

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023⁽¹⁾

	Individual Quarter		Cumulative Quarter	
	31.12.2023 RM'000	31.12.2022 ⁽²⁾ RM'000	31.12.2023 RM'000	31.12.2022 ⁽²⁾ RM'000
Revenue	3,505	N/A	24,408	N/A
Cost of sales	(2,373)	N/A	(13,499)	N/A
Gross profit	1,132	N/A	10,909	N/A
Other income	219	N/A	438	N/A
Administrative expenses ⁽³⁾	(1,103)	N/A	(5,431)	N/A
Selling and distribution expenses	(76)	N/A	(291)	N/A
Operating profit	172	N/A	5,625	N/A
Finance cost	(56)	N/A	(190)	N/A
Finance income	216	N/A	518	N/A
Profit before tax	332	N/A	5,953	N/A
Taxation	(145)	N/A	(1,917)	N/A
Net profit, representing total comprehensive income for the financial period	187	N/A	4,036	N/A
Basic/diluted earnings per ordinary share⁽⁴⁾ (sen)	0.04	N/A	0.76	N/A

EDELTEQ HOLDINGS BERHAD

Registration No. 201901033362 (1342692-X)

(Incorporated in Malaysia)


**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER
 COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023⁽¹⁾
 (CONT'D)**
Notes:

1. The basis of the 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 Accountants' Report as disclosed in the prospectus of Edeltec Holdings Berhad ("**Edeltec**") or the "**Company**") dated 9 May 2023 ("**Prospectus**") and the accompanying explanatory notes attached to this condensed interim financial report.
2. No comparative figures for the preceding corresponding quarter are presented as this is the fourth interim financial report announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**").
3. Administrative expenses included non-recurring listing expenses of RM1.52 million for the cumulative quarter. For illustration purposes only, the Group's financial performance after adjusting for the non-recurring listing related expenses is as follows:

	Individual Quarter		Cumulative Quarter	
	31.12.2023	31.12.2022 ⁽²⁾	31.12.2023	31.12.2022 ⁽²⁾
	RM'000	RM'000	RM'000	RM'000
Profit before tax	332	N/A	5,953	N/A
Add: Listing expenses	-	N/A	1,515	N/A
Adjusted profit before tax	332	N/A	7,468	N/A

4. Basic and diluted earnings per share ("**EPS**") is calculated based on the Company's enlarged share capital of 532,535,630 shares pursuant to completion of the initial public offering ("**IPO**") of the Company. Diluted EPS is equivalent to the basic EPS as there were no potential dilutive securities in issue during the financial quarter under review.

N/A denotes not applicable.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023⁽¹⁾**

	Unaudited As at 31.12.2023 RM'000	Audited As at 31.12.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	15,152	5,592
Investment property	3,206	3,235
Right-of-use assets	125	240
Development costs	567	-
	19,050	9,067
Current assets		
Inventories	2,637	4,061
Trade receivables	4,155	7,202
Other receivables, deposits and prepayments	1,171	1,038
Current tax recoverable	161	629
Short term investments	21,905	-
Cash and bank balances	6,995	6,238
	37,024	19,168
TOTAL ASSETS	56,074	28,235
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	38,056	1,020
Invested equity ⁽²⁾	-	1,447
Merger reserve	(12,672)	-
Retained profits	20,637	16,601
TOTAL EQUITY	46,021	19,068
Non-current liabilities		
Lease liabilities	11	143
Borrowings	3,236	2,853
Deferred tax liabilities	66	58
	3,313	3,054
Current liabilities		
Trade payables	1,359	1,530
Other payables and accruals	2,589	712
Contract liabilities	2,092	3,323
Refund liabilities	98	98
Lease liabilities	131	108
Borrowings	471	342
	6,740	6,113
TOTAL LIABILITIES	10,053	9,167
TOTAL EQUITY AND LIABILITIES	56,074	28,235
Net assets per share ⁽³⁾ (RM)	0.09	0.04

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023⁽¹⁾ (CONT'D)**

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 Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
2. The invested equity comprises of the aggregate share capital of the combining entities, namely Edeltech Technologies Sdn Bhd ("**ETSB**"), Edeltech Ventures Sdn Bhd ("**EVS**"), Camyang Enterprise Sdn Bhd ("**CESB**"), Edel Technology (M) Sdn Bhd ("**ETMSB**") and Dysteq Technique Sdn Bhd ("**DTSB**"). Following the completion of the share-sale agreement on 24 March 2023, the Company has adopted the merger accounting principles as the consolidated entities are under common control by the same parties before and after the IPO.
3. Calculated based on net assets attributable to owners of the Company divided by the Company's enlarged share capital of 532,535,630 shares after the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad on 7 June 2023.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023⁽¹⁾**

	Share Capital RM'000	Non-distributable Invested Equity RM'000	Merger Reserve RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
Balance as at 1 January 2022	1,020	1,447	-	12,662	15,129
Net profit, representing total comprehensive income for the financial year	-	-	-	5,439	5,439
<i>Transaction with owners of the Company:</i>					
Dividends	-	-	-	(1,500)	(1,500)
Balance as at 31 December 2022/ 1 January 2023	1,020	1,447	-	16,601	19,068
Net profit, representing total comprehensive income for the financial period	-	-	-	4,036	4,036
<i>Transaction with owners of the Company:</i>					
Acquisition of subsidiaries	37,036	(1,447)	(12,672)	-	22,917
Balance as at 31 December 2023	38,056	-	(12,672)	20,637	46,021

Note:

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 Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023⁽¹⁾**

	Unaudited Current Year-to-date 31.12.2023 RM'000	Unaudited Preceding Corresponding Year-to-date 31.12.2022 ⁽²⁾ RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	5,953	N/A
Adjustments for:		
Accretion of interest on lease liabilities	11	N/A
Depreciation of:		
- property, plant and equipment	301	N/A
- investment property	29	N/A
- right-of-use assets	115	N/A
Dividend income from other investments	(295)	N/A
Interest expenses	179	N/A
Interest income	(223)	N/A
Loss on fair value in other investments	11	N/A
Loss on disposal on property, plant and equipment	13	N/A
Unrealised gain on forex exchange	(214)	N/A
Operating profit before working capital changes	5,880	N/A
Changes in:		
Inventories	1,424	N/A
Receivables	2,914	N/A
Payables	1,706	N/A
Development cost	(567)	N/A
Contract liabilities	(1,231)	N/A
Net cash generated from operations	10,126	N/A
Income tax paid	(1,525)	N/A
Income tax refunded	71	N/A
Interest paid	(179)	N/A
Net cash from operating activities	8,493	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	295	N/A
Interest received	223	N/A
Purchase of other investments	(21,916)	N/A
Purchase of property, plant and equipment	(9,861)	N/A
Net cash used in investing activities	(31,259)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from issuance of ordinary shares, net	22,917	N/A
Proceed from hire purchases	832	N/A
Repayment of hire purchases	(102)	N/A
Repayment of term loans	(218)	N/A
Repayment of lease liabilities	(120)	N/A
Net cash from financing activities	23,309	N/A
NET INCREASE IN CASH AND CASH EQUIVALENTS	543	N/A
Effect in unrealised gain on forex exchange	214	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING	6,238	N/A
CASH AND CASH EQUIVALENTS AT END	6,995	N/A

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023⁽¹⁾ (CONT'D)**

Notes:

1. The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
2. No comparative figures for the preceding corresponding period are presented as this is the fourth interim financial report announced by the Company in compliance with the Listing Requirements of Bursa Securities.

N/A denotes not applicable.

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023**

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS 134”), INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION

The interim financial report of Edeltec and its subsidiaries (collectively, the “Group”) is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“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 fourth interim financial report on the Group’s consolidated results for the fourth quarter ended 31 December 2023 announced by the Group in compliance with the Listing Requirements of Bursa Securities and as such, there are no comparative figures for the preceding year’s corresponding quarter.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus 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 adopted in preparation of the Accountants’ Report as disclosed in the Prospectus dated 9 May 2023 except for the adoption of the following amendments/improvements to MFRSs, which are applicable during the current financial year.

Title	Effective Date
MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts: Initial application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112 Income Taxes - International Tax Reform: Pillar Two Model Rules	1 January 2023

The initial application or adoption of the above amendments/improvements to MFRSs are not expected to have any material financial impact on these condensed consolidated interim financial statements.

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (CONT'D)**

A2. CHANGES IN ACCOUNTING POLICIES (CONT'D)

The following are accounting standards that have been issued by the MASB but are not yet effective for the Group:

Title	Effective Date
Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements - Non-Current Liabilities with Covenants	1 January 2024
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements	1 January 2024
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	Deferred

The initial application of the above standards is not expected to have any material impacts to the condensed consolidated financial statements of the Group upon adoption.

A3. AUDITORS' REPORT

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2022.

A4. SEASONAL OR CYCLICAL FACTORS

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

A5. MATERIAL UNUSUAL ITEMS

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

A6. MATERIAL CHANGES IN ESTIMATES

There were no changes in estimates that have a material effect on the Group in the current financial quarter under review.

A7. DEBT AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter under review.

A8. DIVIDEND PAID

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

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (CONT'D)**

A9. SEGMENTAL INFORMATION

The Group's revenue is segmented as follows:

	Individual Quarter		Cumulative Quarter	
	31.12.2023 RM'000	31.12.2022 ⁽¹⁾ RM'000	31.12.2023 RM'000	31.12.2022 ⁽¹⁾ RM'000
<u>Business activities</u>				
Design and assembly of integrated circuit ("IC") burn-in boards and supply of printed circuit boards ("PCBs")	1,654	N/A	7,396	N/A
Supply and refurbishment of IC assembly and test consumables	877	N/A	5,835	N/A
Design, development and assembly of automated test equipment ("ATE") and factory automation	783	N/A	10,431	N/A
Trading of operating supplies, spare parts and tools for IC assembly and testing	191	N/A	746	N/A
Total	3,505	N/A	24,408	N/A
<u>Geographical markets</u>				
Malaysia	3,023	N/A	14,975	N/A
Overseas:				
- Singapore	479	N/A	6,124	N/A
- United States	-	N/A	3,278	N/A
- Thailand	3	N/A	31	N/A
Total	3,505	N/A	24,408	N/A

Note:

1. No comparative figures for the preceding corresponding quarter are presented as this is the fourth interim financial report announced by the Company in compliance with the Listing Requirements.

N/A denotes not applicable.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTER

Subsequent to the end of the quarter, EHB had on 19 January 2024 entered into two Memorandum of Understandings with;

1. CYG Semiconductor Equipment (Zhuhai) Co. Ltd in relation to the proposed joint venture for semiconductor equipment design, manufacturing and sale of Automated Optical Inspection system and IGBT module packaging machines.
2. Halo Technologies Sdn. Bhd. in relation to the proposed joint venture for semiconductor equipment design, manufacturing and sale of Automated Optical Inspection system.

Other than the above, there is no material events after the end of the quarter.

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (CONT'D)**

A11. CHANGES IN THE COMPOSITION OF THE GROUP

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

A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

A13. MATERIAL CAPITAL COMMITMENT

	Unaudited 31.12.2023 RM'000	Audited 31.12.2022 RM'000
<u>Authorised and contracted for:</u>		
Factory	3,598	11,841

Save as disclosed above, there are no any other material capital commitments as at the date of this interim financial report.

A14. SIGNIFICANT RELATED PARTY TRANSACTIONS

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

A15. DERIVATIVE FINANCIAL INSTRUMENTS

There were no outstanding derivative financial instruments as at the end of the current financial quarter under review.

A16. FAIR VALUE OF FINANCIAL LIABILITIES

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

**NOTES TO THE INTERIM FINANCIAL REPORT
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (CONT'D)**

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

B1. REVIEW OF PERFORMANCE

	Individual Quarter		Cumulative Quarter	
	31.12.2023 RM'000	31.12.2022 ⁽¹⁾ RM'000	31.12.2023 RM'000	31.12.2022 ⁽¹⁾ RM'000
Revenue	3,505	N/A	24,408	N/A
Profit before tax ("PBT")	332	N/A	5,953	N/A

The Group recorded revenue of approximately RM3.51 million for the current financial quarter under review. The IC burn-in boards and supply of PCBs as well as the supply and refurbishment of IC assembly and test consumables segments are the two major revenue contributors to the Group which contributed more than 72% to the Group's revenue for the current financial quarter under review.

The Group recorded a PBT of approximately RM0.33 million for the current financial quarter under review after deducting expenses which are mainly attributable to administrative expenses of approximately RM1.10 million for the current financial quarter under review. The administrative expenses mainly comprise of depreciation, directors' remuneration and staff costs expenses amounting to an aggregate of RM0.80 million for the current financial quarter under review.

Note:

- No comparative figures for the preceding corresponding quarter are presented as this is the fourth interim financial report announced by the Company in compliance with the Listing Requirements.

N/A denotes not applicable.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER

	Current Quarter 31.12.2023 RM'000	Immediate Preceding Quarter 30.9.2023 RM'000
Revenue	3,505	4,877
PBT	332	1,111

The Group's revenue decreased by RM1.37 million or 28.07% to RM3.51 million as compared to RM4.88 million for the immediate preceding quarter. This was mainly due to the lower number of deliveries of ATE during the current quarter under review.

The Group's PBT decreased by RM0.78 million or 70.27% as compared to the immediate preceding quarter. The decrease in Group's PBT is mainly due to lower revenue recorded coupled with the fixed costs incurred in administrative expenses such as depreciation, directors' remuneration and staff cost.

**NOTES TO THE INTERIM FINANCIAL REPORT
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (CONT'D)**

B3. PROSPECTS OF THE GROUP

Global semiconductor industry sales fell 8.2% year-on-year (y-o-y) in 2023 (According to Semiconductor Industry Association). Despite industry-wide downturn within the semiconductor industry, The Group's balanced product portfolio showed its value, and we are able to maintain our revenue against challenging industry-wide backdrop.

The semiconductor market is projected to grow in 2024 buoyed by resilient automotive market and generative artificial intelligence wave. Yet concerns exist over inventory oversupply and geopolitical conflicts which resulted in somewhat muted outlooks for research and development spending, and capital expenditures in 2024.

By leveraging on the Group's history and competitive strengths, the Group will continue to explore new business opportunities through its current and potential customers. Moving forward, the Group will continue to focus on growing its market share and working toward achieving its management agenda and financial targets.

B4. PROFIT FORECAST

The Group did not issue any profit estimate, forecast, projection or internal targets in any public document.

B5. TAXATION

	Individual Quarter		Cumulative Quarter	
	31.12.2023 RM'000	31.12.2022 ⁽¹⁾ RM'000	31.12.2023 RM'000	31.12.2022 ⁽¹⁾ RM'000
Current taxation	145	N/A	1,909	N/A
Deferred taxation	-	N/A	8	N/A
Total	145	N/A	1,917	N/A
Effective tax rate (%)	43.67	N/A	32.20	N/A

The effective tax rate of the Group was higher than the statutory tax rate as certain expenses were not tax deductible, namely the non-recurring listing expenses and interest expense for term loan.

As a result of the Pre-IPO restructuring exercise, ETSB, one of the subsidiaries had lost its pioneer status due to non-fulfilling of a condition imposed by MIDA. ETSB is in the midst of appealing against the loss of pioneer status and is now pending for the outcome of the tax incentive appeal. The Group had assumed that the current income generated by ETSB for this quarter under review is subject to the prevailing statutory tax rate. Should the appeal be successful, the quarterly results may defer from the audited results due to timing of receiving the outcome of the appeal.

**NOTES TO THE INTERIM FINANCIAL REPORT
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (CONT'D)**

B5. TAXATION (CONT'D)

For illustration purposes only, the Group's effective tax rate after adjusting for the non-recurring listing and related expenses is as follows:

	Individual Quarter		Cumulative Quarter	
	31.12.2023	31.12.2022 ⁽¹⁾	31.12.2023	31.12.2022 ⁽¹⁾
Effective tax rate excluded non-recurring listing and related expenses (%)	26.80	N/A	22.79	N/A

Note:

- No comparative figures for the preceding corresponding quarter are presented as this is the fourth interim financial report announced by the Company in compliance with the Listing Requirements.

N/A denotes not applicable.

B6. STATUS OF CORPORATE PROPOSALS

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

B7. UTILISATION OF PROCEEDS FROM THE IPO

The gross proceeds from the IPO amounting to RM24.00 million is expected to be utilised in the following manner:

Details of utilisation	Proposed utilisation RM'000	Actual utilisation RM'000	Utilisation rate (%)	Estimated timeframe for utilisation upon listing
Construction of the Proposed Batu Kawan Factory	3,679	3,679	100.00	Within 12 months
Repayment of bank borrowings (Proposed Batu Kawan Factory)	10,250	-	-	Within 24 months
Research and development	3,097	66	2.13	Within 30 months
Working capital	3,374	27	0.79	Within 24 months
Estimated listing expenses	3,600	3,600	100.00	Within 3 months
Total	24,000	7,372		

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

**NOTES TO THE INTERIM FINANCIAL REPORT
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (CONT'D)**

B8. GROUP BORROWINGS AND DEBT SECURITIES

The details of the Group's borrowings are as follows:

	Unaudited 31.12.2023 RM'000	Audited 31.12.2022 RM'000
Non-current liabilities		
Hire purchase	724	122
Term loans	2,512	2,731
	3,236	2,853
Current liabilities		
Hire purchase	219	90
Term loans	252	252
	471	342

All the borrowings are secured and denominated in Ringgit Malaysia.

B9. MATERIAL LITIGATION

During the financial period of this interim financial report, on 31 July 2023, the Company and five of its subsidiaries were served with a Writ filed by Mi Technovation Berhad and Mi Equipment (M) Sdn Bhd ("Mi Group") in the High Court of Pulau Pinang Civil Suit No. PA-22NCC-49-07/2023 ("the Suit") against the Company and eight others for inter-alia alleged breach of confidential information, copyright and patent infringement, conspiracy to injure and unlawful interference with trade. On the same day, the Company, its five subsidiaries and two others were also served with an Anton Piller Order ("APO") which was granted ex-parte by the Penang High Court on 27 July 2023 (collectively "the Litigation").

The Company and the subsidiaries have engaged lawyers to contest the Litigation. The Company has been advised that it has good grounds to contest the Litigation. The Company has also been advised not to disclose the contents of the APO until it is permissible to do so.

The Company and the subsidiaries have filed their Defence and Counterclaim on 20 October 2023. On 13 November 2023, the Company and the subsidiaries were served with an Amended Statement of Claim. The Company and the subsidiaries subsequently filed their Amended Defence and Counterclaim on 8 December 2023.

On 8 November 2023, the Company's subsidiary, Edeltec Ventures Sdn Bhd ("EVSB") was served with a Notice of Application dated 1 November 2023 ("Committal Application") filed by the Mi Group. The Committal Application alleged that EVSB and 3 others, namely Mr. Chin Yong Keong, Mr. Khong Chee Seong and Mr. Ang Shi Jie had disobeyed the APO and have committed acts of contempt. The Committal Application was filed after Mi Group obtained an ex-parte order granting them leave to initiate the Committal Application on 25 October 2023.

EVSB disputes disobeying the APO. EVSB had applied to set aside the ex-parte order granting leave ("Setting Aside Committal Application") and is opposing the Committal Application. The hearing of both the Setting Aside Committal Application and the Committal Application has been fixed on 25 April 2024.

The Board will make the necessary disclosures with regard to the proceedings and details of the Litigation and the Committal Application as and when there are material fresh developments.

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (CONT'D)**

B10. DIVIDEND

There was no dividend declared or recommended for payment by the Board during the current financial quarter under review.

B11. BASIC/DILUTED EARNINGS PER SHARE

The basic and diluted EPS for the current quarter are computed as follows:

	Individual Quarter		Cumulative Quarter	
	31.12.2023 RM'000	31.12.2022 ⁽²⁾ RM'000	31.12.2023 RM'000	31.12.2022 ⁽²⁾ RM'000
Profit attributable to owners of the Company	187	N/A	4,036	N/A
Number of ordinary shares ('000)	532,536	N/A	532,536	N/A
Basic/Diluted EPS (sen) ⁽¹⁾	0.04	N/A	0.76	N/A

Notes:

- Basic and diluted EPS is calculated based on the Company's enlarged share capital of 532,535,630 shares pursuant to completion of the initial public offering ("IPO") of the Company. Diluted EPS is equivalent to the basic EPS as there were no potential dilutive securities in issue during the financial quarter under review.
- No comparative figures for the preceding corresponding quarter are presented as this is the fourth interim financial report announced by the Company in compliance with the Listing Requirements.

N/A denotes not applicable.

B12. PROFIT BEFORE TAX

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

	Individual Quarter		Cumulative Quarter	
	31.12.2023 RM'000	31.12.2022 ⁽¹⁾ RM'000	31.12.2023 RM'000	31.12.2022 ⁽¹⁾ RM'000
Accretion of interest on lease liabilities	2	N/A	11	N/A
Depreciation of:				
- property, plant and equipment	89	N/A	301	N/A
- investment property	5	N/A	29	N/A
- right-of-use assets	29	N/A	115	N/A
Interest expenses:				
- hire purchase	4	N/A	10	N/A
- term loans	50	N/A	169	N/A
Director remunerations of the Company	251	N/A	982	N/A
Loss on disposal on property, plant and equipment	13	N/A	13	N/A

**NOTES TO THE INTERIM FINANCIAL REPORT
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (CONT'D)**

B12. PROFIT BEFORE TAX (CONT'D)

	Individual Quarter		Cumulative Quarter	
	31.12.2023 RM'000	31.12.2022 ⁽¹⁾ RM'000	31.12.2023 RM'000	31.12.2022 ⁽¹⁾ RM'000
Loss on fair value in short term investment	11	N/A	11	N/A
Realised loss on foreign exchange	33	N/A	33	N/A
Staff costs	709	N/A	2,443	N/A
Dividend income	(177)	N/A	(295)	N/A
Interest income	(39)	N/A	(223)	N/A
Rental income	(56)	N/A	(224)	N/A
Unrealised gain on foreign exchange	(214)	N/A	(214)	N/A

Save as disclosed above, the other disclosure items pursuant to Note 16 of Appendix 9B of the Listing Requirements are not applicable.

Note:

1. No comparative figures for the preceding corresponding quarter are presented as this is the fourth interim financial report announced by the Company in compliance with the Listing Requirements.

N/A denotes not applicable.

B13. AUTHORISATION FOR ISSUE

The interim financial report was authorized for issue by the Board of Directors on 20 February 2024.