



RAMSSOLGROUP

RAMSSOL GROUP BERHAD

Company No: 201901001120 (1310446-A)

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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	Notes	Quarter ended		Year ended	
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
		Unaudited RM'000	Audited RM'000	Unaudited RM'000	Audited RM'000
Revenue		7,853	6,103	30,551	27,852
Cost of sales		(611)	(2,051)	(8,200)	(12,426)
Gross profit		7,242	4,052	22,351	15,426
Other income		9	(92)	211	239
		7,251	3,960	22,562	15,665
Administrative expenses		(4,496)	(3,373)	(13,392)	(10,975)
Other expenses		(736)	(65)	(820)	(940)
		(5,232)	(3,438)	(14,212)	(11,915)
Profit from operations		2,019	522	8,350	3,750
Finance costs		(411)	(206)	(1,279)	(398)
Profit before taxation	B5	1,608	316	7,071	3,352
Income tax expense	B6	(737)	(237)	(754)	(256)
Profit after taxation		871	79	6,317	3,096
Other comprehensive income					
Item that will not be reclassified subsequent to profit or loss:					
Fair value loss on other investment		(857)	-	(857)	(96)
Item that will be reclassified subsequently to profit or loss:					
Foreign currency translation differences		24	(5)	(18)	74
Total comprehensive income for the financial period/year		38	74	5,442	3,074

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(CONTINUED) ⁽¹⁾

	Quarter ended		Year ended	
	Unaudited	Audited	Unaudited	Audited
	Notes 31/12/2023 RM'000	31/12/2022 RM'000	31/12/2023 RM'000	31/12/2022 RM'000
Profit after taxation attributable to:				
Owners of the Company	809	139	6,564	3,787
Non-Controlling Interests	62	(60)	(247)	(691)
	<u>871</u>	<u>79</u>	<u>6,317</u>	<u>3,096</u>
Total comprehensive income attributable to:				
Owners of the Company	(25)	155	5,671	3,778
Non-Controlling Interests	63	(81)	(229)	(704)
	<u>38</u>	<u>74</u>	<u>5,442</u>	<u>3,074</u>
Earning per share (sen)				
- Basic	B13 0.26	0.06	2.50	1.68
- Diluted	B13 0.26	0.06	2.50	1.68

Note:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached in the interim financial report.

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RAMSSOL GROUP BERHAD
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(Incorporated in Malaysia)
INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	Notes	Unaudited As at 31/12/2023 RM'000	Audited As at 31/12/2022 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		3,338	3,549
Investment property		718	735
Right-of-use assets		843	843
Intangible assets		42,986	15,105
Other Investment		4,643	4,000
Goodwill on consolidation		223	-
Total Non-Current Assets		<u>52,751</u>	<u>24,232</u>
Current Assets			
Trade receivables		16,564	22,720
Other receivables, deposits, and prepayments		5,950	6,392
Contract assets		17,148	2,520
Fixed deposits and bank balances		8,346	8,376
Total Current Assets		<u>48,008</u>	<u>40,008</u>
TOTAL ASSETS		<u>100,759</u>	<u>64,240</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		61,745	37,186
Reserves		23,606	17,935
Equity attributable to owners of the Company		<u>85,351</u>	<u>55,121</u>
Non-controlling interests		(3,915)	(3,856)
TOTAL EQUITY		<u>81,436</u>	<u>51,265</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED) ⁽¹⁾

	Notes	Unaudited As at 31/12/2023 RM'000	Audited As at 31/12/2022 RM'000
EQUITY AND LIABILITIES (CONTINUED)			
LIABILITIES			
Non-Current Liabilities			
Lease liabilities	B9	395	252
Deferred tax liabilities	B9	2	-
Borrowings		4,445	5,817
Employee benefits liability		209	222
Total Non-Current Liabilities		5,051	6,291
Current Liabilities			
Trade payables		227	1,179
Other payables and accruals		4,338	3,660
Lease liabilities	B9	388	297
Borrowings	B9	8,837	1,182
Contract liabilities		16	160
Tax payable		466	206
Total Current Liabilities		14,272	6,684
TOTAL LIABILITIES		19,323	12,975
TOTAL EQUITY AND LIABILITIES		100,759	64,240
Net assets per share attributable to ordinary equity holders (RM)		0.27	0.23

Note:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached in the interim financial report.

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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

Unaudited	Share capital RM'000	Merger Deficit RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
Balance as at 1/1/2023	37,186	(1,074)	217	18,792	55,121	(3,856)	51,265
Profit / (loss) after taxation	-	-	-	6,564	6,564	(247)	6,317
Other comprehensive (loss)/income:							
Fair value loss on other investment	-	-	-	(857)	(857)	-	(857)
Foreign currency translation differences	-	-	(36)	-	(36)	18	(18)
Total comprehensive (loss)/income	-	-	(36)	5,707	5,671	(229)	5,442
Contributions by and distribution to owners of the Company:							
Issuance of shares	25,188	-	-	-	25,188	-	25,188
Share issuance expenses	(629)	-	-	-	(629)	-	(629)
Acquisition of a subsidiary	-	-	-	-	-	170	170
Total transactions with owners	24,559	-	-	-	24,559	170	24,729
Balance as at 31/12/2023	61,745	(1,074)	181	24,499	85,351	(3,915)	81,436

Note:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached in the interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED) ⁽¹⁾

Audited	Share capital RM'000	Merger Deficit RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
Balance as at 1/1/2022	29,899	(1,074)	131	15,100	44,056	(3,152)	40,904
Profit after taxation	-	-	-	3,787	3,787	(691)	3,096
Other comprehensive income/(loss): Foreign currency translation differences	-	-	86	(95)	(9)	(13)	(22)
Total comprehensive income/(loss)	-	-	86	3,692	3,778	(704)	3,074
Contributions by and distribution to owners of the Company: - Issuance of shares	7,287	-	-	-	7,287	-	7,287
Balance as at 31/12/2022	37,186	(1,074)	217	18,792	55,121	(3,856)	51,265

Note:

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached in the interim financial report.

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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	<u>For the 12 months ended</u>	
	Unaudited 31/12/2023 RM'000	Audited 31/12/2022 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	7,071	3,352
Adjustments for:		
Amortisation of intangible assets	734	236
(Reversal of)/Allowance for expected credit losses for trade/other receivables	(364)	108
Depreciation of:		
-investment properties	17	16
-property, plant and equipment	490	254
-right-of-use assets	457	406
Interest expense	1,279	398
Gain on early termination of lease contracts	(1)	(25)
Unrealised loss on foreign exchange	-	8
Provision for employee benefits	26	23
Loss on disposal of property, plant and equipment	75	-
Gain on disposal of right-of-use assets	(27)	-
Dividend income	(14)	-
Interest income	(25)	(15)
Operating profit before working capital changes	9,718	4,761
Increase in contract assets/liabilities	(14,815)	(2,229)
Decrease in trade and other receivables	7,360	4,370
(Decrease)/Increase in trade and other payables	(621)	395
Net cash from operations	1,642	7,297
Income tax paid	(532)	(170)
Decrease in employee benefits liability	(51)	-
Interest received	25	15
Net cash from operating activities	1,084	7,142

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) ⁽¹⁾

	For the 12 months ended	
	31/12/2023	31/12/2022
	Unaudited	Audited
	RM'000	RM'000
<u>CASH FLOWS USED IN INVESTING ACTIVITIES</u>		
Proceed from disposal of right-of-use assets	150	-
Addition to right-of-use assets	-	(30)
Development costs paid	(28,612)	(11,400)
Purchase of property, plant and equipment	(256)	(1,945)
Proceeds from disposal of property, plant and equipment	95	-
Increase in other investment	(1,500)	(4,000)
Dividend received	14	-
Acquisition of a subsidiary, net of cash	(217)	-
Net cash used in investing activities	(30,326)	(17,375)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Interest paid	(1,279)	(398)
Placement of pledged deposits	(1,716)	(42)
Drawdown of term loan	-	4,500
Net repayment of lease liabilities	(500)	(497)
Advance from a director of a subsidiary	105	-
Repayments to a director	-	(113)
Repayments of term loans	(1,631)	(320)
Repayments of flexi loans	(30)	(30)
Proceeds from issuance of ordinary shares	24,559	7,287
Net cash from financing activities	19,508	10,387
NET CASH (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(9,734)	154
Effect of exchange translation differences	43	26
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	7,785	7,605
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	(1,906)	7,785
Cash and cash equivalents comprise the following:		
Cash and bank balances	6,586	8,333
Fixed deposits with licensed banks	1,760	43
Less: Bank overdraft	(8,493)	(549)
	(147)	7,827
Less: Fixed deposits pledged with licensed banks	(1,759)	(42)
	(1,906)	7,785

Note:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached in the interim financial report.

A. SELECTED EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) NO. 134 - INTERIM FINANCIAL REPORTING

A1. BASIS OF PREPARATION

The interim financial report of Ramssol Group Berhad (“**Ramssol**” or “**Company**”) and its subsidiaries (“**Group**”) have been prepared in accordance with MFRS 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“**MASB**”) and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”). These condensed consolidated interim financial statements also comply with International Accounting Standards (“**IAS**”) 34, *Interim Financial Reporting* issued by the International Accounting Standards Board.

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

A2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and presentations adopted by the Group in this interim financial report are consistent with those adopted in the audited consolidated financial statements for the financial year ended 31 December 2022, except for the adoption of the following new MFRSs and amendment to MFRSs and interpretation:

- (a) the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):

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 and MFRS 9 – Comparative Information*

Amendments to MFRS 101: *Classification of Liabilities as Current or Non-current*

Amendments to MFRS 101: *Disclosure of Accounting Policies*

Amendments to MFRS 108: *Definition of Accounting Estimates*

Amendments to MFRS 112: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s interim financial report.

A2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (b) The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by 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 16: Lease Liability in a Sale and Leaseback	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
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

A3. AUDITORS' REPORT

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

A4. SEASONAL AND CYCLICAL FACTORS

The business of the Group is not affected by any significant seasonal or cyclical factors.

A5. UNUSUAL ITEMS

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

A6. CHANGES IN ESTIMATES

There were no major changes in estimates that have had material effect on the results of the current quarter under review.

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A7. DEBT AND EQUITY SECURITIES

Save as disclosed below, there was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter under review:

Private Placement (as defined in Section B8)

The Company had on 26 December 2023, issued 12,422,200 ordinary shares at the issue price of RM 0.3076 per ordinary share pursuant to the Private Placement.

A8. DIVIDEND PAID

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

A9. SEGMENTAL INFORMATION

Operating segments are prepared in a manner consistent with the internal reporting provided to the management as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their geographical region. No segmental analysis by business segment is prepared as the Group operates predominantly in one industry.

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A9. SEGMENTAL INFORMATION (CONTINUED)

Unaudited

<u>Geographical segment</u>	Malaysia	Singapore	Thailand	Others	Group
12 months ended 31/12/2023	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External customers	19,752	1,101	3,462	6,236	30,551
Inter-segment	587	-	-	347	934
	<u>20,339</u>	<u>1,101</u>	<u>3,462</u>	<u>6,583</u>	<u>31,485</u>
Adjustments/eliminations on combination					(934)
Consolidated revenue					<u>30,551</u>
Results					
Segment profit/(loss) before interest and taxation	3,541	(90)	1,403	3,496	8,350
Finance costs					(1,279)
Profit before taxation					<u>7,071</u>
Income tax expense					(754)
Profit after taxation					<u>6,317</u>

A9. SEGMENTAL INFORMATION (CONTINUED)

Unaudited

<u>Geographical segment</u>	Malaysia	Singapore	Thailand	Others	Group
12 months ended 31/12/2023	RM'000	RM'000	RM'000	RM'000	RM'000
Assets					
Non-current assets	52,596	-	125	30	52,751
Segment assets/Consolidated total assets	90,350	1,576	2,692	6,141	100,759
Liabilities					
Segment liabilities	17,272	929	386	268	18,855
Unallocated liabilities:					
- deferred tax liabilities					2
- tax payable					466
Consolidated total liabilities					19,323

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A9. SEGMENTAL INFORMATION (CONTINUED)

Audited

<u>Geographical segment</u>	Malaysia	Singapore	Thailand	Others	Group
12 months ended 31/12/2022	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External customers	14,667	6,415	783	5,987	27,852
Inter-segment	830	-	-	406	1,236
	<u>15,497</u>	<u>6,415</u>	<u>783</u>	<u>6,393</u>	<u>29,088</u>
Adjustments/eliminations on combination					(1,236)
Consolidated revenue					<u>27,852</u>
Results					
Segment profit/(loss) before interest and taxation	5,199	82	(1,101)	(430)	3,750
Finance costs					(398)
Profit before taxation					<u>3,352</u>
Income tax expense					(256)
Profit after taxation					<u>3,096</u>

A9. SEGMENTAL INFORMATION (CONTINUED)

Audited

<u>Geographical segment</u>	Malaysia	Singapore	Thailand	Others	Group
12 months ended 31/12/2022	RM'000	RM'000	RM'000	RM'000	RM'000
Assets					
Non-current assets	24,043	-	142	47	24,232
Segment assets/Combined total assets	60,202	1,917	415	1,706	64,240
Liabilities					
Segment liabilities	7,866	1,232	921	2,750	12,769
Unallocated liabilities:					
- tax payable					206
Consolidated total liabilities					12,975

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INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

A10. MATERIAL SUBSEQUENT EVENTS TO THE INTERIM FINANCIAL PERIOD

There were no material events subsequent to end of the interim financial period that has not been reflected in this interim financial report.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no other major changes in the composition of the Group during the current quarter under review and up to the date of this interim financial report.

A12. SIGNIFICANT RELATED PARTY TRANSACTIONS

The related party transactions described below were carried out on terms and conditions negotiated amongst the parties. The significant related party transactions are as follows:

	Quarter ended		Year ended	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	Unaudited	Audited	Unaudited	Audited
	RM'000	RM'000	RM'000	RM'000
Fellow directors:				
Rental paid or payable to directors	(95)	(86)	(416)	(326)
Additional deposit paid to directors	-	-	(46)	-

The rental paid or payable to directors are derived from office spaces provided by Datuk Seri Tan Chee Seng and Ms. Lee Miew Lan. The office is located at the headquarters as disclosed in the Annual Report of Ramssol for the financial year ended 31 December 2022. The increase in the current quarter is rental paid or payable for additional units from respective directors.

The additional deposit paid to directors are derived based on the increase in the rental in the renewed tenancy agreements for the office spaces provided by Datuk Seri Tan Chee Seng and Ms. Lee Miew Lan.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE FOR CURRENT QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Quarter ended			Year ended		
	31/12/2023	31/12/2022	Changes	31/12/2023	31/12/2022	Changes
	Unaudited RM'000	Audited RM'000	%	Unaudited RM'000	Audited RM'000	%
Revenue from:						
Malaysia	3,480	3,884	(10.40)	19,752	14,667	34.67
Singapore	156	787	(80.18)	1,101	6,415	(82.84)
Thailand	180	81	122.22	3,462	783	342.15
Indonesia	4,037	1,351	198.82	6,236	5,895	5.78
Netherlands	-	-		-	92	(100.00)
	7,853	6,103		30,551	27,852	

The Group recorded an unaudited revenue of RM30.55 million for the financial year ended (“FYE”) 31 December 2023, which was higher as compared to the audited revenue of RM27.85 million for the FYE 31 December 2022. This was mainly due to higher sales generated from provision of human capital management (“HCM”) solutions, student management solutions and HCM technology applications in Malaysia and Thailand and work performed related to the HCM digital transformation consulting, business process mapping and implementation of digitalization with Robotic Automation in Indonesia in the FYE 31 December 2023 as compared to the FYE 31 December 2022.

The Group recorded revenue of RM7.85 million for current quarter under review, which was higher as compared to the comparative quarter ended 31 December 2022. This was mainly due to higher sales generated from the provision of HCM advisory with additional customization payroll process, hosting of cloud environment and system upgrade in Indonesia.

The Group’s unaudited profit before taxation (“PBT”) for the FYE 31 December 2023 of RM7.07 million is higher as compared to the audited FYE 31 December 2022 of RM3.35 million mainly due to certain projects with higher profit margin.

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B2. COMPARATIVE WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	INDIVIDUAL QUARTER		Changes %
	Quarter ended		
	31/12/2023 RM'000	30/09/2023 RM'000	
Revenue	<u>7,853</u>	<u>6,117</u>	28.38%
PBT	<u>1,608</u>	<u>1,327</u>	21.18%

The Group's revenue in quarter ended 31 December 2023 ("**Q4 2023**") increased by RM1.73 million or 28.38% to RM7.85 million as compared to the immediate preceding quarter ended 30 September 2023 ("**Q3 2023**") was mainly due to higher sales generated from the provision of HCM advisory with additional customisation payroll process, hosting of cloud environment and system upgrade in Indonesia.

The Group recorded a higher PBT of RM1.61 million in Q4 2023 as compared to RM1.33 million in Q3 2023 mainly due to the increase in revenue as explained above.

B3. PROSPECTS AND OUTLOOK

The Group's resilience is rooted in strong fundamentals and effective management. As the digital industry continues to grow and evolve, the Group is well-positioned to take advantage of this growth and focus on the digital industry value chain positions to potentially benefit with new projects secured in the local market and Asian region on its diversified products in HCM solutions, used-bike selling platform, e-learning and interactive platform and digital media services specialising in corporate and commercial videos.

The Group is witnessing positive outcomes, and our performance aligns with the established plans. As project-based revenue expands, there will be a corresponding growth in recurring revenue from professional information technology (IT) services, as clients typically engage in service and maintenance contracts post-project completion.

The Group approaches the business outlook for financial year ending 31 December 2024 with cautious optimism, anticipating sustainable demands in our products to enhance the overall revenue and business value.

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B4. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

B5. PROFIT BEFORE TAXATION

	Quarter ended		Year ended	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	Unaudited	Audited	Unaudited	Audited
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting):				
Amortization of intangible assets	547	59	734	236
Depreciation of:				
-investment properties	4	4	17	16
-property, plant and equipment	415	61	490	254
-right-of-use assets	134	247	457	406
(Reversal of) / Allowance for expected credit losses on trade/other receivables	(364)	108	(364)	108
Loss on disposal of PPE	75	-	75	-
Gain on disposal of ROU	(27)	-	(27)	-
Interest expense:				
-lease liabilities	15	11	35	26
-bank overdraft	192	100	709	129
-flexi loan	6	6	33	21
-term loans	196	89	500	222
-commitment fees	2	-	2	-
Net loss/(gain) on foreign exchange:				
-realized	8	(22)	(72)	13
-unrealized	-	163	-	8
COVID-19-related subsidies from government	-	-	-	(68)
Dividend income	(14)	-	(14)	-
Interest income	(19)	(1)	(25)	(15)
Rental income from investment property	-	(9)	(9)	(54)
Gain on early termination of lease contract	(1)	(25)	(1)	(25)

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B6. INCOME TAX EXPENSE

	Quarter ended		Year ended	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	Unaudited	Audited	Unaudited	Audited
	RM'000	RM'000	RM'000	RM'000
Current tax recognized in profit or loss:				
-Malaysian income tax	667	237	684	256
-Foreign income tax	70	-	70	-
Tax expense	<u>737</u>	<u>237</u>	<u>754</u>	<u>256</u>
Effective tax rate	<u>45.83%</u>	<u>75.00%</u>	<u>10.66%</u>	<u>7.64%</u>

B7. UTILISATION OF PROCEEDS

UTILISATION OF PROCEEDS FROM THE PRIVATE PLACEMENT

As at the date of this interim financial report, the status of the utilization of proceeds from the Private Placement is outlined as follows:

Details of Utilization of Proceeds	Actual gross proceeds raised RM'000	Actual Utilization RM'000	Balance To Be Utilized RM'000	Estimated Timeframe for Utilization of Proceeds
Repayment of bank borrowings	12,000	12,000	--	Within 3 months
Working Capital	12,821	7,014	5,807	Within 12 months
Professional fees	367	367	-	Within 1 month
	<u>25,188</u>	<u>19,381</u>	<u>5,807</u>	

B8. STATUS OF CORPORATE PROPOSAL

On 14 July 2023, Mercury Securities Sdn Bhd (“**Mercury Securities**”) had on behalf of the Board of Directors announced that the Company proposes to undertake the following:

- (i) private placement of new ordinary shares in Ramssol representing up to 30% of the total number of issued shares in Ramssol (excluding treasury shares, if any) (“**Private Placement**”); and
- (ii) establishment of an employees’ share option scheme of up to 30% of the total number of issued shares in Ramssol (excluding treasury shares, if any) for eligible directors and employees of the Group (“**ESOS**”).

(Collectively referred to as “**Corporate Exercises**”)

Bursa Securities had vide its letter dated 9 August 2023, approved the listing of and quotation for the following:

- (i) up to 110,410,400 new shares in the Company (“**Ramssol Shares**”) to be issued pursuant to the Private Placement; and
- (ii) such number of new Ramssol Shares, representing up to 30% of the Company’s total number of issued shares (excluding treasury shares, if any) to be issued pursuant to the ESOS.

The Company had obtained its shareholders’ approval for the Corporate Exercises at its extraordinary general meeting held on 1 December 2023.

On 26 September 2023, Mercury Securities had on behalf of the Board of Directors announced that the effective date of the implementation of the ESOS is 26 September 2023, being the date on which the Company is in full compliance with Rule 6.44(1) of the Listing Requirements.

The Private Placement was completed on 26 December 2023 with the issuance of 73,606,900 new Ramssol Shares on the ACE Market of Bursa Securities.

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B9. BORROWINGS

	Unaudited	Audited
	As at	As at
	31/12/2023	31/12/2022
	RM'000	RM'000
Current		
Secured:		
Bank overdraft	8,493	549
Flexi loan	16	14
Term loans	328	619
Lease liabilities	388	297
	<u>9,225</u>	<u>1,479</u>
Non-current		
Secured:		
Flexi loan	481	513
Term loans	3,964	5,304
Lease liabilities	395	252
	<u>4,840</u>	<u>6,069</u>
Total borrowings:		
Bank overdraft	8,493	549
Flexi loan	497	527
Term loans	4,292	5,923
Lease liabilities	783	549
	<u>14,065</u>	<u>7,548</u>
The currency profile of borrowings is as follows:		
Ringgit Malaysia	14,065	7,548
Singapore Dollar	-	-
Thai Baht	-	-
	<u>14,065</u>	<u>7,548</u>

B10. DERIVATIVES

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

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B11. MATERIAL LITIGATION

There is no litigation or arbitration which have a material effect on the financial position of the Group. The Board of Directors is not aware of any pending proceedings or of any fact likely to give rise to any proceedings as at the date of this interim financial report.

B12. DIVIDEND PROPOSED

No dividend was proposed for the current quarter ended 31 December 2023.

B13. EARNING PER SHARES ("EPS")

	Quarter ended		Year ended	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	Unaudited	Audited	Unaudited	Audited
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Company (RM'000)	809	139	6,564	3,787
Weighted average number of ordinary shares in issue ('000)	307,351	225,143	263,036	224,929
Basic EPS (sen) ⁽¹⁾	0.26	0.06	2.50	1.68
Diluted EPS (sen) ⁽²⁾	0.26	0.06	2.50	1.68

Notes:

- (1) The basic EPS is calculated based on the Company's weighted average number of ordinary shares as at the end of the interim financial period.
- (2) The diluted EPS is the same as basic EPS as the potential conversion of the Company's existing warrants is anti-dilutive. The potential conversion is anti-dilutive as the warrant's exercise price is higher than the average market price of the Company's ordinary shares.

B14. APPROVAL OF INTERIM FINANCIAL REPORT

The interim financial report as set out above was approved by the Board of Directors in accordance with their resolution dated 28 February 2024.