



**WELLSPIRE HOLDINGS BERHAD**

Registration No: 202101026155 (1426455-A)

Incorporated in Malaysia

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL PERIOD ENDED  
31 MARCH 2023**

**WELLSPIRE HOLDINGS BERHAD**  
Registration No: 202101026155 (1426455-A)  
Unaudited Interim Financial Report for the First Quarter ended 31 March 2023

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME<sup>(1)</sup>**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Unaudited Current Year Quarter	Unaudited Preceding Year Corresponding Quarter	Unaudited Current Year-to-date	Unaudited Preceding Year Year-to-date
		31.03.2023 RM'000	31.03.2022 <sup>(2)</sup> RM'000	31.03.2023 RM'000	31.03.2022 RM'000
Revenue		34,049	N/A	34,049	N/A
Cost of sales		<u>(27,242)</u>	<u>N/A</u>	<u>(27,242)</u>	<u>N/A</u>
Gross profit		6,807	N/A	6,807	N/A
Other operating income		172	N/A	172	N/A
Net loss on impairment of financial instruments		(77)	N/A	(77)	N/A
Selling and administrative expenses <sup>(3)</sup>		<u>(4,467)</u>	<u>N/A</u>	<u>(4,467)</u>	<u>N/A</u>
Finance costs		<u>(50)</u>	<u>N/A</u>	<u>(50)</u>	<u>N/A</u>
Profit before tax	B12	2,385	N/A	2,385	N/A
Tax expense	B5	<u>(907)</u>	<u>N/A</u>	<u>(907)</u>	<u>N/A</u>
<b>Profit for the financial period</b>		1,478	N/A	1,478	N/A
<b>Other comprehensive income</b>					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Foreign currency translation gain, net of tax		<u>258</u>	<u>N/A</u>	<u>258</u>	<u>N/A</u>
<b>Total comprehensive income for the financial period</b>		<u>1,736</u>	<u>N/A</u>	<u>1,736</u>	<u>N/A</u>
<b>Profit attributable to:</b>					
Owners of the Company		900	N/A	900	N/A
Non-controlling interests		<u>578</u>	<u>N/A</u>	<u>578</u>	<u>N/A</u>
		<u>1,478</u>	<u>N/A</u>	<u>1,478</u>	<u>N/A</u>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		1,094	N/A	1,094	N/A
Non-controlling interests		<u>642</u>	<u>N/A</u>	<u>642</u>	<u>N/A</u>
		<u>1,736</u>	<u>N/A</u>	<u>1,736</u>	<u>N/A</u>
<b>Earnings per share to Owners of the Company</b>					
Basic/Diluted (sen) <sup>(4)</sup>	B11	0.13	N/A	0.13	N/A

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME<sup>(1)</sup> (CONTINUED)**

**Notes**

1. The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 as disclosed in the Annual Report issued on 28 April 2023 and the accompanying explanatory notes attached to this interim financial report.
2. The interim financial report announced in compliance with 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 the Company was listed on the ACE Market of Bursa Securities on 16 January 2023 and as such no interim financial report was prepared for the comparative financial period concerned.
3. Selling and administrative expenses included one-off listing expenses of RM0.06 million charged out to the profit during the current year quarter and current year-to-date, respectively. For illustration purposes only, the Company's financial performance after adjusting for the one-off listing expenses is as follows:

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Unaudited Current Year Quarter 31.03.2023 RM'000</b>	<b>Unaudited Preceding Year Corresponding Quarter 31.03.2022 RM'000</b>	<b>Unaudited Current Year-to-date 31.03.2023 RM'000</b>	<b>Unaudited Preceding Year Year-to-date 31.03.2022 RM'000</b>
Profit before taxation	2,385	N/A	2,385	N/A
Add: Listing expenses	61	N/A	61	N/A
Adjusted profit before taxation	2,446	N/A	2,446	N/A

4. The basic/ diluted earnings per share of the Company for the current quarter and financial year-to-date are equivalent to the basic earnings per share as the Company does not have any convertible securities as at the end of the reporting period. The basic earnings per share is calculated based on 712,125,000 ordinary shares after the Company was listed on the ACE market of Bursa Securities on 16 January 2023.

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**WELLSPIRE HOLDINGS BERHAD**  
Registration No: 202101026155 (1426455-A)  
Unaudited Interim Financial Report for the First Quarter ended 31 March 2023

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION<sup>(1)</sup>**

	Note	Unaudited As at 31.03.2023 RM'000	Audited As at 31.12.2022 RM'000
<b>ASSETS</b>			
<i>Non-current assets</i>			
Property, plant and equipment		871	913
Right-of-use assets		875	1,060
		1,746	1,973
<i>Current assets</i>			
Inventories		7,438	7,817
Trade and other receivables		19,911	20,365
Cash and cash equivalent		37,036	10,470
		64,385	38,652
<b>TOTAL ASSETS</b>		<b>66,131</b>	<b>40,625</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		50,529	23,501
Reserves		(10,889)	(11,083)
Retained earnings		10,350	9,450
		49,990	21,868
Non-controlling interests		6,485	5,843
<b>TOTAL EQUITY</b>		<b>56,475</b>	<b>27,711</b>
<b>LIABILITIES</b>			
<i>Non-current liabilities</i>			
Lease liabilities		263	339
Deferred tax liabilities		2,570	2,334
Borrowings	B8	201	221
		3,034	2,894
<i>Current liabilities</i>			
Lease liabilities		419	470
Borrowings	B8	2,683	5,077
Trade and other payables		2,288	3,917
Current tax liabilities		1,232	556
		6,622	10,020
<b>TOTAL LIABILITIES</b>		<b>9,656</b>	<b>12,914</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>66,131</b>	<b>40,625</b>
Net assets per share (Sen) <sup>(2)</sup>		7.02	3.72

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

**Notes**

1. The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 as disclosed in the Annual Report issued on 28 April 2023 and the accompanying explanatory notes attached to this interim financial report.
2. Net assets per ordinary share is calculated based on the Company's issued share capital of 712,125,000 ordinary shares as at 31 March 2023 and 587,525,000 ordinary shares as at 31 December 2022.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY<sup>(1)(2)</sup>**

	Share capital RM'000	Invested equity RM'000	Foreign currency translation reserve RM'000	Merger reserve RM'000	Legal reserve RM'000	Distributable Retained earnings RM'000	Equity attributable to common controlling shareholders of the combining entities RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>Unaudited</b>									
<b>Balance as at 1 January 2023 (Audited)</b>	23,501	-	(415)	(10,721)	53	9,450	21,868	5,843	27,711
Profit for the financial period	-	-	-	-	-	900	900	578	1,478
Other comprehensive income, net of tax	-	-	194	-	-	-	194	64	258
Total comprehensive income	-	-	194	-	-	900	1,094	642	1,736
Issuance of ordinary shares	27,028	-	-	-	-	-	27,028	-	27,028
<b>Balance as at 31 March 2023</b>	<b>50,529</b>	<b>-</b>	<b>(221)</b>	<b>(10,721)</b>	<b>53</b>	<b>10,350</b>	<b>49,990</b>	<b>6,485</b>	<b>56,475</b>

**Notes :**

1. The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 as disclosed in the Annual Report issued on 28 April 2023 and the accompanying explanatory notes attached to this interim financial report.
2. This is the third financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding quarter available as no interim financial report was prepared for the comparative financial period concerned.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS<sup>(1)(2)</sup>**

	<b>Unaudited Current Year- to-date 31.03.2023 RM'000</b>	<b>Unaudited Preceding Year Year-to-date 31.03.2022<sup>(2)</sup> RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,385	N/A
Adjustments for:		
Depreciation of:		
- property, plant and equipment	81	N/A
- right-of-use assets	196	N/A
Interest expense on:		N/A
- borrowings	41	N/A
- lease liabilities	9	N/A
Interest income	(97)	N/A
Impairment loss on trade receivables	77	N/A
Unrealised gain on foreign exchange	(40)	N/A
Operating profit before changes in working capital	2,652	N/A
Changes in working capital		
Inventories	503	N/A
Trade and other receivables	808	N/A
Trade and other payables	(1,789)	N/A
Cash generated from operations	2,174	N/A
Interest received	97	N/A
Tax paid	(4)	N/A
<b>Net cash from operating activities</b>	<b>2,267</b>	<b>N/A</b>

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS<sup>(1)(2)</sup> (CONTINUED)

	Unaudited Current Year- to-date 31.03.2023 RM'000	Unaudited Preceding Year Year-to-date 31.03.2022 <sup>(2)</sup> RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of:		
- property, plant and equipment	(27)	N/A
Placement of fixed deposit	(20,000)	N/A
<b>Net cash used in investing activities</b>	<b>(20,027)</b>	<b>N/A</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdowns of borrowings	7,334	N/A
Payments of lease liabilities	(143)	N/A
Proceeds from issuance of shares	27,028	N/A
Repayments of borrowings	(9,875)	N/A
<b>Net cash from financing activities</b>	<b>24,344</b>	<b>N/A</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,584</b>	<b>N/A</b>
Effects of exchange rate changes on cash and cash equivalents	(18)	N/A
Cash and cash equivalents at beginning of financial period	10,470	N/A
<b>Cash and cash equivalents at end of financial period</b>	<b>17,036</b>	<b>N/A</b>
<b>Represented by:</b>		
Cash and cash equivalent	37,036	N/A
Less: Fixed deposits with licensed bank	20,000	N/A
	<u>17,036</u>	<u>N/A</u>

**Notes:**

1. The basis of the preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 as disclosed in the Annual Report issued on 28 April 2023 and the accompanying explanatory notes attached to this interim financial report.
2. This is the third financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding quarter available as no interim financial report was prepared for the comparative financial period concerned.



# WELLSPIRE HOLDINGS BERHAD

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Unaudited Interim Financial Report for the First Quarter ended 31 March 2023

## PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

### A1 –Basis of Preparation

The interim financial report of Wellspire Holdings Berhad (“Wellspire” or “Company”) and its subsidiaries (“Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

This is the third interim financial report on the Company’s unaudited condensed consolidated financial results for the first (1<sup>st</sup>) quarter ended 31 March 2023 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding quarter and year-to-date.

The interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2022 as disclosed in the Annual Report issued on 28 April 2023 and the accompanying notes attached to this interim financial report.

### A2 – Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the Group’s audited financial statements for the financial year 31 December 2022 as disclosed in the Annual Report issued on 28 April 2023.

The following MFRSs and Amendments to MFRSs have been issued but has not been early adopted by the Group.

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non Current Liability with Convenants</i>	1 January 2024
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred

The adoption of the above accounting standards did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

### 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 31 December 2022.

### A4 – Seasonal or Cyclicity of Operations

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

### A5 –Unusual Items Affecting Assets, Liabilities, Equity, Net Income and Cash Flows

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

### A6 – Material changes in Estimates

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

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### **PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONTINUED)**

#### **A7 – Debt and Equity Securities**

In conjunction with the Company’s listing on the ACE Market of Bursa Securities (“Listing”) on 16 January 2023, the Company issued 124,600,000 new shares (“Issues Shares”) at an issue price of RM0.23 per share via public issue that were allocated in the following manner:

- a) 36,000,000 Issue Shares for application by the Malaysian Public;
- b) 10,000,000 Issue Shares for application by our eligible Directors, employees and person who have contributed to the success of the Group; and
- c) 78,600,000 Issue Shares by way of private placement to selected investors.

On 16 January 2023, the Company was admitted to the Official List of Bursa Securities and the Company’s entire enlarged issue share capital of RM52,159,000 comprising 712,125,000 Shares was listed and quoted on the ACE Market of Bursa Securities.

Save as disclosed above, there were no other issuances, cancellation, repurchases, resales and repayment of debts and equity securities during the current financial quarter under review.

#### **A8 – Dividends Paid**

There were no dividend declared or paid during the current financial quarter under review.

#### **A9 – Segmental Information**

The primary activities of the Group are in a single industry segment of distribution of consumer packaged foods. Other reporting segment include online retailer of consumer packaged foods and investment holding, which are not of a sufficient size to be reported separately.

Accordingly, the Group has only one (1) reportable segment.

#### **A10 – Valuation of Property, Plant and Equipment**

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

#### **A11 – Material Subsequent Events**

There were no material subsequent events to the end of the current financial quarter under review.

#### **A12 – Changes in the Composition of The Group**

There were no other material changes in the composition of the Group for the current financial quarter under review.

#### **A13 – Contingent Assets and Contingent Liabilities**

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

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**PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONTINUED)****A14 – Capital Commitment**

Save as disclosed below, there were no capital commitments:

**Unaudited**  
**As at**  
**31.03.2023**  
**RM’000**

Capital expenditure in respect of purchase of property, plant, and equipment:

- Approved but not contracted for acquisition of a warehouse and operational facility in Thailand 16,000

**A15 –Related Party Transaction**

There were no related party transactions to the end of the current financial quarter under review, except for the following:

	<b>INDIVIDUAL QUARTER</b>		<b>CUMMULATIVE QUARTER</b>	
	<b>Unaudited Current Year Quarter</b>	<b>Unaudited Preceding Year Corresponding Quarter</b>	<b>Unaudited Preceding Year Year-to-date</b>	<b>Unaudited Preceding Year Year-to-date</b>
	<b>31.03.2023 RM’000</b>	<b>31.03.2022<sup>(1)</sup> RM’000</b>	<b>31.03.2023 RM’000</b>	<b>31.03.2022<sup>(1)</sup> RM’000</b>
Rental expenses paid to a related party	435	N/A	435	N/A

**Notes:**

1. This is the third financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding year’s corresponding quarter available as no interim financial report was prepared for the comparative financial period concerned.

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**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1 – Review of Performance**

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	Current Year Quarter 31.03.2023	Preceding Year Corresponding Quarter 31.03.2022 <sup>(1)</sup>	Current Year-to- date 31.03.2023	Preceding Year Corresponding Year-to-date 31.03.2022 <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000
Revenue	34,049	N/A	34,049	N/A
Gross profit	6,807	N/A	6,807	N/A
Profit before tax	2,385	N/A	2,385	N/A

Results for current quarter:

The Group achieved revenue of RM34.05 million for the current quarter ended 31 March 2023. The revenue were derived from customers located in Thailand. Revenue from sales of sunflower seeds accounted for RM32.12 million or 94.33% of the total revenue whereas the sales of other snack foods accounted for RM1.93 million or 5.67% of the total revenue for the for the current quarter ended 31 March 2023. Material costs constituted the largest component in the Group's cost of sales which accounted for RM26.59 million or 97.61% of its total cost of sales of amounting to RM27.24 million for the current quarter ended 31 March 2023.

Overall, the Group recorded profit before tax of RM2.39 million for the current quarter ended 31 March 2023 after expensing off professional fee in relation to the IPO of RM0.06 million which is one-off and non-recurring in nature.

**Notes:**

1. This is the third financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding quarter available as no interim financial report was prepared for the comparative financial period concerned.

**B2 – Comparison with immediate preceding quarter's results**

	INDIVIDUAL QUARTER	
	Current Year Quarter 31.03.2023	Preceding Quarter 31.12.2022
	RM'000	RM'000
Revenue	34,049	32,577
Gross profit	6,807	6,463
Profit/ (Loss) before tax	2,385	(170)

The Group registered higher revenue of RM34.05 million for the current financial quarter as compared to RM32.58 million in the preceding quarter. The higher revenue was mainly due to increase in orders placed by customers of the Company. The Group recorded profit before tax of RM2.39 million as compared to a loss before tax of RM0.17 million in the preceding quarter. The Group recorded profit before tax was mainly contributed by the reduction of professional fee in relation to the IPO as compared to loss before tax in the preceding quarter.

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### PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

#### B3 –Prospects and Outlook for the Current Financial Year

As disclosed in the Prospectus of the Company dated 27 December 2022, the Group will implement the following future plans:

- a) As part of the Group’s business strategies, the Group intends to acquire/ construct a warehouse and operating facility as a long-term investment to increase the Group’s asset base instead of renting the distribution centre. The Group intends to allocate up to RM16.00 million of the IPO proceeds to be utilised within 18 months from its listing, to explore its options either to acquire the abovementioned existing distribution centre from the Promoters or to acquire a new warehouse and operational facility at another suitable location in Thailand. As of the date of this interim report, the strategy is in the assessment stage.
- b) As a distributor of consumer packaged snack foods to operators of large chain retail outlets, the Group will continue to expand its range of products to include other types of snack foods as the Group has market access to a large potential end-consumer base. In this respect, the Group plans to widen its existing range of third-party brands of consumer packaged snack foods.

On 23 March 2023, the Group has entered into a distribution agreement with HH International Enterprise Limited (“HH”), whereby the Group was appointed as the exclusive distributor of “WEILONG” brand products by HH. The products supplied by HH will only be marketed, distributed and sold by the Group in Thailand. The Group will commence distribution of WEILONG brand konjac and seasoned flour products, namely Weilong Big Hot stick (Latiao) and Weilong Konjac Shuang.

- c) Part of the Group’s plan is to enhance the features of its existing e-commerce platform operated by its subsidiary, Keymall Retail, to further complement its existing business model and to increase its online presence. The Group’s existing e-commerce platform has basic features to showcase its product offerings on the website which does not have a payment gateway system, and is only available in Thai language. The Group plans to upgrade the platform to be functional by 1st half of year 2023 and to commence operations from the enhanced e-commerce platform. This will be funded through internally generated funds. As of the date of this interim report, the Group has successfully identified an e-commerce platform to further complement its existing business model and to increase its online presence.

In addition to the above, the Group views that the demand for healthy snacks like sunflower seeds and nut products is expected to increase in Thailand as household income and consumer spending are recovering in the post-pandemic phase. Based on the Thai Economic Performance in 4<sup>th</sup> quarter of 2022 and the outlook for 2023 press release, issued by the Office National Economic and Social Development Council (Thailand). In 2022, Thailand’s economy grew by 2.6%, mainly driven by tourism recovery and continual improvement of domestic demand in both private consumption and investment. The Thai economy in 2023 is expected to expand within the range of 3.0% to 4.0% in 2023, mainly supported by the recovery of domestic tourism, expansion of both private and public investments, improved domestic demand and the growth of the agricultural sector. Based on the above, Wellspire remains positive of the Group’s ability to continue achieving satisfactory financial performance in the future.

#### B4 – Variance of Actual Profit Forecast Profit

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

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**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)****B5 –Tax Expense**

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.03.2023 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2022 <sup>(1)</sup> RM'000	Unaudited Preceding Year Year-to-date 31.03.2023 RM'000	Unaudited Preceding Year Year-to-date 31.03.2022 <sup>(1)</sup> RM'000
<u>Taxation</u>				
- Malaysia	-	N/A	-	N/A
- Outside Malaysia	672	N/A	672	N/A
	<u>672</u>	<u>N/A</u>	<u>672</u>	<u>N/A</u>
<u>Deferred tax</u>				
- Malaysia	-	N/A	-	N/A
- Outside Malaysia	235	N/A	235	N/A
	<u>235</u>	<u>N/A</u>	<u>235</u>	<u>N/A</u>
<b>Tax expense</b>	<b><u>907</u></b>	<b><u>N/A</u></b>	<b><u>907</u></b>	<b><u>N/A</u></b>
<b>Profit before taxation</b>	<b>2,385</b>	<b>N/A</b>	<b>2,385</b>	<b>N/A</b>
<b>Effective tax rate</b>	<b>38.03%</b>	<b>N/A</b>	<b>38.03%</b>	<b>N/A</b>

The higher effective tax rate of the Group as compared to the Thailand statutory tax rate for the current financial period 20% was mainly due to the non-deductibility of certain expenses and tax effects of origination of temporary differences on undistributed retained earnings of consolidated entities for the financial period ended 31 March 2023. In accordance with Section 70 of Thai Revenue Code, dividends paid to holding companies incorporated under foreign laws and not carrying on business in Thailand are subject to a withholding tax at the rate of 10% of the distributed amount.

**Notes:**

- This is the third financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding quarter available as no interim financial report was prepared for the comparative financial period concerned.

**B6 – Status of Corporate Proposals**

On 16 January 2023, the Company was admitted to the Official List of Bursa Securities and the Company's entire enlarged issue share capital of RM52,150,000 comprising 712,125,000 Shares was listed and quoted on the ACE Market of Bursa Securities.

Save as disclosed above, there were no other corporate proposals announced but not implemented as at the date of this interim financial report.

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**WELLSPIRE HOLDINGS BERHAD**

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Unaudited Interim Financial Report for the First Quarter ended 31 March 2023

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)****B7 – Utilisation of Proceeds from IPO**

The utilisation of proceeds as disclosed below should be read in conjunction with the Prospectus of the Company dated 27 December 2022. The gross proceeds of approximately RM28.66 million raised from the IPO and the status of utilisation is disclosed in the following manner:

Details of utilisation	Estimated Timeframe for the utilisation upon listing <sup>(1)</sup>	Proposed Utilisation RM'000	Actual Utilisation RM'000	Reallocation RM'000	Balance to be utilised RM'000
Acquire/ construct a warehouse and operational facility in Thailand	Within 18 months	16,000	-	-	16,000
Working capital	Within 6 months	5,958	-	912	6,870
Estimated listing expenses	Within 3 months	6,700	5,788	(912) <sup>(2)</sup>	-
<b>Total</b>		<b>28,658</b>	<b>5,788</b>	<b>-</b>	<b>22,870</b>

**Notes:**

- From the date of listing of the Company on the ACE Market of Bursa Securities.
- The actual utilisation of listing expenses amounted to RM5.79 million. The surplus of RM0.91 million from the estimated listing expenses was re-allocated to the general working capital requirements of the Group.

**B8 – Bank Borrowings**

Total Group bank borrowings as at 31 March 2023 are as follows:

	Total RM'000	Secured RM'000	Unsecured RM'000
<b><u>Non-current:</u></b>			
Term loan	201	201	-
	<u>201</u>	<u>201</u>	<u>-</u>
<b><u>Current:</u></b>			
Term loan	98	98	-
Revolving credit	2,585	-	2,585
Invoice financing	-	-	-
	<u>2,683</u>	<u>98</u>	<u>2,585</u>

All of the above borrowings are denominated in THB and are secured except for revolving credits.

**B9 – Material Litigations**

As at the date of this interim financial report, there is no material litigation or arbitration by/against the Group, which has a material effect on the financial position of the Group and the Board of Directors (“**Board**”) is not aware of any material proceedings pending or of any fact likely to give rise to any proceedings.

**B10 – Dividends**

There were no dividend proposed or declared by the Board of the Company during the current financial quarter under review.

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**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)****B11 –Earnings per Share (“EPS”)**

The earnings per share of the current financial quarter under review are calculated as follows:

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	Unaudited Current Year Quarter	Unaudited Preceding Year Corresponding Quarter	Unaudited Preceding Year Year-to-date	Unaudited Preceding Year Year-to-date
	31.03.2023 RM'000	31.03.2022 <sup>(1)</sup> RM'000	31.03.2023 RM'000	31.03.2022 <sup>(1)</sup> RM'000
Profit attributable to the Owners of the Company	900	N/A	900	N/A
Number of ordinary shares ('000)	712,125	N/A	712,125	N/A
Basic/ Diluted EPS (sen)	0.13	N/A	0.13	N/A

**Notes:**

1. This is the third financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding quarter available as no interim financial report was prepared for the comparative financial period concerned.

**B12 – Notes to the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

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

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	Unaudited Current Year Quarter	Unaudited Preceding Year Corresponding Quarter	Unaudited Preceding Year Year-to-date	Unaudited Preceding Year Year-to-date
	31.03.2023 RM'000	31.03.2022 <sup>(1)</sup> RM'000	31.03.2023 RM'000	31.03.2022 <sup>(1)</sup> RM'000
Depreciation of :				
- property, plant and equipment	81	N/A	81	N/A
- right-of-use assets	196	N/A	196	N/A
Interest expenses on :				
- lease liabilities	9	N/A	9	N/A
- borrowings	41	N/A	41	N/A
Listing expenses	61	N/A	61	N/A
Interest income	(97)	N/A	(97)	N/A
Realised gain on foreign exchange	(31)	N/A	(31)	N/A
Provision of impairment loss on trade receivables	77	N/A	77	N/A
Unrealised gain on foreign exchange	(40)	N/A	(40)	N/A

Other disclosure items pursuant to Appendix 9B of the Listing requirement are not applicable.

**Notes:**

1. This is the third financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding quarter available as no interim financial report was prepared for the comparative financial period concerned.



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**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

**B13 – Derivative**

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

**B14 – Approval of Interim Financial Report**

The interim financial report as set out above was approved by the Board in accordance with a resolution dated 30 May 2023.

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