

Cnergenz Berhad

(Registration No. 202101026123 (1426423-D))

(Incorporated in Malaysia under the Companies Act, 2016)

The Board of Directors of CNERGENZ BERHAD (“**Board**”) is pleased to announce the following unaudited consolidated results for the third quarter and financial period ended (“**FPE**”) 30 September 2022.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND FPE 30 SEPTEMBER 2022

	3 months ended		Cumulative 9 months ended	
	30.9.2022	⁽¹⁾ 30.9.2021	30.9.2022	⁽¹⁾ 30.9.2021
	RM'000	RM'000	RM'000	RM'000
Revenue	62,772	N/A	176,256	N/A
Cost of sales and services	(51,980)	N/A	(143,008)	N/A
Gross profit	10,792	N/A	33,248	N/A
Other income	112	N/A	263	N/A
Selling and distribution expenses	(391)	N/A	(1,345)	N/A
General and administrative expenses	(1,385)	N/A	(5,516)	N/A
Other losses– net	(248)	N/A	(650)	N/A
Operating profit	8,880	N/A	26,000	N/A
Finance income	499	N/A	628	N/A
Finance costs	(16)	N/A	(48)	N/A
Profit before tax	9,363	N/A	26,580	N/A
Tax expense	(2,277)	N/A	(6,557)	N/A
Net profit for the financial period	7,086	N/A	20,023	N/A
Other comprehensive income net of tax				
Currency translation differences	3,859	N/A	7,118	N/A
Total comprehensive income for the financial period	10,945	N/A	27,141	N/A
Basic earnings per ordinary share⁽²⁾ (sen)	1.59	N/A	4.49	N/A

Notes:-

- (1) This is the third interim financial report announced in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”). There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.
- (2) Basic earnings per ordinary share is calculated based on the weighted average share capital of the Company as at 30 September 2022, comprising 445,619,048 ordinary shares.

N/A Not applicable

The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus of the Company dated 29 April 2022 (“**Accountants’ Report**”) and the accompanying explanatory notes attached to the interim financial statements.

Cnergenz Berhad

(Registration No. 202101026123 (1426423-D))

(Incorporated in Malaysia under the Companies Act, 2016)

CNERGENZ**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 SEPTEMBER 2022**

	As at 30.9.2022 RM'000 (Unaudited)	As at 31.12.2021 RM'000 (Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	21,035	15,604
Right-of-use assets	81	101
Deferred tax assets	506	523
	21,622	16,228
CURRENT ASSETS		
Inventories	18,608	19,245
Receivables, deposits and prepayments	71,186	33,667
Investment in quoted security	352	589
Contract Assets	1,829	-
Deposits, cash and bank balances	96,465	59,026
	188,440	112,527
TOTAL ASSETS	210,062	128,755
CURRENT LIABILITIES		
Payables and accrued liabilities	46,854	36,101
Contract liabilities	4,182	9,037
Dividends payable	-	10,000
Lease liabilities	39	45
Hire purchase liabilities	414	439
Current tax provision	2,966	861
	54,455	56,483
EQUITY ATTRIBUTABLE TO OWNERS OF THE GROUP		
Share capital	122,475	66,020
Capital reorganisation reserves	(65,820)	(65,820)
Currency translation reserves	8,885	1,767
Retained profits	89,162	69,139
TOTAL EQUITY	154,702	71,106
NON-CURRENT LIABILITIES		
Lease liabilities	22	50
Hire purchase liabilities	883	1,116
	905	1,166
TOTAL EQUITY AND LIABILITIES	210,062	128,755
Net assets per ordinary share attributable to ordinary equity holders of the Company ⁽¹⁾ (RM)	0.35	0.16

*Note:-**(1) Net assets per ordinary share attributable to ordinary equity holders of the Company is calculated based on the weighted average share capital of the Company as at 30 September 2022, comprising 445,619,048 ordinary shares.*

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 April 2022 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FPE 30 SEPTEMBER 2022**

← Attributable to owners of the Company →

	Share capital RM'000	Invested equity RM'000	Capital reorganisation reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000
Balance as at 1 January 2021	-	66,020	(65,920)	(162)	66,082	66,020
<u>Total comprehensive income</u>						
Net profit for the financial year	-	-	-	-	13,057	13,057
Other comprehensive income for the financial year, net of tax	-	-	-	1,929	-	1,929
<u>Transactions with owners, recognised directly in equity</u>						
Reclassification upon completion of Internal Reorganisation	66,020	(66,020)	-	-	-	-
Issuance of ordinary shares by the subsidiary	-	-	100	-	-	100
Dividends	-	-	-	-	(10,000)	(10,000)
Balance as at 31 December 2021	66,020	-	(65,820)	1,767	69,139	71,106
Balance as at 1 January 2022	66,020	-	(65,820)	1,767	69,139	71,106
<u>Total comprehensive income</u>						
Net profit for the financial year	-	-	-	-	20,023	20,023
Other comprehensive income for the financial year, net of tax	-	-	-	7,118	-	7,118
<u>Transactions with owners, recognised directly in equity</u>						
Issuance of ordinary shares	58,000	-	-	-	-	58,000
Share issuance expenses	(1,545)	-	-	-	-	(1,545)
Balance as at 30 September 2022	122,475	-	(65,820)	8,885	89,162	154,702

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 April 2022 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FPE 30 SEPTEMBER 2022**

	9 months ended 30.9.2022 RM'000	9 months ended 30.9.2021 RM'000
OPERATING CASH FLOWS		
Net profit for the financial period	20,023	N/A
Adjustments for:		
Property, plant and equipment (“PPE”):		
- depreciation	1,440	N/A
Gain on disposal of PPE	(208)	N/A
Depreciation of right-of-use assets	29	N/A
Interest income	(629)	N/A
Finance costs	49	N/A
Reversal of allowance for slow moving inventories	155	N/A
Net unrealised foreign currency exchange loss	957	N/A
Net realised foreign currency exchange gain	(132)	N/A
Investment in quoted security:		
- fair value loss	116	N/A
Tax expense	6,557	N/A
Operating profit before changes in working capital	28,357	N/A
Changes in working capital:		
- Inventories	481	N/A
- Receivables	(37,144)	N/A
- Payables	16,098	N/A
Cash generated from operations	7,792	N/A
Tax paid	(4,319)	N/A
Net operating cash flow	3,473	N/A
INVESTING CASH FLOWS		
Purchases of PPE	(16,169)	N/A
Proceed from disposal of PPE	275	N/A
Withdrawal of fixed deposits with a licensed bank which have maturity period of more than 3 months	2,245	N/A
Interest received	629	N/A
Net investing cash flow	(13,020)	N/A
FINANCING CASH FLOWS		
Dividend paid	(10,000)	N/A
Repayment of principal portion of lease liabilities	(34)	N/A
Repayment of interest on lease liabilities	(2)	N/A
Repayment of principal portion of hire purchase liabilities	(416)	N/A
Repayment of interest on hire purchase liabilities	(46)	N/A
Increase of share capital	58,000	N/A
Net cash financing cash flow	47,502	N/A

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FPE 30 SEPTEMBER 2022**

	9 months ended 30.9.2022 RM'000	9 months ended 30.9.2021 RM'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	37,955	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	56,516	N/A
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	1,724	N/A
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	96,195	N/A
Cash and cash equivalents comprise:		
Fixed deposits	82,645	N/A
Cash and bank balances	13,820	N/A
	96,465	N/A
Less: Fixed deposits pledged with licensed banks	(270)	N/A
	96,195	N/A

Notes:-

(1) *This is the third interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.*

N/A *Not applicable*

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 April 2022 and the accompanying explanatory notes attached to the interim financial statements.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022**

A COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) (“LISTING REQUIREMENTS”)

A1 Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with all the new Malaysian Financial Reporting Standards (“**MFRS**”) and Amendments to MFRSs issued by the Malaysian Accounting Standards Board (“**MASB**”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

The unaudited condensed consolidated interim financial statements should be read in conjunction with the Accountants’ Report and the accompanying explanatory notes attached to the interim financial statements. The explanatory notes attached to these unaudited condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Cnergenz Berhad and its subsidiary (“**Group**”) since the financial year ended FYE 31 December 2021.

A2 Significant Accounting Policies

The accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with those adopted in the Accountants Report, save for the adoption of the following amendments to MFRS, which became effective and relevant to the Group for financial period beginning 1 January 2022:

Effective for annual periods commencing on or after 1 January 2022

Amendments to MFRS 3 Business Combinations - *Reference to the Conceptual Framework*

Amendments to MFRS 116 Property, Plant and Equipment - *Proceeds before Intended Use*

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets

- *Onerous Contracts - Cost of Fulfilling a Contract*

Annual Improvements to MFRS Standards 2018-2020:

- Amendment to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards

- Amendment to MFRS 9 Financial Instruments

- Amendment to Illustrative Examples accompanying MFRS 16 Leases

The adoption of the above amendments to MFRSs did not have any material impact on the amounts reported in the financial statements of the Group and of the Company upon its initial application.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022**

New Standards and amendments to MFRSs in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and by the Company are as listed below:

Effective for annual periods commencing on or after 1 January 2023

MFRS 17 Insurance Contracts and Amendments to MFRS 17

Amendments to MFRS 17 Insurance Contracts - Initial Application of MFRS 17 and MFRS 9
- *Comparative Information*

Amendments to MFRS 101 Presentation of Financial Statements - *Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies*

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
- *Definition of Accounting Estimates*

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

Issued but not yet effective

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The adoption of these amendments to MFRSs are not expected to have any material financial impact on the financial statements of the Group in the period of initial application.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Group for the FYE 31 December 2021 was not subject to any qualification.

A4 Seasonality

The Group's business operations were not significantly affected by any seasonal or cyclical factors.

A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

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

A6 Changes in Debt and Equity Securities

There was no issuance, cancellations, repurchases, resale or repayments of debt and equity securities during the current financial quarter.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022****A7 Dividends**

There was no dividend paid during the current quarter and financial year-to-date under review. The Board had declared on 17 November 2022, a first interim single tier dividend of 0.6 sen per ordinary share for the financial year ending 31 December 2022 with the entitlement date on 8 December 2022 and payment date on 22 December 2022.

A8 Operating segments

The Group only has one operating segment qualified as reporting segment under MFRS 8.

A9 Revenue by products / services

The breakdown of the Group's revenue by products/services is set out as follows:

	3 months ended		Cumulative 9 months ended	
	30.9.2022	30.9.2021	30.9.2022	30.6.2021
	RM'000	RM'000	RM'000	RM'000
Provision of integrated solutions for SMT manufacturing line	32,404	N/A	78,250	N/A
Sales of standalone SMT machines and equipment	27,808	N/A	89,356	N/A
Provision of other services	2,560	N/A	8,650	N/A
Total	62,772	N/A	176,256	N/A

The major contributor to the revenue stream of the Group was from the provision of integrated solutions for SMT manufacturing line, which constituted 51.62% of the Group's total revenue for FPE 30 September 2022, recording sales totalling RM32.40 million.

A10 Valuation of Plant and Equipment

There were no valuations of plant and equipment during the current financial quarter under review.

A11 Material capital commitments

Save as disclosed below, as at 30 September 2022, the Group does not have any other material capital commitment:

	RM'000
Capital expenditure in respect of the purchase of property, plant, and equipment	
- Approved and contracted for	2,418
Total	2,418

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022**

A12 Material subsequent event

There were no material subsequent events since the end of this current financial quarter until the date of this announcement.

A13 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial quarter.

A14 Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at the date of the current financial quarter.

A15 Material related party transactions (“RPT”)

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022****B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS****B1 Review of Performance**

	Individual Period (3 rd Quarter)				Cumulative Period (9 Months)			
	Current Year Quarter 30 September 2022	Preceding Year Corresponding Quarter 30 September 2021 ⁽¹⁾	Variance		Current Year-to- date 30 September 2022	Preceding Year Corresponding Period 30 September 2021 ⁽¹⁾	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	62,772	N/A	N/A	N/A	176,256	N/A	N/A	N/A
Gross Profit	10,792	N/A	N/A	N/A	33,248	N/A	N/A	N/A
Profit Before Tax	9,363	N/A	N/A	N/A	26,580	N/A	N/A	N/A

Notes:-

(1) This is the third interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.

N/A Not applicable

The Group recorded revenue of RM62.77 million for the current FPE 30 September 2022.

The Group's revenue is principally derived from the provision of integrated solutions for SMT manufacturing line segment, which contributed 51.62% to the Group's total revenue for the current FPE 30 September 2022, followed by the sales of standalone SMT machines and equipment which contributed 44.30% to the Group's total revenue for the current FPE 30 September 2022.

The Group registered a profit before tax of RM9.36 million in the current FPE 30 September 2022.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022****B2 Comment on material change in profit before taxation for current quarter compared with the immediately preceding quarter**

	Current Quarter 30 September 2022	Immediate Preceding Quarter 30 June 2022 ⁽¹⁾	Variance	
	RM'000	RM'000	RM'000	%
Revenue	62,772	76,581	(13,809)	(18.03)
Gross Profit	10,792	15,240	(4,448)	(29.19)
Gross Profit Margin	17.19%	19.90%		
Profit Before Tax	9,363	12,345	(2,982)	(24.16)

Notes:-

(1) This is the third interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.

N/A Not applicable

The Group recorded a decrease in revenue to RM62.77 million compared to RM76.58 million to immediate preceding quarter. This was mainly due to the decrease in sales of provision of integrated solution for SMT manufacturing line and sales of standalone SMT machines during current quarter under review.

The Group recorded gross profit of RM10.79 million for the current FPE 30 September 2022, translating to a gross profit margin of 17.19%.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022**

B3 Prospects

As disclosed in the Prospectus dated 29 April 2022, the SMT manufacturing solutions industry in Southeast Asia is expected to recover and register a compound annual growth rate (“**CAGR**”) of 8.0% between year 2022 and 2024, driven by, amongst others, the following factors:-

- (a) emergence of a new wave of final electronic products to allow for technologies such as smart factories, autonomous cars and smart home devices as a result of technological revolution;
- (b) rapid technological advancements in the electronics and semiconductor industries (“**E&S Industry(ies)**”) as there are constant introductions of new products due to advancements and innovations; and
- (c) shift towards smart factories to fully automate operations will create demand for electronics manufacturing solutions that enable smart factories.

Further, the industry size for SMT manufacturing solutions in Malaysia, Vietnam and Thailand, where Cnergenz presently operates, are forecasted to grow at CAGRs of 7.2%, 8.0% and 8.0%, respectively, between year 2022 and 2024. Global and regional E&S industries are embracing smart factory solutions as these corporations aim to achieve higher production yield, minimising human dependency, optimising resource allocation and enhancing cost competitiveness. Such requirements and aspirations poses an opportunity for electronics manufacturing solution providers to expand their operations in providing smart factory solutions. Cnergenz Group is hence positioned well to benefit from the positive outlook of the electronics manufacturing industry in Southeast Asia, particularly Malaysia, Vietnam and Thailand.

As of 30 September 2022, the Group has secured purchase orders totalling RM61.15 million for our integrated solutions and sale of individual machinery, equipment and tools, which RM39.02 million are expected to be fulfilled by the end of year 2022 and the balance of RM22.13 million are expected to be fulfilled by year 2023.

B4 Variance between Actual Profit and Forecast Profit

The Group has not provided any profit forecast in any public documents and announcements.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022****B5 Taxation**

	3 months ended		Cumulative 9 months ended	
	30.9.2022	30.9.2021	30.9.2022	30.9.2021
	RM'000	RM'000	RM'000	RM'000
Current tax	2,277	N/A	6,557	N/A
Deferred tax	-	N/A	-	N/A
Total	2,277	N/A	6,557	N/A
Effective tax rate (%)	24.32	N/A	24.67	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit before tax for the current financial quarter and current financial period-to-date.

The effective tax rates of the Group for the current financial quarter and current financial period-to-date were higher than the Malaysia statutory tax rate mainly due to certain non-deductible expenses.

B6 Unquoted investments and properties

There were no purchases or sales of unquoted investment or properties for the current financial quarter.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities for the current financial quarter and the financial period to date.

B8 Status of Corporate Proposals

Save as disclosed below, there are no other corporate proposals announced but pending completion as at the date of this report:-

On 17 August 2022, the Board announced that its wholly owned subsidiary, SIP Technology (M) Sdn Bhd had entered into a conditional sale and purchase agreement (“SPA”) with the Penang Development Corporation for the proposed acquisition of all that piece of land situated in Daerah Seberang Perai Tengah and forming part of Mukim 13, the site whereof is marked as Plot 31 Penang Science Park North (“**Land**”) for a total purchase price of RM3,022,410.50. The duly executed and stamped SPA dated 13 July 2022 was received by the Board on 17 August 2022.

Further details on the Land acquisition are set out in a separate announcement dated 17 August 2022.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022****B9 Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at the end of current financial quarter to the date of the interim financial report.

B10 Material Litigation

As at the date of this report, there is no litigation against the Group which has a material effect on the financial position of the Group and the Board is not aware of any material litigation or any proceedings pending or threatened or of any fact likely to give rise to any proceedings.

B11 Earnings Per Share (“EPS”)

	3 months ended		Cumulative 9 months ended	
	30.9.2022	⁽¹⁾ 30.9.2021	30.9.2022	⁽¹⁾ 30.9.2021
Profit attributable to owners of the Company (RM'000)	7,086	N/A	20,023	N/A
Weighted average number of ordinary shares in issue ('000)	445,619	N/A	445,619	N/A
Basic EPS ⁽²⁾ (sen)	1.59	N/A	4.49	N/A

Notes:-

(1) This is the third interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.

(2) Basic earnings per ordinary share is calculated based on the weighted average share capital of the Company as at 30 September 2022, comprising 445,619,048 ordinary shares.

N/A Not applicable

There are no dilutive instruments as at the end of the current financial quarter.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022**

B12 Notes to the Statement of Comprehensive Income

	3 months ended		Cumulative 9 months ended	
	30.9.2022	⁽¹⁾ 30.9.2021	30.9.2022	⁽¹⁾ 30.9.2022
	RM'000	RM'000	RM'000	RM'000
The following items have been charged / (credited) in arriving profit from operations:				
Employee benefit costs	2,209	N/A	5,771	N/A
Director's fee	68	N/A	204	N/A
Depreciation of property, plant and equipment	609	N/A	1,440	N/A
Depreciation of right-of-use assets	10	N/A	29	N/A
Rental income	(110)	N/A	(260)	N/A
Professional fees	81	N/A	1,025	N/A
Short-term lease payment on office premises	17	N/A	55	N/A

Notes:-

(1) This is the third interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.

N/A Not applicable

B13 Utilisation of Proceeds Raised from the IPO

The gross proceeds arising from the IPO amounting to RM58.0 million are intended to be utilised in the following manner:

Details of use	Proposed Utilisation		Estimated Timeframe for Utilisation	Actual Utilisation at 30 September 2022 RM'000	Balance as at 30 September 2022 RM'000	Deviation	
	RM'000	(%)				RM'000	(%)
1. Expansion of the Group's facility	37,800	65.17	Within 24 months	604	37,196	-	-
2. Research and development expenditure	6,000	10.35	Within 24 months	806	5,194	-	-
3. Working capital	10,000	17.24	Within 12 months	104	9,896	-	-
4. Estimated listing expenses	4,200	7.24	Within 3 months	4,200	-	-	-
	58,000	100.00		5,643	52,286		

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 29 April 2022.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2022**

B14 Dividend

The Board declared on 17 November 2022, a first interim tax exempt (single tier) dividend of 0.6 sen per ordinary share for the financial year ending 31 December 2022 with the entitlement date on 8 December 2022 and payment date on 22 December 2022.

B15 Authorisation

The interim financial report was authorised for announcement by the Board in accordance with a resolution of the Board.