The Group's segment information for the previous year corresponding quarter financial period ended 30 September 2023 is as follows:

Operating Segment	Investment holding	Oil and gas related activities	Renewable energy related and other activities	Consolidation adjustments	The Group
Revenue	RM'000 -	RM'000 21,569	RM'000 48,893	RM'000 (2,774)	RM'000 67,688
Consolidated revenue					67,688
Segment Results	(798)	2,284	3,452	(584)	4,354
Finance costs	(24)	(438)	(664)	555	(571)
Share of profit of equity-accounted joint ventures	-	-	-	-	11
Consolidated profit before taxation					3,794

(I) Assets as at 30 September 2024 and 2023

Segment Assets	As at 30/09/2024 RM'000	As at 30/09/2023 RM'000
Investment holding	55,221	59,178
Oil and gas related and others activities	108,286	96,315
Renewable energy related and others activities	158,932	128,029
Consolidation adjustments	(96,907)	(83,964)
Segment assets	225,532	199,558
Joint venture	3,371	2,103
Associate	290	-
Total assets	229,193	201,661

(II) Liabilities as at 30 September 2024 and 2023

Segment Liabilities	As at 30/09/2024 RM'000	As at 30/09/2023 RM'000
Investment holding	2,373	5,111
Oil and gas related and others activities	50,349	43,045
Renewable energy related and others activities	134,846	114,572
Consolidation adjustments	(55,602)	(55,111)
Segment liabilities	131,966	107,617
Total liabilities	131,966	107,617

A10. Significant Related Party Transactions

There were no significant related party transactions during the current financial quarter and current financial year-to-date.

A11. Capital Commitments

	(Unaudited) As at 30.09.2024 RM'000	(Unaudited) As at 30.09.2023 RM'000
Approved and contracted for:		
Purchase of equipment	-	7
Purchase of solar PV assets	2,513	1,335
Construction of water treatment plant	-	26,510
Investment in a company	8,244	9,384
Approved but not contracted for:		
Purchase of equipment	1,311	-

A12. Contingent Assets and Liabilities

The Group's contingent liabilities were as follow:

	(Unaudited) As at 30.09.2024 RM'000	(Unaudited) As at 30.09.2023 RM'000
Bank guarantee for performance	10,019	13,685
Bank guarantee for tenancy agreement	86	86
	10,105	13,771

There were no contingent assets of a material nature to be disclosed at the end of the financial period.

A13. Changes in Composition of the Group

There were no changes in the composition of the Group, save as disclosed below:

- (i) As announced on 23 October 2024, FGL is listed on the even date. Arising from the listing exercise, RLEB's shareholding has diluted from 51% to 41%.

A14. Significant Events after the Reporting Period

Save as disclosed in Note B5, there were no other significant events subsequent to the end of the current quarter and financial period-to-date under review that have not been reflected in this Interim Financial Report.

A15. Fair Value of Financial Liabilities

There were no significant gains or losses arising from fair value changes of the Group's financial liabilities for the current financial period under review.

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PART B : ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
B1. Review of Performance

(a) Current Quarter (“CQ”) vs Previous Year Corresponding Quarter (“PYCQ”).

	(Unaudited) Current Quarter 30.09.2024 RM'000	(Unaudited) Correspondence Quarter 30.09.2023 RM'000	Variance RM'000	Variance %
Revenue	42,921	67,688	(24,767)	(37%)
Profit before taxation (PBT)	1,533	3,794	(2,262)	(60%)

For the current financial quarter ended 30 September 2024, the Group registered revenue of RM42.9 million. The Group revenue decreased by RM24.8 million or 37% as compared to previous year corresponding quarter ended 30 September 2023.

The decreased in group revenue was mainly due to the decline in revenue from renewable energy EPCC segment by RM29.8 million. However, the revenue from both oil & gas segment and water treatment plant segment have increased by RM1.1 million and RM3.6 million respectively. In line with decreased in revenue and higher administrative expenses and finance charges, PBT decreased by RM2.3 million in CQ. It should be noted that there is an unrealised forex gain arising from USD loan amounted to RM2.1 million reported in CQ.

(b) CQ vs Previous Quarter (“PQ”).

	(Unaudited) Current Quarter 30.09.2024 RM'000	(Unaudited) Previous Quarter 30.06.2024 RM'000	Variance RM'000	Variance %
Revenue	42,921	43,020	(99)	(0.23%)
PBT	1,533	202	1,331	>100%

The Group revenue for the CQ is averagely maintained as compared to the PQ. The increase in revenue from RE EPCC segment and water treatment plant segment offset with reduction of revenue from oil & gas segment in CQ.

The Group’s PBT improved by RM1.3 million in CQ mainly due to the unrealised forex gain arising from USD loan amounted to RM2.1 million reported in CQ.

B2. Commentary on Prospects

As the energy landscape continues to shift, Reservoir Link is well-positioned to benefit from both traditional and renewable energy opportunities. Petroliaam Nasional Bhd (PETRONAS) recently released its 2024-2026 Activity Outlook, signaling an optimistic forecast for oil and gas activities and calling for increased collaboration with OGSE (Oil & Gas Service and Equipment) providers. This is expected to create significant opportunities for the Group, particularly in exploration, development, production, and decommissioning. Notably, PETRONAS plans to decommission about 130 wells and approximately 50 facilities over the next three years, presenting Reservoir Link with potential contracts for decommissioning services, a crucial area as the industry emphasizes environmental responsibility and safety.

Recently, PETRONAS, through Malaysia Petroleum Management (MPM), announced initiatives aimed at bolstering the robustness of the local oil and gas sector, namely the introduction of the Integrated Well Continuity Services (IWCS) contract. The implementation of IWCS adopts a comprehensive contracting strategy, segmenting the work into four primary packages and 13 sub-packages covering critical areas such as well interventions, well abandonment and workover, as well as subsea intervention services. 34 qualified panel contractors including Reservoir Link were selected to deliver the work. This new approach is expected to foster equitable and effective collaboration in engineering projects for wells. This contract is expected to provide a stable revenue stream for the company and to expand our offerings in well management, continuity services, and maintenance, solidifying its role in supporting Malaysia's energy demand through advanced well solutions.

In the renewable energy sector, Malaysia's Renewable Energy Roadmap (MyRER) and National Energy Transition Roadmap (NETR) outline the country's strategic shift toward sustainable energy. With ambitious targets set by the government, 31% renewable energy by 2025 and 40% by 2035, eventually aiming for 70% by 2050. The NETR, introduced in July 2023, also supports smart grid integration, energy efficiency, and electric vehicle adoption, aiming to reduce Malaysia's carbon footprint by 2030. Reservoir Link's involvement in the renewable energy space aligns with these goals, particularly as the company has been selected, alongside Sumitomo Corporation and Maqo Engineering, as a solar power producer under the Corporate Green Power Programme (CGPP). This project will likely open new avenues for Reservoir Link in sustainable energy.

Further enhancing its renewable energy portfolio, Reservoir Link could benefit from Malaysia's fifth Large Scale Solar (LSS) competitive bidding process, known as 'LSS PETRA,' which offers 2,000 MW of capacity thus the Group may expanded solar capacity, bolstering its revenue stream.

On 23 October 2024, Reservoir Link's 51%-owned subsidiary, Founder Group Limited (FGL), successfully listed on NASDAQ. Following the listing, Reservoir Link's shareholding in FGL reduced to approximately 45%, making FGL an associate company to the Group. Nevertheless, this strategic NASDAQ listing is expected to enhance FGL's access to capital and broaden its investor base, supporting its expansion and growth trajectory in the solar renewable energy sector. While the Group will equity account for the FGL's financial results moving forward, it is well-positioned to benefit from FGL's growth, leveraging on the increased corporate visibility and financial flexibility that the NASDAQ listing brings.

In FY2025, the Group remains committed to pursuing new tenders in both the oil & gas and renewable energy sectors. The company is poised to leverage its established expertise in OGSE while expanding into clean energy, reinforcing its resilience in an evolving industry. By cautiously implementing business strategies that align with market trends, the Group aims to achieve sustained growth and deliver satisfactory financial performance for the year.

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B3. Profit Forecast

The Group does not issue any profit forecast during the current financial quarter under review.

B4. Income Tax Expenses

	Individual Quarter		Cumulative Quarter	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Current Quarter Ended	Corresponding Quarter Ended	Current Year To Date	Corresponding Year To Date
	3 months	3 months	3 months	3 months
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Income tax	323	891	323	891
Deferred tax	80	381	80	381
	403	1,272	403	1,272
Effective tax rate (“ETR”) ^(a)	26.3%	33.5%	26.3%	33.5%

Notes:

- (a) The ETR is computed by dividing tax expense by PBT for the financial period. The ETR of the Group for the current period and year-to-date were higher than the statutory tax rate was mainly due to certain expenses or losses being disallowed for tax purposes, as well as non-availability of Group tax relief in respect of losses incurred by certain subsidiary companies.

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B5. Status of Corporate Proposals**(1) Proposed Acquisition**

- (i) As announced on 31 January 2023, the Company wholly-owned subsidiary, Skyline Energy Sdn Bhd (“**SESB**”) entered into a Term Sheet (“**TS**”) for the acquisition of 90% equity interest in PT Eco Power Engineering (“**EPE**”), a company incorporated in Indonesia. The completion of the proposed acquisition is subject to various conditions precedent. For further details please refer to the announcement.

(2) Proposed Private Placement

As announced on 25 May 2023, the Company proposed private placement of up to 86,713,500 new ordinary shares in RLEB, representing not more than 30% of the total number of issued shares of the Company.

As announced on 2 August 2023, RLEB has completed the first tranche of the Private Placement following the listing of and quotation for 11,511,000 placement Shares on the Main Market of Bursa Malaysia Securities Berhad.

As announced on 29 September 2023, RLEB has completed the second tranche of the Private Placement following the listing and quotation for 14,867,000 Placement Shares on the Main Market of Bursa Malaysia Securities Berhad.

As announced on 9 November 2023, RLEB has obtained the approval from Bursa Securities for the extension of time up to 7 May 2024 to complete the Private Placement.

As announced on 18 April 2024, RLEB has obtained the approval from Bursa Securities for the extension of time up to 7 November 2024 to complete the Private Placement.

As announced on 30 July 2024, RLEB has completed the third tranche of the Private Placement following the listing and quotation for 5,330,000 Placement Shares on the Main Market of Bursa Malaysia Securities Berhad.

As announced on 1 November 2024, the extended timeframe to implement the Private Placement will lapse on 7 November 2024 and RLEB will not seek further extension to implement the Private Placement

(3) Proposed Employees’ Share Option Scheme

As announced on 26 May 2023, the Company offer and grant option under Employees’ Share Option Scheme (“**ESOS**”) to the eligible persons. The ESOS was granted on 3 August 2023 and the number of shares accepted are 4,934,700 options at the Exercise Price of RM0.2756 per unit.

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B7. Bank Borrowings

	Unaudited	
	As at 30.09.2024	As at 30.06.2024
	RM'000	RM'000
<u>Secured</u>		
Current liabilities:		
Bankers' acceptances	2,229	8,359
Bank overdrafts	4,850	5,929
Credit card	29	45
Factoring payables	2,088	2,523
Invoice financing	20,904	17,193
Revolving Credit	1,856	2,057
Share margin financing	1,050	1,050
Term loans	6,791	6,281
	39,798	43,437
Non-current liability:		
Term loans	32,608	37,444
Total	72,405	80,881

B8. Material Litigation

The Group has no material litigation as at the date of this interim financial report.

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B9. Earnings per Share “(EPS)”

(a) Basic	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM	RM	RM	RM
Profit after taxation attributable to owners of the Company (RM'000)	684	1,217	684	1,217
Weighted average number of ordinary shares in issue ('000)	315,481	296,875	315,481	296,875
Basic EPS attributable to equity holders of the Company (sen) ^(a)	0.22	0.41	0.22	0.41
(b) Diluted	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM	RM	RM	RM
Profit after taxation attributable to owners of the Company (RM'000)	684	1,217	684	1,217
Weighted average number of ordinary shares in issue ('000)	315,481	296,875	315,481	296,875
Number of potential shares to be issued ('000) arising from the exercise of ESOS.	4,784	-	4,784	-
Diluted EPS (sen) (b)	0.21	0.41	0.21	0.41

Notes:

- (a) *The basic (LPS)/EPS is computed based on profit attributable to the owners of the Company and a weighted average number of ordinary shares issued during the period under review.*
- (b) *The diluted LPS is computed based on profit attributable to the owners of the Company and a weighted average number of ordinary shares issued that have been adjusted for the dilutive effects of all potential ordinary shares.*

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B10. Profit Before Tax

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited)		(Unaudited)	
	3 months ended		3 months ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):				
Auditors' remuneration				
- current year	39	-	39	-
Depreciation of property, plant and equipment	2,338	1,070	2,338	1,070
Amortisation of intangible assets	41	-	41	-
Depreciation of investment properties	29	29	29	29
Depreciation of right-of-use assets	25	68	25	68
Loss on disposal of property, plant and equipment	166	-	166	-
Interest expenses	1,880	571	1,880	571
Interest income	(78)	(68)	(78)	(68)
Realised (gain)/loss on foreign exchange	(1,362)	100	(1,362)	100
Short term lease expenses	641	868	641	868
Rental income	(64)	(40)	(64)	(40)
Unrealised (gain)/loss on foreign exchange	(846)	164	(846)	164

B11. Derivative Financial Instruments

The Group has entered into derivatives agreement as at the date of this Interim Financial Report.

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