



AGRICORE CS HOLDINGS BERHAD

(Registration No: 202301018008 (1511930-P))

(Incorporated in Malaysia)

**SECOND QUARTER INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

AGRICORE CS HOLDINGS BERHAD
Registration No.: 202301018008 (1511930-P)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME⁽¹⁾⁽²⁾
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	Note	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
		30.06.2024	30.06.2023	30.06.2024	30.06.2023
		Unaudited RM'000	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000
Revenue		34,635	N/A	71,490	N/A
Cost of sales		(31,616)	N/A	(63,007)	N/A
Gross profit		3,019	N/A	8,483	N/A
Other income		20	N/A	45	N/A
Administrative and other expenses		(5,616)	N/A	(8,696)	N/A
Net impairment losses on financial assets		-	N/A	-	N/A
Loss from operations		(2,577)	N/A	(168)	N/A
Finance costs		(395)	N/A	(808)	N/A
Loss before tax	B13	(2,972)	N/A	(976)	N/A
Tax expense	B5	(68)	N/A	(560)	N/A
Loss after tax/ total comprehensive income for the period		(3,040)	N/A	(1,536)	N/A
Loss after tax/ total comprehensive income for the period attributable to:					
Owners of the Group		(3,040)	N/A	(1,536)	N/A
Loss per share ("LPS")	B12				
- Basic/diluted (sen) ⁽³⁾		(1.5)	N/A	(0.8)	N/A

Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 30 May 2024 in relation to its initial public offering ("**IPO**") and the accompanying explanatory notes attached to this interim financial report.

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- (2) This is the second interim financial report announced in compliance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). There are no comparative figures for the preceding corresponding quarter and period-to-date as no interim financial report was prepared for the comparative financial period concerned.
- (3) Basic LPS is calculated based on the Company's enlarged share capital of 202,800,000 ordinary shares upon completion of the acquisition of Agricore CS Sdn Bhd ("ACS") and after the IPO. The diluted LPS is equivalent to the basic LPS as the Company does not have any convertible options as at the end of the current quarter and financial year-to-date under review.

N/A Not applicable.

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AGRICORE CS HOLDINGS BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾
AS AT 30 JUNE 2024

	Note	Unaudited As at 30.06.2024 RM'000	Audited As at 31.12.2023 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		12,348	12,844
Right-of-use assets		2,647	2,616
Total non-current assets		14,995	15,460
Current assets			
Inventories		27,869	22,701
Receivables		17,717	18,221
Prepayments		5,945	2,028
Current tax asset		219	-
Cash and cash equivalents		30,885	11,510
Total current assets		82,635	54,460
TOTAL ASSETS		97,630	69,920
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		48,311	10,000
Reorganisation reserve		(13,358)	-
Retained earnings		18,598	20,135
TOTAL EQUITY		53,551	30,135
LIABILITIES			
Non-current liabilities			
Loan and borrowings		6,638	7,055
Lease liabilities	B8	390	420
Deferred tax liabilities		587	510
Deferred income on government grants		191	206
Total non-current liabilities		7,806	8,191
Current liabilities			
Payables		10,837	12,081
Loans and borrowings		25,179	18,869
Lease liabilities	B8	257	235
Current tax liabilities		-	409
Total current liabilities		36,273	31,594
TOTAL LIABILITIES		44,079	39,785
TOTAL EQUITY AND LIABILITIES		97,630	69,920
Net assets per ordinary share attributable to owners of the Company (RM) ⁽²⁾		0.26	15,067,500

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Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Financial Position are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 30 May 2024 in relation to its IPO and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's enlarged share capital of 202,800,000 ordinary shares as at 30 June 2024 (2023: 2 ordinary shares).

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AGRICORE CS HOLDINGS BERHAD
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(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY⁽¹⁾⁽²⁾
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	← Non-distributable →		Distributable	Total Equity RM'000
	Share Capital RM'000	Reorganisation Reserve RM'000	Retained Earnings RM'000	
At 1 January 2024 (Audited)	10,000	-	20,135	30,135
Loss after tax/total comprehensive income for the financial period	-	-	(1,537)	(1,537)
Issuance of shares	39,215	(13,358)	-	25,857
Expenses attributed to share capital	(904)	-	-	(904)
At 30 June 2024 (Unaudited)	48,311	(13,358)	18,598	53,551

Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 30 May 2024 in relation to its IPO and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and period-to-date available as no interim financial report was prepared for the comparative financial period concerned.

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AGRICORE CS HOLDINGS BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾⁽²⁾
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	CURRENT PERIOD-TO- DATE 30.06.2024 RM'000	PRECEDING PERIOD-TO- DATE 31.06.2023⁽²⁾ RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(976)	N/A
Adjustments for:		
Amortisation of deferred income	(15)	N/A
Depreciation of property, plant and equipment	571	N/A
Depreciation of right-of-use assets	108	N/A
Loss on disposal of property, plant and equipment	1	N/A
Interest expense	808	N/A
Interest income	(8)	N/A
Operating profit before changes in working capital	489	N/A
Changes in working capital:		
Inventories	(5,168)	N/A
Receivables	504	N/A
Prepayment	(3,917)	N/A
Payables	(1,244)	N/A
Cash used in operations	(9,336)	N/A
Income tax paid	(1,112)	N/A
Net cash used in operating activities	(10,448)	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceed from disposal of property, plant and equipment	19	N/A
Interest received	8	N/A
Acquisition of property, plant and equipment	(29)	N/A
Acquisition of right of use assets	(94)	N/A
Net cash used in investing activities	(96)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Changes in terms deposits pledged as security	(50)	N/A
Interest paid	(808)	N/A
Net proceeds from issuance of shares	24,953	N/A
Net increase in short-term loans and borrowings	6,304	N/A
Payment of lease liabilities	(118)	N/A
Repayment of term loans	(411)	N/A
Net cash from financing activities	29,870	N/A
NET INCREASE IN CASH AND CASH EQUIVALENTS	19,326	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	7,364	N/A
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	26,690	N/A

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾⁽²⁾
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 (CONTINUED)

	CURRENT PERIOD-TO- DATE 30.06.2024 RM'000	PRECEDING PERIOD-TO- DATE 31.06.2023⁽²⁾ RM'000
Cash and cash equivalents at the end of the period are represented by:		
Cash and cash equivalents	30,885	N/A
Less: terms deposits pledged as security	(4,195)	N/A
	26,690	N/A

Notes:

- (1) The above 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 30 May 2024 in relation to its IPO and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the second interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and period-to-date available as no interim financial report was prepared for the comparative financial period concerned.

N/A Not applicable.

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

This condensed consolidated interim financial report is unaudited and has been prepared in accordance with 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 Listing Requirements of Bursa Securities.

This is the Company's second interim financial report on the unaudited condensed consolidated financial results for the financial period ended 30 June 2024 announced by the Company in compliance with the Listing Requirements of Bursa Securities and as such, there are no comparative figures for the preceding year's corresponding period.

This interim financial report should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 30 May 2024 in relation to its IPO and the accompanying explanatory 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 Accountants' Report as disclosed in the Prospectus dated 30 May 2024 in relation to its IPO except for the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group.

New MFRS and amendments/Improvements to MFRSs effective on 1 January 2024

Amendments to MFRS 16: *Lease Liability in a Sale and Leaseback*

Amendments to MFRS 101: *Non-Current Liabilities with Covenants*

Amendments to MFRS 101: *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*

Amendments to MFRS 107 and MFRS 7: *Supplier Finance Arrangements*

The adoption of the above new MFRS and amendments/improvements to MFRSs does not have any significant effect on the financial statements of the Group.

Amendments/improvements to MFRSs that have been issued, but yet to be effective

	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosure	1 January 2027
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The initial application of the abovementioned accounting standards, interpretations or amendments is not expected to have any material financial impact on the Group.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A3. Auditors' Report on Preceding Annual Financial Statements

There were no qualifications on the audited financial statements of the Group for the financial year ended 31 December 2023.

A4. Seasonal or Cyclical Factors

The Group's operation was not significantly affected by any unusual seasonal or cyclical factors in the current quarter and financial period-to-date under review.

A5. Unusual Items Due to Their Nature, Size or Incidence

The Company incurred total listing expenses and incidental costs of RM4.0 million for its IPO listing exercise of which RM3.1 million was charged out to the Statement of Profit or Loss and RM0.9 million incidental costs that were directly attributed to issuing new shares were deducted from share capital in the second quarter ended 30 June 2024.

Save as disclosed above, there were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the current quarter and financial period-to-date under review.

A6. Material Changes in Estimates

There were no material changes in estimates in the current quarter and financial period-to-date under review.

A7. Debt and Equity Securities

There were no issuances, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter and financial period-to-date under review, except for:

- a) The acquisition by Agricore CS Holdings Berhad of the entire equity interest of Agricore CS Sdn Bhd for a purchase consideration of RM23,357,895 which was wholly satisfied by the issuance of 151,085,998 shares at an issue price of RM0.1546 per share, which was completed on 7 March 2024.
- b) In conjunction with its listing on the ACE market of Bursa Securities, the Company undertook a public issue of 51,714,000 new ordinary shares at an issue price of RM 0.50 per share. The IPO was completed and the company was listed on the ACE market of Bursa Securities on 21 June 2024 with the enlarged issue share capital of 202,800,000 shares.

A8. Dividend Paid

There were no dividends paid during the current quarter under review.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segmental Information

The Group's revenue is segmented as follows:

Revenue by products/services

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>6 MONTHS ENDED</u>	
	30.06.2024	30.06.2023⁽¹⁾	30.06.2024	30.06.2023⁽¹⁾
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Revenue from sale of goods	34,635	N/A	71,490	N/A
Major products:				
• Sourcing and distribution of plant-based agricultural products	30,662	N/A	63,005	N/A
• Production of food additives and fried shallots	3,973	N/A	8,485	N/A
	34,635	N/A	71,490	N/A
Disaggregated by geographical areas:				
• Malaysia	34,611	N/A	71,376	N/A
• Overseas	24	N/A	114	N/A
	34,635	N/A	71,490	N/A

Notes:

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

N/A Not applicable.

A10. Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment during the current financial quarter under review.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A11. Material Events Subsequent to the End of the Reporting Period

On 1 July 2024, Agricore CS Sdn Bhd, a wholly owned subsidiary of the Company, entered into an agreement to rent a piece of land together with factory at Klang, Selangor with total built up of 33,400 square feet as its regional storage facility. The tenancy will commence effectively for 2 years from 1 July 2024 to 30 June 2025 with monthly rental of RM60,000 with option to extend for additional 2 years.

Save as disclosed above, there were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

A12. Changes in the Composition of the Group

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

A13. Contingent Liabilities or Contingent Assets

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

A14. Related Party Transactions Disclosures

There were no material related party transactions in the Group as at the date of this interim financial report.

A15. Capital Commitments

The Group had sourced and agreed to purchase 3 units of 3.5-ton lithium-ion battery forklift for the new regional storage facility in Klang, Selangor amounting to RM0.3 million.

Save as disclosed above, there were no other material commitments during the end of the interim financial period.

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

B1. Review of Financial Performance

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>6 MONTHS ENDED</u>	
	30.06.2024	30.06.2023⁽¹⁾	30.06.2024	30.06.2023⁽¹⁾
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Revenue	34,635	N/A	71,490	N/A
Gross profit	3,019	N/A	8,483	N/A
Loss before tax	(2,972)	N/A	(976)	N/A
Loss after tax	(3,040)	N/A	(1,536)	N/A
Loss attributable to owners of the Company	(3,040)	N/A	(1,536)	N/A

Notes:

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

The Group recorded revenue of RM34.6 million and RM71.5 million for the current financial quarter and cumulative period respectively. The Group's revenue for the current and cumulative period was principally derived from sourcing and distribution of plant-based agricultural products amounted to RM30.6 million (88.5%) and RM63.0 million (88.1%) respectively, with the balance derived from production of food additives and fried shallots.

The Group recorded loss before tax of RM3.0 million and RM1.0 million for the current financial quarter and cumulative period respectively. This was mainly due to :

- One off charged out of IPO listing expenses and incidental costs of RM3.1 million incurred under administrative and other expenses for the current financial quarter under review;
- Lower revenue recorded for both sourcing & distribution segment and production of food additives & fried shallots segment due to lower demand for the group's products in the second quarter;
- Dropped in overall products margin in the second quarter due to higher demand for low margin products and higher material costs as a result of the continued weakening of Ringgit Malaysia against USD in the second quarter; and
- The forwarding charges increased to RM1.2 million and additional rental charges of RM0.1 million was incurred for external warehouse as a result of higher purchases of raw materials in the second quarter to cater for the Group's business expansion.

The Group reported net loss after tax of RM3.0 million for current quarter and RM1.5 million for cumulative quarter after charging out the listing expenses of RM3.1 million in the current quarter. Should the one-off listing expenses be excluded from the results, the Group would have achieved a net profit of RM0.1 million for the current quarter and RM1.6 million for cumulative quarter.

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

B2. Comparison with Immediate Preceding Quarter's Results

	<u>CURRENT</u> <u>QUARTER</u> 30.06.2024 RM'000	<u>IMMEDIATE</u> <u>PRECEDING</u> <u>QUARTER</u> 31.03.2024 RM'000	Changes %
Revenue	34,635	36,855	(6.0)
Gross profit	3,019	5,464	(44.7)
Profit / (Loss) before tax	(2,972)	1,997	(248.8)
Profit / (Loss) after tax	(3,040)	1,504	(302.1)

The Group reported a lower revenue of RM34.6 million compared to RM36.9 million and lower gross profit of RM3.0 million compared to RM5.5 million in the immediate preceding quarter. The Group reported a loss before tax of RM3.0 million in the second quarter mainly due to:

- a) Charged out of one-off listing expenses of RM3.1 million;
- b) Revenue for sourcing and distribution segment and production of food additives and fried shallots segment decreased by RM1.7 million and RM0.5 million respectively as compared to the immediate preceding quarter mainly due to lower demand for the Group's products in the second quarter;
- c) Unfavorable sales mix with higher demand for low margin starch products in the second quarter;
- d) Dropped in overall products margin due to higher material costs as a result of continued weakening of Ringgit Malaysia against USD (Average 2023 : 4.57, Q1 FY2024 : 4.72, Q2 FY2024 : 4.73); and
- e) Increase in forwarding charges and warehouse rental by RM0.4 million in the second quarter as a result of higher purchases of materials to cater for the Group's business expansion plan.

B3. Prospects of the Group

The Group is principally involved in the sourcing and distribution of plant-based agricultural products and production of food additives and fried shallots. The Group expects that the growth of its sourcing and distribution of plant-based agricultural products business segment will be centered on the following areas in accordance with the utilisation of the IPO proceeds :

- (i) To increase our storage capacity by setting up new regional storage facility;
- (ii) To increase our inventory level; and
- (iii) To expend our team to support our business growth.

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

B3. Prospects of the Group (Continued)

The Group remains cognisant of the challenging business environment. Despite facing potential challenges, the management expects the setbacks seen in the current quarter as temporary and maintains a positive outlook for the remainder of the financial year ending 2024. The management believes the business is nearing a bottoming phase and views the current drivers as opportunity for a turnaround. Barring any unforeseen circumstances, given the structural growth in demand for food products, the Group remains positive on its long-term prospects and future profitability by focusing on implementing its expansion strategies to ensure ongoing competitiveness and profitability.

B4. Variance of Actual Profits from Profit Forecast

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

B5. Taxation

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>6 MONTHS ENDED</u>	
	30.06.2024⁽²⁾	30.06.2023⁽¹⁾	30.06.2024⁽²⁾	30.06.2023⁽¹⁾
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Tax expense				
- Current period	68	N/A	560	N/A
Effective tax rate (%)	2.3	N/A	57.4	N/A
Statutory tax rate (%)	(24.0)	N/A	(24.0)	N/A

Notes:

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

(2) Despite of incurring loss before tax of RM3.0 million for the current quarter and RM0.9 million for year-to-date ended 30 June 2024, there was a tax provision of RM0.1 million and RM0.6 million for current quarter and year-to-date period respectively due to listing expenses and incidental costs incurred which were non-deductible for tax purposes.

N/A Not applicable.

B6. Status of Corporate Proposals

On 21 June 2024, the Company was admitted to the official list of Bursa Securities and the Company entire enlarged share capital of 202,800,000 shares was listed and quoted on the ACE Market of Bursa Securities. Save as disclosed above, there were no other corporate proposals pending completion as at the date of this interim financial report.

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

B7. Utilisation of Proceeds from the Public Issue

The gross proceeds of RM25.8 million from the Public Issue is intended to be utilised in the following manner :

Details of utilisation of proceeds	Proposed utilisation RM'000	Percentage of utilisation %	Actual utilisation RM'000	Balance to be utilised RM'000	Estimated timeframe for utilisation⁽¹⁾
Setup of a regional storage facility	2,650	10.3	286	2,364	Within 12 months
Purchase of inventories	18,929	73.2	4,157	14,772	Within 12 months
Recruitment of staff	578	2.2	-	578	Within 12 months
Estimated listing expenses	3,700	14.3	3,700	-	Within 1 month
	25,857	100.00	8,143	17,714	

Note:

- (1) From the date of listing, except for staff costs, rental, utilities, security, and general upkeep and maintenance for the regional storage facility which will be utilised within 12 months from the date of commencement of operations of the regional storage facility, estimated to be in October 2024.

B8. Group Borrowings and Debts Securities

	30.06.2024 Unaudited RM'000	31.12.2023 Audited RM'000
Loans and borrowings		
Secured		
Banker acceptance	23,389	17,285
Term loans	7,476	7,887
Unsecured		
Banker acceptance	952	852
	31,817	25,924
Disclosed as :		
Current liabilities	25,179	18,869
Non-current liabilities	6,638	7,055
	31,817	25,924
Lease liability		
Current liabilities	257	235
Non-current liabilities	390	420
	647	655
Total borrowings	32,464	26,579

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

B9. Derivative Financial Instruments

There were no outstanding derivatives as at 30 June 2024.

B10. Material Litigations

There were no material litigations by or against the Group as at 30 June 2024.

B11. Dividends

There was no dividend declared for the financial period under review.

B12. Loss Per Share ("LPS")

The basic and diluted LPS for the current financial quarter under review and financial period-to-date are computed as follows:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>6 MONTHS ENDED</u>	
	30.06.2024	30.06.2023⁽¹⁾	30.06.2024	30.06.2023⁽¹⁾
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Loss attributable to owners of the Company	(3,040)	N/A	(1,536)	N/A
Number of ordinary shares in issue ('000) ⁽²⁾	202,800	N/A	202,800	N/A
Basic/Diluted LPS (sen) ²⁾	(1.5)	N/A	(0.8)	N/A

Notes:

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

(2) Basic LPS is calculated based on the Company's enlarged share capital of 202,800,000 ordinary shares upon completion of the IPO. The diluted LPS is equivalent to the basic LPS as the Company does not have any convertible options as at the end of the current quarter and financial year-to-date under review.

N/A Not applicable.

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

B13. Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

The following items have been charged/(credited) in arriving at the profit before tax for the current financial quarter and the profit before tax for the financial period-to-date:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>6 MONTHS ENDED</u>	
	30.06.2024	30.06.2023⁽¹⁾	30.06.2024	30.06.2023⁽¹⁾
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
After charging:				
Depreciation of:				
- property, plant and equipment	286	N/A	571	N/A
- right-of-use assets	56	N/A	108	N/A
Employee benefit expense	1,298	N/A	2,943	N/A
Interest expense	395	N/A	808	N/A
Loss on disposal of property, plant and equipment	1	N/A	1	N/A
Realised loss on foreign exchange	14	N/A	55	N/A
Listing expenses & incidental costs	3,054	N/A	3,054	N/A
And crediting:				
Amortisation of deferred income	(7)	N/A	(15)	N/A
Interest income	(3)	N/A	(8)	N/A
Realised gain on foreign exchange	(148)	N/A	(170)	N/A

Notes:

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

N/A Not applicable.

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

B14. Authorisation for Issue

This interim financial report was authorised for issue by the Board on 26 August 2024.