



SAMAIDEN GROUP BERHAD

*(Registration No.: 201901037874 (1347204-V))
(Incorporated in Malaysia under the Companies Act 2016)*

**INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER
2023**

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UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2023⁽¹⁾

	Individual Quarter		Cumulative 3 months	
	Current Quarter 30.09.23 RM'000	Preceding Year Quarter 30.09.22 RM'000	Current Year To Date 30.09.23 RM'000	Preceding Year To Date 30.09.22 RM'000
Revenue	46,155	40,766	46,155	40,766
Cost of sales	(39,440)	(35,112)	(39,440)	(35,112)
Gross profit	6,715	5,654	6,715	5,654
Other income	746	336	746	336
Administrative expenses	(3,171)	(2,381)	(3,171)	(2,381)
Operating profit	4,290	3,609	4,290	3,609
Finance costs	(344)	(326)	(344)	(326)
Profit before taxation	3,946	3,283	3,946	3,283
Income tax expense	(984)	(841)	(984)	(841)
Profit after taxation	2,962	2,442	2,962	2,442
Other comprehensive income:-				
- Exchange differences on translation of foreign operations	-	-	-	-
Total comprehensive income for the financial period	2,962	2,442	2,962	2,442
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-				
Owners of the Company	2,962	2,443	2,962	2,443
Non-controlling interests	-	(1)	-	(1)
	2,962	2,442	2,962	2,442
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
Owners of the Company	2,963	2,443	2,963	2,443
Non-controlling interests	-	(1)	-	(1)
	2,963	2,442	2,963	2,442
Earnings per share attributable to owners of the Company:-				
- Basic (Sen) (Note B11)	0.76	0.63	0.76	0.63
- Diluted (Sen) (Note B11)	0.65	0.63	0.65	0.63

Note:-

- (1) The basis of preparation of the Unaudited Consolidated Statements of Profit or Loss and Other Comprehensive Income 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 2023 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023⁽¹⁾

	Unaudited As at 30.09.23 RM'000	Audited As at 30.06.23 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	3,416	3,362
Right-of-use asset	2,837	3,017
Deferred tax assets	263	263
Total non-current assets	6,516	6,642
Current Assets		
Inventories	444	509
Trade receivables	54,701	30,511
Other receivables, deposits and prepayments	3,791	6,712
Contract assets	33,119	41,900
Tax recoverable	48	44
Short-term investments	58,334	60,799
Fixed deposit with licensed banks	3,764	6,334
Cash and bank balances	29,782	41,055
Total current assets	183,983	187,864
TOTAL ASSETS	190,499	194,506
EQUITY AND LIABILITIES		
Equity		
Share capital	77,054	62,612
Foreign currency translation reserve	1	1
Merger deficit	(6,412)	(6,412)
Retained profits	42,517	41,592
Equity attributable to owners of the Company	113,160	97,793
Non-controlling interests	140	140
TOTAL EQUITY	113,300	97,933
Non-Current Liabilities		
Lease liabilities	2,189	2,432
Borrowings	1,909	1,926
Total Non-Current Liabilities	4,098	4,358
Current Liabilities		
Trade payables	55,365	69,470
Contract liabilities	5,383	15,980
Other payables and accruals	1,246	1,169
Lease liabilities	682	691
Borrowings	9,984	4,526
Current tax liabilities	441	379
Total Current Liabilities	73,101	92,215
TOTAL LIABILITIES	77,199	96,573
TOTAL EQUITY AND LIABILITIES	190,499	194,506

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023⁽¹⁾ (CONT'D)

	Unaudited As at 30.09.23 RM'000	Audited As at 30.06.23 RM'000
Number of issued shares ('000)	407,449	387,390
Net assets per ordinary share attributable to owners of the Company (Sen)	<u>27.77</u>	<u>25.24</u>

Note:-

- (1) The basis of preparation of the Unaudited Consolidated Statements 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 2023 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2023⁽¹⁾

	<--- Non-Distributable --->			Distributable			
	Share Capital RM'000	Foreign Currency Translation RM'000	Merger Deficit RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non- controlling interests RM'000	Total Equity RM'000
At 01.07.23	62,612	1	(6,412)	41,592	97,793	140	97,933
Profit after taxation for the financial period	-	-	-	2,962	2,962	-	2,962
Other comprehensive income for the financial period	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	2,962	2,962	-	2,962
Transactions with owners:-							
- Issuance of shares pursuant to warrants exercised	14,442	-	-	-	14,442	-	14,442
- Dividend paid	-	-	-	(2,037)	(2,037)	-	(2,037)
At 30.09.23	77,054	1	(6,412)	42,517	113,160	140	113,300

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2023⁽¹⁾ (CONT'D)

	<--- Non-Distributable --->			Distributable			Total Equity RM'000
	Share Capital RM'000	Foreign Currency Translation Reserve RM'000	Merger Deficit RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non- controlling interests RM'000	
At 01.07.22	60,895	1	(6,412)	31,513	85,997	168	86,165
Profit after taxation for the financial period	-	-	-	2,443	2,443	(1)	2,442
Other comprehensive income for the financial period	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	2,443	2,443	(1)	2,442
At 30.09.22	60,895	1	(6,412)	33,956	88,440	167	88,607

Note:-

- (1) The basis of preparation of the Unaudited Consolidated Statements of Changes in Equity 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 2023 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2023⁽¹⁾

	Current Year To Date 30.09.23 RM'000	Preceding Year To Date 30.09.22 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,946	3,283
Adjustments for:-		
Depreciation of property, plant and equipment	75	62
Amortisation of right-of-use asset	180	166
Interest expense	344	326
Interest income	(488)	(286)
Fair value gain on short-term investments	(236)	(50)
Unrealised gain on foreign exchange	(150)	-
Operating profit before working capital changes	<u>3,671</u>	<u>3,501</u>
Decrease in inventories	65	275
Increase in trade and other receivables	(21,266)	(6,811)
Decrease in contract assets	8,781	8,615
Decrease in trade and other payables	(14,068)	(23,301)
(Decrease)/Increase in contract liabilities	<u>(10,597)</u>	<u>8,147</u>
CASH FROM OPERATIONS	<u>(33,414)</u>	<u>(9,574)</u>
Income tax paid	<u>(926)</u>	<u>(1,434)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>(34,340)</u>	<u>(11,008)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Interest received	488	286
Fair value gain on short-term investments	236	50
Acquisition of property, plant and equipment	(129)	(112)
Increase in short-term investments	(35)	(4,028)
Decrease in fixed deposit pledged with licensed banks	<u>2,570</u>	<u>104</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>3,130</u>	<u>(3,700)</u>
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES		
Net repayment of term loans	(30)	(11)
Proceed from warrants conversion	14,442	-
Net repayment of lease liabilities	(252)	(151)
Net drawdown of bankers acceptance	6,471	8,651
Repayment of revolving credit	(1,000)	-
Interest paid	(344)	(326)
Dividend paid	<u>(2,037)</u>	<u>-</u>
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	<u>17,250</u>	<u>8,163</u>

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2023⁽¹⁾ (CONT'D)

	Current Year To Date 30.09.23 RM'000	Preceding Year To Date 30.09.22 RM'000
Net Decrease In Cash and Cash Equivalents	(13,960)	(6,545)
Effect of foreign exchange differences	187	-
Cash and Cash Equivalents at the Beginning of the Financial Period	96,621	69,008
Cash and Cash Equivalents at the End of the Financial Period	<u>82,848</u>	<u>62,463</u>
<u>Cash and Cash Equivalents comprises:-</u>		
Fixed deposit with licensed banks	3,764	6,184
Cash and bank balances	29,782	33,455
Money market funds, at fair value	<u>53,066</u>	<u>29,008</u>
	86,612	68,647
Less : Fixed deposit pledged to licensed banks	<u>(3,764)</u>	<u>(6,184)</u>
	<u>82,848</u>	<u>62,463</u>

Note:-

- (1) The basis of preparation of the Unaudited Consolidated Statements 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 2023 and the accompanying explanatory notes attached to this interim financial report.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2023

A1. Basis of Preparation

The interim financial report of Samaiden Group Berhad and its subsidiaries (the “**Group**”) is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“**MFRS**”) 134, Interim Financial Reporting, International Financial Reporting Standards (“**IFRS**”) 34, Interim Financial Reporting and Rule 9.22 of the Main Market Listing Requirements (“**Listing Requirements**”).

This interim financial report should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those as disclosed in the audited financial statements of the Company for the financial year ended 30 June 2023. The Group has adopted the following standards, amendments and interpretations that have become effective in current financial period:-

MFRSs and/or IC Interpretations (including the Consequential Amendments)

- MFRS 17 : Insurance Contracts
- Amendments to MFRS 17 : Insurance Contracts
- Amendments to MFRS 17 : Initial Application of MFRS 17 & MFRS 9 – Comparative Information
- 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 112: International Tax Reform – Pillar Two Model Rules

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial performance and position of the Group upon their initial application.

The Group has not applied in advance the following Malaysian Financial Reporting Standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“**MASB**”) but are not yet effective for the current financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of liabilities as current or non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2023 (CONT'D)**A2. Changes in Accounting Policies (cont'd)**

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) is not expected to have a material impact on the financial statements of the Group upon their initial application.

A3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Group for the financial year ended 30 June 2023.

A4. Seasonal or Cyclical Factors

The business operations of the Group during the current financial quarter under review were not materially affected by any seasonal or cyclical factors.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items for the current financial quarter under review.

A6. Changes in Estimates

There were no material changes in estimates for the current financial quarter under review.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2023 (CONT'D)

A7. Debt and Equity Securities

There were no significant issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial quarter under review except for the following:-

During the financial period to-date, there was an issuance of 20,059,230 new ordinary shares pursuant to the conversion of Warrants 2021/2026 at an exercise price of RM0.72 per ordinary share for a total cash consideration of RM14,442,645.

A8. Dividends Paid

Dividends paid during the three months ended 30 September 2023 are as follows:

	RM'000
A first interim single-tier dividend of 0.5 sen per ordinary share paid on 16 October 2023 in respect of the financial year ended 30 June 2023	<u>2,037</u>

A9. Segmental Reporting

The Group's operating segments are classified according to the nature of activities as follows:-

Engineering, procurement, construction and commissioning ("EPCC") of solar energy solution	:	Provision of services related to renewable energy and environmental sector.
Solar Photovoltaic ("PV") Investment	:	Sale of electricity generated through own solar photovoltaic facility.

30 September 2023	EPCC RM'000	Solar PV Investment RM'000	Elimination RM'000	Consolidated RM'000
Revenue				
External	46,108	47	-	46,155
Inter-segment	<u>166</u>	<u>-</u>	<u>(166)</u>	<u>-</u>
Total Revenue	<u>46,274</u>	<u>47</u>	<u>(166)</u>	<u>46,155</u>
Results				
Profits from operation				4,290
Finance costs				<u>(344)</u>
Profit before tax				<u>3,946</u>

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2023 (CONT'D)

A10. Significant Events Subsequent to the End of the Interim Financial Period

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

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial period under review, except for the followings:-

On 6 July 2023, Samaiden Capital Management Sdn. Bhd., a wholly-owned subsidiary of the Company has incorporated a wholly-owned company, named Samaiden Biomass Energy Sdn. Bhd. It intends to undertake operation of generation facilities that produce electric energy.

A12. Fair Value of Financial Liabilities

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

A13. Capital Commitments

The Group does not have any material capital commitments during the current financial period under review.

A14. Contingent Assets and Contingent Liabilities

Contingent Assets

The Group has no contingent assets as at the date of this report.

Contingent Liabilities

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	30.09.23
	RM'000
(i) Guarantees for contracts in favour of prospective and existing customers	38,624
(ii) Guarantees for letter of credits issued in favour of existing suppliers	19,215
	<hr/>

A15. Related Party Transactions

There are no transactions entered with related parties of the Group during the current financial period under review.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. Review of Group Performance

Comparison between current and cumulative quarter compared with preceding year corresponding quarter

The Group recorded revenue of RM46.16 million for the current quarter compared to RM40.77 million in the preceding year's corresponding quarter. The increase was due to higher work progress for ongoing projects in the current quarter.

The Group achieved profit before taxation ("PBT") of RM3.95 million for the current quarter compared to RM3.28 million in the preceding year's corresponding quarter. The increase is in tandem with the increase in revenue recorded in the current quarter.

B2. Comparison with Immediate Preceding Quarter Results

	Current Quarter 30.09.23 RM'000	Preceding Quarter 30.06.23 RM'000
Revenue	46,155	45,242
PBT	3,946	3,915

PBT is marginally higher in the current quarter as compared to immediate preceding quarter, and this is in tandem with the increase in revenue recorded for the current quarter.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B3. Prospects**

The government of Malaysia (“Government”) is working towards increasing the use of RE resources, including mini-hydro, biomass, biogas and solar as an initiative to reduce carbon dioxide (“CO₂”) emission. Variety of national initiatives has been undertaken to reduce greenhouse gases by 45% by 2030 and achieve net-zero by 2050.

A significant move transpired on 9 May 2023, when the government lifted the ban on energy exports, marking a crucial step toward boosting the renewable energy industry. This action not only accelerates the growth of renewable energy but also positions Malaysia as a regional clean energy hub, shaping the nation's role in the energy trade sector. To further moving towards a low-carbon and sustainable future via cross-border electricity trading, an energy exchange platform is projected to launch by end of this year to facilitate this objective. Notwithstanding, , government has revised the country's 2050 renewable energy mixed target from 40% to an ambitious 70%, demonstrating their commitment to a mitigate climate change issue and to pursue net-zero goal.

On 23 June 2023, Malaysia introduced changes to ICPT charges. For Tariff A residential customers consuming over 1,500 kWh monthly, a new RM0.10/kWh ICPT surcharge applies. Meanwhile, the ICPT surcharge for Commercial and Industrial (Non-MSMEs) customers reduced to RM0.17/kWh, from RM0.20/kWh, effective from 1 July 2023. Simultaneously, the conditions for the Net Energy Metering (NEM) and Self-Consumption for Solar Photovoltaic Installation (SelCo) programs have been relaxed. This includes the removal of the per-home capacity limit, along with an increase in the capacity limit for allowed PV solar systems under the NEM NOVA and SelCo programs from 75% to 85%. Notably, the SelCo program is now open to high-voltage (HV) applicants and participants, further promoting the utilisation of clean energy solutions.

To promote the adoption of green technology and align with the nation's net-zero goal, the government is taking several measures. Amongst others, the enhancement of the Green Technology Financing Scheme (GTFS) is notable, involving an increase in the guaranteed value to RM3 billion until 2025 and expanding its scope to cover the electric vehicle (EV) sector with a guarantee limit of up to 60%. In a parallel effort, Bank Negara Malaysia is offering RM1 billion in soft loans to bolster innovative start-ups through the High Technology and Green Facility, along with RM1 billion through the Low Carbon Transition Facility to support small and medium-sized enterprises (SMEs). Furthermore, Khazanah Nasional Bhd is allocating RM150 million under its Impact Fund to incentivise the development of environmentally friendly projects. This includes initiatives related to the carbon market and the restoration of degraded forests.

Additionally, the Ministry of Natural Resources, Environment and Climate Change (“NRECC”) has unveiled National Energy Transition Roadmap (“NETR”) which included 10 flagship catalyst projects. It goes beyond interim measures to achieve net-zero emissions, presenting a blend of strategies and initiatives with the potential to reshape our economy, lifestyles, and global positioning. The NETR is a catalyst for economic transformation, facilitating environmentally and economically beneficial ventures. It was introduced with 10 broad-ranging initiatives that will drive investments ranging from RM435 billion to RM1.85 trillion by 2050, aiming to bolster our economic prospects and sustainability efforts.

In the latest Budget 2024, the Malaysian government has announced RM2 billion to support the National Energy Transition Roadmap (NETR) and promote the transition to a low-carbon economy. Additionally, financial institutions have pledged RM200 billion in financing to facilitate this green transition. A set of incentives has been introduced aimed at accelerating the adoption of electric vehicles (EVs) and the installation of residential solar panels. The Net Energy Metering (NEM) program's offer period has been extended until 31 December 2024.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B3. Prospects (cont'd)**

The government is actively developing a "buy-back" program for solar panels and encouraging companies to provide solar subscription programs with zero upfront costs for consumers. Also, it is extending existing tax incentives to further promote EV adoption. These incentives encompass an income tax relief of up to RM2,500 for EV charger rental, purchase, and installation for individuals, while companies can benefit from tax deductions on EV rentals. Both of these incentives will be extended until 2027.

Apart from that, Environmental, Social and Governance ("ESG") drive is being actively endorsed by the Government to ensure sustainable development in Malaysia. In line with this, the released of New Industrial Manufacturing Plan (NIMP) 2030 on 1 September 2023 aims to enhance the ESG practises among manufacturing sector presents opportunities for renewable energy players to offer their services and solutions to the manufacturing firms, particularly those from ESG-conscious companies. This advocacy has sparked a growing interest in green energy, driven by its dual benefits of cost reduction and environmental responsibility. We have observed a rising number of companies within the private sector adopting green energy systems as part of their commitment to ESG principles.

We firmly believe that these initiatives hold the potential to inspire the relevant sectors to embrace green energy solutions. These efforts present us with a unique opportunity to offer comprehensive and tailored solutions in the realm of clean energy. Our dedication to harnessing our core competencies and extensive experience in providing end-to-end services for clean energy projects empowers us to consistently address the evolving needs of our clients while leaving a positive environmental imprint. Overall, the prospects for the renewable energy sector remain optimistic, buoyed by the unwavering support and commitments from the Government.

The Group's total outstanding orderbook stood at RM350.7 million as at 30 September 2023 and is expected to contribute positively to the Group's revenue and profit over the next three years.

Barring any unforeseen circumstances, the Board is cautiously optimistic that the Group's performance will remain satisfactory for the remaining period to the end of the financial year ending 30 June 2024.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B4. Profit Forecast and Profit Guarantee

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

B5. Income Tax Expense

The breakdown of income tax expense are as follows:-

	Individual Quarter		Cumulative 3 months	
	Current Quarter 30.09.23 RM'000	Preceding Year Quarter 30.09.22 RM'000	Current Year To Date 30.09.23 RM'000	Preceding Year To Date 30.09.22 RM'000
Income tax:-				
- Current year	984	841	984	841
- Prior year	-	-	-	-
Deferred tax	-	-	-	-
	<u>984</u>	<u>841</u>	<u>984</u>	<u>841</u>
Effective tax rate ⁽¹⁾	<u>24.9%</u>	<u>25.6%</u>	<u>24.9%</u>	<u>25.6%</u>

Note:-

(1) The Group's effective tax rate for the current year to date is higher than the statutory tax rate of 24.0% mainly due to non-tax deductible expenses.

B6. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of Proceeds Raised from IPO

The Company completed its IPO exercise on 15 October 2020 which raised gross proceeds of RM29.35 million. The status of the utilisation of the IPO proceeds as at 30 September 2023 are as follows:-

No.	Details of utilisation	IPO proceeds raised RM'000	Re- allocation RM'000	Amount utilised RM'000	Balance to be utilised RM'000	Original timeframe for utilisation (from the listing date on 15 October 2020)	Revised timeframe for utilisation (from the listing date on 15 October 2020)	Deviation from proposed utilisation	
								RM'000	%
1.	Purchase of corporate office	7,000	(7,000)	-	-	Within 24 months	-	N/A	N/A
2.	Business expansion and marketing activities	2,540	-	(690)	1,850	Within 24 months	Within 48 months	N/A	N/A
3.	Capital expenditure	1,168	-	(212)	956	Within 24 months	Within 48 months	N/A	N/A
4.	Working capital	15,446	7,000	(22,446)	-	Within 30 months	Within 48 months	N/A	N/A
5.	Estimated listing expenses	3,200	-	(3,200)	-	Within 3 months	-	-	-
Total		29,354	-	(26,548)	2,806				

The utilisation of proceeds and their re-allocation and revised timeframe for utilisation as disclosed above should be read in conjunction with the Prospectus of the Company dated 28 September 2020 and the Company's announcement dated 30 August 2022 pertaining to the variation and extension of time of the utilisation of IPO proceeds.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of Proceeds Raised from the Private Placement

The status of the utilisation of proceeds raised from the private placement as at 30 September 2023 are as follows:-

No.	Purpose	Proposed utilisation RM'000	Amount utilised RM'000	Balance to be utilised RM'000	Intended timeframe for utilisation (from the listing date on 25 February 2022 of placement shares)	Deviation from proposed utilisation	
						RM'000	%
1.	Finance/Part finance investment in RE assets	24,805	(1,691)	23,114	Within 30 months	N/A	N/A
2.	Estimated expenses in relation to the Private Placement	500	(500)	-	Within 3 months	N/A	N/A
Total		25,305	(2,191)	23,114			

The utilisation of the proceeds as disclosed above should be read together with the announcement made by the Company dated 25 October 2021 in relation to the Private Placement, as well as Company's announcement dated 25 February 2022 pertaining to the completion of the Private Placement.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. Group Borrowings

The Group's borrowings as at 30 September 2023 are as follows:-

	< ----- As at 30.09.23 ----- >		
	Payable within 12 months RM'000	Payable after 12 months RM'000	Total RM'000
Lease Liabilities	682	2,189	2,871
Bankers Acceptances	9,865	-	9,865
Term Loans	119	1,909	2,028
Total	10,666	4,098	14,764

Included in lease liabilities is an amount of RM2,495,716 which is recognised pursuant to MFRS 16 Leases in relation to rented premises and hence it is unsecured. All the other borrowings are secured and denominated in Ringgit Malaysia.

B9. Material Litigation

As at the date of this report, save as disclosed below, the Group is not engaged in any material litigation:-

**1. In the High Court of Kuala Lumpur
Summons No. WA-22C-74-10/2021
Q Horizon Sdn Bhd v Samaiden Sdn Bhd**

Q Horizon Sdn Bhd (**'the Plaintiff'**) and Samaiden Sdn Bhd (**'the Defendant'**) had entered into a Contract dated 3 May 2021, whereby the Defendant had appointed the Plaintiff as the sub-contractor for the Project known as *"The development of a 100MWAC large scale solar photovoltaic plant over the land held under PN257319, Lot 9089, Mukim Beriah, Daerah Kerian, Negeri Perak"* (**'said Project'**) for the works *"Appointment of Sub-Contractor works for Part WP3 – Piling, Mechanical & Photovoltaic (PV) Installation Works"*.

The Plaintiff filed a Statement of Claim at the High Court on 18 October 2021. The Plaintiff's claim against the Defendant is in relation to the purported final claim sum of RM1,224,131.04 for the said Project.

The Defendant filed a counter claim against the Plaintiff on 26 October 2021 in the total sum of RM944,222.08 which essentially includes the following:

- (i) advance payment made on behalf of the Plaintiff in the execution of the said Project;
- (ii) payment to the third-party contractor subsequent to the termination of the service of the Plaintiff to rectify the outstanding defective works for the Project; and
- (iii) damage of equipment charges.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B9. Material Litigation (cont'd)****1. In the High Court of Kuala Lumpur
Summons No. WA-22C-74-10/2021
Q Horizon Sdn Bhd v Samaiden Sdn Bhd (cont'd)**

The Parties went through mediation to settle the matter out of court but to no avail. During case management on 9 September 2022, the Court has scheduled the trial dates on 2, 3, 10, 23, 24 February 2023. The Court has further scheduled a case management on 31 January 2023.

On 31 January 2023, Court had vacated trial dates set for 2 February 2023 and 3 February 2023 and first day of trial is fixed on 10 February 2023. The Court had further scheduled additional trial dates on 10 July 2023, 31 July 2023, 1 August 2023, 11 August 2023, 25 August 2023, 31 October 2023, 23 November 2023 and 30 November 2023.

B9. Material Litigation (cont'd)

2. Payment Claim Pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2021 (hereinafter referred to as “CIPAA”) from Samaiden Sdn Bhd (“SSB”) against Ditrolic Sdn Bhd (“Ditrolic”) and Notices of Arbitration served by Ditrolic against SSB

By the following (hereinafter referred to as the “**Sub-Contract**”), Ditrolic appointed SSB as its sub-contractor for Work Packages No.3 (“WP3”) and Work Packages No.4 (“WP4”) in relation to the Project known as “*The development of a 100MWAC large scale solar photovoltaic plant over the land held under PN257319, Lot 9089, Mukim Beriah, Daerah Kerian, Negeri Perak*” (“**said Project**”).

SSB had issued the following payment claims for the Project to Ditrolic pursuant to the CIPAA to claim for outstanding payments premised on works carried out by SSB. SSB had on 8 February 2023 received 2 Notices of Arbitration from Ditrolic in connection with WP3 and WP4 for the said Project, the details of which are as follow:

Adjudication (CIPAA Claims)			Arbitration
Work Package	Amount of unpaid claim (excluding costs and interest)	Present Status of CIPAA	Claims by Ditrolic against SSB
WP3 No.1	RM2,539,141	<p>On 19 December 2022, the adjudicator had decided for a sum of RM2,677,990 together with late payment interests, adjudication and legal costs (less back charges of RM4,825 claimed by Ditrolic) to be paid by Ditrolic to SSB on or before 3 January 2023.</p> <p>Following the conclusion of adjudication, no payment had been received by SSB from Ditrolic.</p> <p>On 6 January 2023, SSB had filed Enforcement Application by applying to the High Court for an order to enforce the adjudication decision as if it is a judgement or order of the High Court.</p> <p>Ditrolic, on the other hand, had applied to the High Court to set aside the adjudication decision and for a stay of the adjudication decision.</p>	<p>On 8 February 2023, SSB received a Notice of Arbitration - WP3 from Ditrolic for an estimated claim of RM8,119,482 for the entire WP3, which entails the payment made on behalf of SSB and demand of liquidated damages for the WP3.</p> <p>On 10 March 2023, SSB had proposed its arbitrators in response to the Notice of Arbitration received. In the response, SSB had notified Ditrolic of SSB’s counterclaim of RM10,336,339 for amongst others, the work carried out and completed by SSB in WP3.</p> <p>However, due to the non-action of Ditrolic in proceeding with the arbitration proceedings, SSB had on 19 June 2023, issued a fresh notice of arbitration to DSB amounting to RM10,552,704.</p>

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material Litigation (cont'd).

2. Payment Claim Pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2021 (hereinafter referred to as "CIPAA") from Samaiden Sdn Bhd ("SSB") against Ditrolic Sdn Bhd ("Ditrolic") and Notices of Arbitration served by Ditrolic against SSB (cont'd)

Adjudication (CIPAA Claims)			Arbitration
Work Package	Amount of unpaid claim (excluding costs and interest)	Present Status of CIPAA	Claims by Ditrolic against SSB
WP3 No.1 (Cont'd)	RM2,539,141	<p>The High Court had directed Setting Aside Application and Stay Application to be heard together with the Enforcement Application.</p> <p>On 11 October 2023, the High Court had made the following decisions:</p> <p>(a) that SSB's enforcement application plus interest on the net adjudicated sum of RM2,677.990 was allowed with the costs of RM3,000; and</p> <p>(b) Ditrolic's setting aside application was dismissed with the costs of RM5,000.</p> <p>(c) Ditrolic's stay of execution application was dismissed with the costs of RM5,000.</p> <p>Accordingly, SSB will be entitled to an additional total cost of RM13,000, and the final adjudicated sum of RM2,677,990 plus interest from Ditrolic.</p>	<p>The parties decided to consolidate the arbitration proceedings for WP3 and WP4.</p> <p>An arbitrator has been appointed and first preliminary meeting was held on 21 November 2023.</p>

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material Litigation (cont'd).

2. Payment Claim Pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2021 (hereinafter referred to as "CIPAA") from Samaiden Sdn Bhd ("SSB") against Ditrolic Sdn Bhd ("Ditrolic") and Notices of Arbitration served by Ditrolic against SSB (cont'd)

Adjudication (CIPAA Claims)			Arbitration
Work Package	Amount of unpaid claim (excluding costs and interest)	Present Status of CIPAA	Claims by Ditrolic against SSB
WP3 No.1 (Cont'd)	RM2,539,141	<p>On 10 November 2023, Ditrolic had filed a Notice of Appeal against the decision on the Enforcement, Stay and Setting Aside applications which dated on 11 October 2023.</p> <p><u>Section 30</u> Due to non-payment from Ditrolic, on 17 February 2023, SSB had filed an application against Kerian Solar Sdn Bhd ("Kerian Solar"), being the principal of Ditrolic or project owner to request for direct payment based on the adjudication decision pursuant to Section 30 of CIPAA.</p> <p>On 9 October 2023, the High Court had allowed SSB's Section 30 application with costs of RM5,000.00 to be paid by Kerian to SSB.</p> <p>On 27 October 2023, SSB received a total sum of RM2,792,813 from Kerian being the payment of final adjudicated sum plus interest costs.</p>	
WP3 No.2	RM3,812,503	The parties are in the midst of appointing an adjudicator.	

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material Litigation (cont'd)

2. Payment Claim Pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2021 (hereinafter referred to as "CIPAA") from Samaiden Sdn Bhd ("SSB") against Ditrolic Sdn Bhd ("Ditrolic") and Notices of Arbitration served by Ditrolic against SSB (cont'd)

Adjudication (CIPAA Claims)			Arbitration
Work Package	Amount of unpaid claim (excluding costs and interest)	Present Status	Claims by Ditrolic against SSB
WP4 No.1	RM5,179,382	<p>On 12 December 2022, the adjudicator had decided for a sum of RM1,457,353⁽ⁱ⁾ together with legal costs to be paid by Ditrolic to SSB on or before 11 January 2023.</p> <p>Following the conclusion of adjudication, no payment had been received by SSB from Ditrolic.</p> <p>On 17 January 2023, SSB had filed Enforcement Application by applying to the High Court for an order to enforce the adjudication decision as if it is a judgement or order of the High Court.</p> <p>Ditrolic, on the other hand, had applied to High Court for a stay of the adjudication decision.</p> <p>The High Court had directed the Stay Application to be heard together with the Enforcement Application.</p>	<p>On 8 February 2023, SSB received a Notice of Arbitration – WP4 from Ditrolic for an estimated claim of RM4,091,514 for the entire WP4, which entails the payment made on behalf of SSB for WP4.</p> <p>On 10 March 2023, SSB had proposed its arbitrators in response to the Notice of Arbitration received. In the response, SSB had notified Ditrolic of SSB’s counterclaim of RM10,674,333 for amongst others, the work carried out and completed by SSB in WP4.</p> <p>However, due to the non-action of Ditrolic with the arbitration proceedings, SSB had on 19 June 2023, issued a fresh notice of arbitration to DSB amounting to RM10,956,376.</p> <p>The parties decided to consolidate the arbitration proceedings for WP3 and WP4.</p> <p>An arbitrator has been appointed and first preliminary meeting will be held on 21 November 2023.</p>

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material Litigation (cont'd)

2. Payment Claim Pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2021 (hereinafter referred to as "CIPAA") from Samaiden Sdn Bhd ("SSB") against Ditrolic Sdn Bhd ("Ditrolic") and Notices of Arbitration served by Ditrolic against SSB (cont'd)

Adjudication (CIPAA Claims)			Arbitration
Work Package	Amount of unpaid claim (excluding costs and interest)	Present Status	Claims by Ditrolic against SSB
WP4 No.1 (Cont'd)	RM5,179,382	<p>On 1 August 2023, the Court had made the following decisions:</p> <p>(a) that SSB's enforcement application plus interest on the net adjudicated sum of RM1,457,352 was allowed with the costs of RM4,000; and</p> <p>(b) Ditrolic's stay of execution application was dismissed with the costs of RM4,000.</p> <p>Accordingly, SSB will be entitled to an additional total cost of RM8,000, and the final adjudicated sum of RM1,457,352 plus interest from Ditrolic.</p> <p>On 11 August 2023, SSB received a total sum of RM1,545,160 from Ditrolic being the payment of final adjudicated sum plus interest costs.</p>	

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material Litigation (cont'd)

2. Payment Claim Pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2021 (hereinafter referred to as "CIPAA") from Samaiden Sdn Bhd ("SSB") against Ditrolic Sdn Bhd ("Ditrolic") and Notices of Arbitration served by Ditrolic against SSB (cont'd)

Adjudication (CIPAA Claims)			Arbitration
Work Package	Amount of unpaid claim (excluding costs and interest)	Present Status	Claims by Ditrolic against SSB
WP4 No.1 (Cont'd)	RM5,179,382	<p><u>Section 30</u> Consequent to payment received from Ditrolic, SSB informed the Court on the intention to withdraw the application. The Court had allowed SSB's application withdrawal with a cost of RM5,000.00 to be paid by SSB to Kerian Solar.</p>	
WP4 No.2	RM2,002,565	<p>On 27 March 2023, the adjudicator had decided for a sum of RM1,446,935⁽ⁱⁱ⁾ together with legal costs to be paid by Ditrolic to SSB on or before 10 April 2023.</p> <p>Following the conclusion of adjudication, no payment had been received by SSB from Ditrolic to date.</p> <p>On 19 June 2023, SSB had filed Enforcement Application by applying to the High Court for an order to enforce the adjudication decision as if it is a judgement or order of the High Court.</p> <p>Ditrolic, on the other hand, had applied to High Court to set aside the adjudication decision.</p>	

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material Litigation (cont'd)

2. Payment Claim Pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2021 (hereinafter referred to as "CIPAA") from Samaiden Sdn Bhd ("SSB") against Ditrolic Sdn Bhd ("Ditrolic") and Notices of Arbitration served by Ditrolic against SSB (cont'd)

Adjudication (CIPAA Claims)			Arbitration
Work Package	Amount of unpaid claim (excluding costs and interest)	Present Status	Claims by Ditrolic against SSB
WP4 No.2 (Cont'd)	RM2,002,565	<p>On 29 October 2023, Ditrolic had further applied to High Court for a stay of the adjudication decision.</p> <p>The High Court had directed Setting Aside Application and Stay Application to be heard together with the Enforcement Application, and fixed the hearing on 18 December 2023.</p> <p><u>Section 30</u> Due to non-payment from Ditrolic, on 14 November 2023, SSB had filed an application against Kerian Solar, being the principal of Ditrolic or project owner to request for direct payment based on the adjudication decision pursuant to Section 30 of CIPAA.</p>	
WP4 No.3	RM2,195,599	The adjudication is ongoing.	

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B9. Material Litigation (cont'd)****2. Payment Claim Pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2021 (hereinafter referred to as "CIPAA") from Samaiden Sdn Bhd ("SSB") against Ditrolic Sdn Bhd ("Ditrolic") and Notices of Arbitration served by Ditrolic against SSB (cont'd)****Note:**

- (i) The adjudicator had awarded SSB the outstanding payment sums of RM5,103,165 and legal and adjudication costs of RM98,430. However, the adjudicator had also allowed the liquidated and ascertained damages ("LAD") claimed by Ditrolic during the CIPAA adjudications of RM3,697,853 and other back charges of RM46,389, for which the final sum of RM1,457,353 was arrived.
- (ii) The adjudicator had awarded SSB the outstanding payment sums of RM1,447,580 and Ditrolic shall further bear the costs of the adjudication proceedings in the sum of RM65,501. However, the adjudicator had also allowed back charges claimed by Ditrolic of RM66,146, for which the final sum of RM1,446,935 was arrived.

The material litigation with Ditrolic should be read together with the announcement made by the Company dated 14 February 2023, 10 March 2023, 29 March 2023, 19 June 2023, 4 August 2023 and 12 October 2023.

B10. Dividend

In respect of the financial year ended 30 June 2023, the directors had on 30 August 2023 declared a first interim single-tier dividend of 0.5 sen per share, the Entitlement Date and Payment Date on 22 September 2023 and 16 October 2023, respectively.

The total dividend declared for the financial year ended 30 June 2023 is 0.5 sen per share.

No dividend has been declared by the Company during the current financial quarter under review.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11. Earnings per Share

(a) Basic earning per share

The basic earnings per share is computed based on profit after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares.

	Individual Quarter		Cumulative 3 months	
	Current Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	30.09.23 RM'000	30.09.22 RM'000	30.09.23 RM'000	30.09.22 RM'000
Profit after taxation attributable to owners of the Company (RM'000)	<u>2,962</u>	<u>2,443</u>	<u>2,962</u>	<u>2,443</u>
Weighted average number of shares in issue ('000)	<u>390,641</u>	<u>385,005</u>	<u>390,641</u>	<u>385,005</u>
Basic earnings per share	<u>0.76</u>	<u>0.63</u>	<u>0.76</u>	<u>0.63</u>

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)
B11. Earnings per Share (Cont'd)
(b) Diluted earnings per share

The diluted earnings per share is computed based on profit after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares that would have been issued upon full conversion of the remaining Warrants 2021/2026 and Share Issuance Scheme.

	Individual Quarter		Cumulative 3 months	
	Current Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	30.09.23	30.09.22	30.09.23	30.09.22
	RM'000	RM'000	RM'000	RM'000
Profit after taxation attributable to owners of the Company (RM'000)	2,962	2,443	2,962	2,443
Weighted average number of shares in issue ('000)	390,641	385,005	390,641	385,005
Effect of dilution:				
Exercise of warrants	63,532	*	63,532	*
Adjusted weighted average number of shares in issue ('000)	<u>454,173</u>	<u>385,005</u>	<u>454,173</u>	<u>385,005</u>
Diluted earnings per share	<u>0.65</u>	<u>0.63</u>	<u>0.65</u>	<u>0.63</u>

* The effects of potential ordinary shares arising from the conversion of warrants were anti-dilutive and accordingly, it has been ignored in the calculation of diluted earnings per share. As a result, the diluted earnings per share is the same as basic earnings per share.

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B12. Notes to the Statements of Profit or Loss and Other Comprehensive Income

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

	Individual Quarter		Cumulative 3 months	
	Current Quarter 30.09.23 RM'000	Preceding Year Quarter 30.09.22 RM'000	Current Year To Date 30.09.23 RM'000	Preceding Year To Date 30.09.22 RM'000
Interest income	(488)	(286)	(488)	(286)
Fair value gain on short-term investments	(236)	(50)	(236)	(50)
Interest expense	344	326	344	326
Depreciation of property, plant and equipment	75	62	75	62
Amortisation of right-of-use asset	180	166	180	166
Realised loss on foreign exchange	257	137	257	137
Unrealised gain on foreign exchange	(150)	-	(150)	-

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

B13. Derivatives

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

B14. Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors on 28 November 2023.