

AURO HOLDINGS BERHAD

(Registration no. 199901020576 (495476-M))

Incorporated in Malaysia

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 AUGUST 2024**

AURO HOLDINGS BERHAD

Registration No. 199901020576 (495476-M)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 AUGUST 2024**

	(Unaudited) 3 Months Ended (Quarter)			(Unaudited) (Audited) 6 Months Ended		
	31.08.2024 RM '000	31.08.2023 RM '000	Chg %	31.08.2024 RM '000	31.08.2023 RM '000	Chg %
Revenue	4,630	2,254	105%	7,826	3,944	98.4%
Cost of Sales	(3,683)	(2,595)		(6,293)	(4,241)	
Gross profit/(loss)	947	(341)	-377.7%	1,533	(297)	-616.2%
Other income	89	652		179	1,202	
Administrative expenses	(2,282)	(612)		(3,770)	(1,126)	
Other operating expenses	(64)	(1)		(95)	-	
	(1,310)	(302)		(2,153)	(221)	
Finance cost	(52)	(5)		(78)	(13)	
Share of loss from joint venture company	-	-		-	(31)	
Loss before taxation	(1,362)	(307)	-343.6%	(2,231)	(265)	-741.9%
Taxation	-	-		-	-	
Loss for the period	(1,362)	(307)	-343.6%	(2,231)	(265)	-741.9%
Other comprehensive income, net of tax	-	-		-	-	
Total comprehensive loss for the period	(1,362)	(307)	-343.6%	(2,231)	(265)	-741.9%
Total comprehensive loss for the period attributable to:						
- Owners of the Company	(1,362)	(307)		(2,231)	(265)	
Loss per share attributable to owners of the Company:						
- Basic (sen)	(0.23)	(0.05)		(0.38)	(0.05)	
- Diluted (sen)	N/A	N/A		N/A	N/A	

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 29 February 2024, and the accompanying explanatory notes attached to this report).

	(Unaudited) As at 31.08.2024 RM '000	(Audited) As at 29.02.2024 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	30,209	26,355
Intangible asset	316	333
Right-of-use asset	4,320	1,295
	34,845	27,983
Current assets		
Inventories	1,704	2,295
Trade and other receivables	3,070	3,565
Amount due from related company	207	160
Deposits with licensed financial institutions	5	5
Cash and bank balances	1,501	345
	6,487	6,370
TOTAL ASSETS	41,332	34,353
EQUITY AND LIABILITIES		
Share capital	49,134	46,134
Accumulated losses	(22,824)	(20,593)
Total Equity	26,310	25,541
Non-current liabilities		
Other payables	138	138
Lease liability	2,918	931
	3,056	1,069
Current liabilities		
Trade payables	108	222
Other payables	9,843	6,571
Amount due to directors	500	500
Lease liability	1,514	449
Provision for taxation	1	1
	11,966	7,743
TOTAL LIABILITIES	15,022	8,812
TOTAL EQUITY AND LIABILITIES	41,332	34,353
Net assets per share (RM)	0.044	0.044

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 29 February 2024, and the accompanying notes attached to this report).

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 AUGUST 2024**

	Attributable to owners of the Company		
	Non- distributable	Distributable	
	Share capital RM '000	Retained earnings / (Accumulated losses) RM '000	Total equity RM '000
As at 1 March 2023	46,134	(18,578)	27,556
Net loss for the period	-	(265)	(265)
As at 31 Aug 2023	46,134	(18,843)	27,291
As at 1 March 2024	46,134	(20,593)	25,541
Net loss for the period	-	(2,231)	(2,231)
Issuance of shares	3,000	-	3,000
As at 31 Aug 2024	49,134	(22,824)	26,310

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 29 February 2024, and the accompanying explanatory notes attached to this report).

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2024**

	(Unaudited) 6 Months Ended	
	31.08.2024	31.08.2023
	RM '000	RM '000
Cash Flows from Operating Activities		
Loss before taxation	(2,231)	(265)
<u>Adjustments for:</u>		
Non-cash items	1,246	(536)
Non-operating items	74	13
Operating loss before working capital changes	(911)	(788)
<u>Changes in working capital:</u>		
Decrease/(Increase) in current assets and other receivables	985	(331)
Increase/(Decrease) in current liabilities	3,157	(1,667)
Cash generated from/(used in) operations	3,231	(2,786)
Interest received/(paid)	4	(13)
Net cash generated/(used) in operating activities	3,235	(2,799)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(4,631)	(138)
Proceeds from disposal of property, plant and equipment	-	90
Net cash used in investing activities	(4,631)	(48)
Cash Flows from Financing Activities		
Proceeds from issuance of shares	3,000	-
Drawdown/(Repayment) of lease liabilities	(370)	113
Interest paid	(78)	-
Net cash generated in financing activities	2,552	113
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,156	(2,734)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	350	2,935
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,506	201
<u>Cash and cash equivalents comprise:</u>		
Fixed deposits with licensed banks	5	5
Cash and bank balances	1,501	196
TOTAL CASH AND CASH EQUIVALENTS	1,506	201

(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 29 February 2024, and the accompanying explanatory notes attached to this report).

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part A. EXPLANATORY NOTES PURSUANT TO MFRS 134 -INTERIM FINANCIAL REPORTING

1.1. Basis of Preparation

The interim financial report of Auro Holdings Berhad has been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to the interim financial statements.

The significant accounting policies and methods of computations adopted in the preparation of this interim financial report are consistent with those adopted by the Group in the audited financial statements for the financial year ended 29 February 2024.

Accounting standard and amendments to accounting standards that are applicable for the company in the following periods but not yet effective are as follows:

Description	Effective for annual periods beginning on or after
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 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)	1 January 2025
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)	To be determined

The adoption of the accounting standard and amendments to accounting standards are not expected to have any significant impact to the financial statements of the Group.

1.2. Seasonal or Cyclical Factors

The Group's businesses were not materially affected by any seasonal or cyclical factors.

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part A. EXPLANATORY NOTES PURSUANT TO MFRS 134 -INTERIM FINANCIAL REPORTING

1.3. Unusual Items

There were no unusual items due to their nature, size or incidence affecting assets, liabilities, equity, net income or cash flows of the Group in the current period under review.

1.4. Material Changes in Estimates

There were no changes in estimates that have a material effect on the amounts reported for the current financial period under review.

1.5. Issuances and Repayment of Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities nor any share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period under review.

1.6. Dividends paid or declared

There were no dividends paid nor declared in the current period under review.

1.7. Segmental Reporting

(a) Information about business segment

The reportable business segments of the Group comprise the following:

- Moulding and timber;
- Food and beverage;
- Sand dredging; and
- Investment and others

	Moulding & Timber	Food & Beverage	Invest- ment & Others	Sand Dredging	Elimi- nations	Conso- lidated
<u>6 Months Ended 31.08.2024</u>	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Total revenue	807	7,019	-	-	-	7,826
Segment result:						
Profit/(Loss) for the period	(350)	(1,161)	(414)	(6)	(300)	(2,231)
<u>6 Months Ended 31.08.2023</u>						
Total revenue	1,624	-	-	2,320	-	3,944
Segment result:						
Profit/(Loss) for the period	119	(26)	245	19	(622)	(265)

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part A. EXPLANATORY NOTES PURSUANT TO MFRS 134 -INTERIM FINANCIAL REPORTING

(b) Information about geographical segment

	6 Months Ended	
	31.08.2024	31.08.2023
	RM '000	RM '000
Revenue from geographical segments:		
Malaysia	7,062	3,002
Asia Pacific	764	942
Total	<u>7,826</u>	<u>3,944</u>

1.8. Material Events Subsequent to the End of the Current Quarter

On 9 September 2024, the Company issued 10,964,913 new ordinary shares in the third tranche of a private placement at an issue price of RM0.1368 per share, raising a total of RM1,500,000 for working capital of the F&B business. The details of the first and second tranches are detailed in Item 2.6: Status of Corporate Proposals.

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

1.9. Changes in the Composition of the Group

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

1.10. Contingent Liabilities and Contingent Assets

There were no contingent liabilities nor contingent assets as at the end of the quarter under review.

1.11. Capital Commitments

There were no capital commitments as at the end of the quarter under review.

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

2.1. Review of Performance

2nd Quarter 2024 vs 2nd Quarter 2023

Group revenue for the second quarter ended 31 August 2024 was RM4.63 million compared to RM2.25 million for the same period last year. Higher revenue was mainly due to revenue contribution from the new F&B business which was partially offset by the decreased timber sales in both the export and domestic markets.

The Group recorded a loss of RM1.36 million compared to lower loss of RM0.31 million for the second quarter last year. Higher losses in the current quarter under review was mainly contributed by the initial set up cost for the opening of new outlets by the F&B business. There were also higher professional fees for corporate exercise in the current quarter compared to the same period last year.

Half Year of Financial Year 2025 vs Half Year of Financial Year 2024

Group revenue for the half year ended 31 August 2024 was RM7.83 million compared to RM3.94 million for the same period last year. The food and beverage ("F&B") segment contributed about RM7.02 million or 89.7% of total group revenue for the half year under review. The timber segment, however, recorded lower revenue at RM0.81 million for the quarter under review compared to RM1.62 million for the same period last quarter.

The Group recorded a loss of RM2.23 million compared to a loss of RM0.27 million for the same quarter last year. Higher losses in the half year ended 31 August 2024 was mainly contributed by the initial set up cost for the opening of new outlets by the F&B business.

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

2.2. Material Changes in the Quarterly Results Compared to the Immediate Preceding Quarter's Results

	(Unaudited) 3 Months Ended		Chg %
	31.08.2024 RM '000	31.05.2024 RM '000	
Revenue	4,630	3,197	44.8%
Cost of Sales	(3,683)	(2,610)	
Gross profit	947	587	61.3%
Other income	89	89	
Administrative expenses	(2,282)	(1,488)	
Other operating expenses	(64)	(31)	
	(1,310)	(843)	55.4%
Finance cost	(52)	(26)	
Share of profit from joint venture company	-	-	
Loss before taxation	(1,362)	(869)	56.7%
Taxation	-	-	
Loss for the period	(1,362)	(869)	56.7%
Other comprehensive income, net of tax	-	-	
Total comprehensive loss for the period	(1,362)	(869)	56.7%
Total comprehensive loss for the period attributable to:			
- Owners of the Company	(1,362)	(869)	

Revenue for the Group for the second quarter ended 31 August 2024 was higher at RM4.63 million compared to RM3.20 million for the preceding quarter ended 31 May 2024. The increase in revenue quarter-on-quarter was due to increase in revenue from the F&B segment partially offset by mainly lower export timber sales.

The Group recorded a net loss for the quarter under review of RM1.36 million compared to loss of RM0.87 million for the preceding quarter ended 31 May 2024. The increase in Group losses for the quarter was due to professional fees incurred for corporate exercise and higher initial set up costs for opening new outlets by the F&B business.

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

2.3. Prospects for the Financial Year Ending 28 February 2025

The Board of Directors is mindful of navigating the business through current economic conditions. The timber industry in Malaysia is likely to be faced with increased scrutiny regarding sustainable sourcing and responsible forestry practices. Despite such challenges, Management continues to streamline its timber business and focuses efforts on controlling overhead costs.

The Group had ventured into the sand dredging business in the year 2023. However, amidst the slow pace of the sand mining industry since the start of 2024, Auro had yet to secure new projects since the first sand dredging agreement signed in 2023. As such, Management expects much slower business in the forthcoming quarters from this business segment.

On 29 November 2023, Auro Capital Sdn Bhd (“Auro Capital”), a wholly-owned subsidiary of the Company, had entered into an agreement to operate retail stores selling beverages and related products under the HEYTEA brand name. It opened its first flagship HEYTEA outlet in The Exchange TRX Mall on 1 December 2023. Subsequently, it opened outlets in Mid Valley Megamall and 1 Utama Shopping Centre in April and May 2024 respectively.

Shareholders of the Company then approved the diversification of existing principal activities of the Group to include food and beverage (“F&B”) business at an Extraordinary General Meeting held on 27 June 2024. Since then, it had opened four (4) more outlets in Sunway Pyramid, Sunway Velocity, Gurney Plaza and Genting Sky Avenue.

Management has earmarked two (2) more HEYTEA outlets to be opened in Peninsular Malaysia by the end of 2024. The Board views the F&B business to be viable for expansion, taking into account the increasing disposable income and growth of the F&B industry in Malaysia. Despite current losses in the F&B segment which was primarily due to initial set up costs for new outlets, management remains optimistic about reaching break even and achieving operational efficiency in 12 to 18 months. This projection is based on factors like average transaction values and location-specific operational costs which are expected to stabilise once the business matures.

Notwithstanding the above, the Company will continue its efforts to seek new, viable businesses to further improve the bottomline of the Group.

2.4. Variance of Actual Profit from Forecast Profit / Profit Guarantee

This is not applicable as no profit forecast was published.

2.5. Taxation

There was no provision for tax in the current quarter as the subsidiaries of the Group have sufficient unutilised tax losses, unabsorbed capital allowances and reinvestment allowances to set off against any taxable profit.

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

2.6. Status of Corporate Proposals

On 23 August 2022, Bursa Securities approved the listing for up to 52,640,350 shares to be issued pursuant to the private placement that was first announced on 26 July 2022. Details of shares issued and allotted pursuant to the private placement were as follows:

Placement tranche	Date of price fixing	Issuance date	No. of shares issued & allotted	Issue price per share (RM)	Basis for issue price
Tranche 1	24-Aug-22	2-Sep-22	12,613,400	0.2085	9.97% discount to 5-day VWAP of NWP shares of RM0.2316 / share
Tranche 2	13-Sep-22	22-Sep-22	13,957,000	0.2085	7.99% discount to 5-day VWAP of NWP shares of RM0.2266 / share
Tranche 3	28-Sep-22	6-Oct-22	14,311,700	0.2185	9.97% discount to 5-day VWAP of NWP shares of RM0.2427 / share
Tranche 4	20-Jan-23	8-Feb-23	11,755,000	0.2290	9.84% discount to 5-day VWAP of NWP shares of RM0.2290 / share

Total placement shares issued and allotted was 52,637,100 shares, amounting to RM11,358,930.

On 15 June 2023, shareholders of the Company approved the variation of utilisation of proceeds raised from the private placement tranches as abovementioned. The status of utilisation of proceeds based on the revised utilisation plan as at 31 August 2024 were as follows:

Purpose	Timeframe for Utilisation	Revised Utilisation of Proceeds RM'000	Actual Utilisation RM'000	Unutilised RM'000
Working capital	Within 24 months	10,295	10,295	-
Capital requirement for joint venture	Within 24 months	1,000	741	259
Estimated expenses	Upon completion	64	64	-
TOTAL		11,359	11,100	259

The balance of proceeds raised and unutilised is held as cash in the Company pending utilisation.

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

On 14 March 2024, Bursa Securities had approved the listing of up to 57,904,060 shares to be issued pursuant to the private placement that was first announced on 8 February 2024. The Company is expecting to raise up to RM8.11 million in gross proceeds. Details of shares issued and allotted for the period ended 31 August 2024 pursuant to the private placement were as follows:

Placement tranche	Date of price fixing	Issuance date	No. of shares issued & allotted	Issue price per share (RM)	Basis for issue price
Tranche 1	10-Jun-24	21-Jun-24	11,021,308	0.1361	9.99% discount to 5-day VWAP of NWP shares of RM0.1512 / share
Tranche 2	6-Aug-24	13-Aug-24	11,111,111	0.1350	9.76% discount to 5-day VWAP of NWP shares of RM0.1496 / share

Total placement shares issued and allotted so far was 22,132,419 shares, amounting to total gross proceeds of RM3,000,000.

The status of utilisation of proceeds raised as at 31 August 2024 were as follows:

Purpose	Timeframe for Utilisation	Proposed Utilisation of Proceeds* RM'000	Actual Utilisation RM'000	Unutilised/ (Deviation) RM'000
Capital requirement for F&B business	Within 24 months	2,220	2,015	205
Working capital requirement for F&B business	Within 24 months	706	706	-
Estimated expenses	Upon completion	74	51	23
TOTAL		3,000	2,772	228

* proposed utilisation of proceeds raised was pro-rated for each purpose based on total expected proceeds to be raised from the private placement exercise when completed

The HeyTea outlets in Mid Valley and Sunway Pyramid had commenced operations on 11 April 2024 and 20 June 2024 respectively. Balance and unutilised proceeds raised is held as cash pending utilisation for the F&B business.

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

2.7. Borrowings

There were no borrowings and debt securities as at the end of the quarter under review.

2.8. Related Party Transactions

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

2.9. Material Litigation

(a) Auro Builder (formerly known as NWP Builder Sdn Bhd) (“Auro Builder”) vs Ismail bin Hassan (“the Respondent”)

On 12 January 2023, Auro Builder, a wholly-owned subsidiary of the Company, had issued a Notice of Arbitration against the Respondent in connection with a Share Sale Agreement (“SSA”) dated 14 October 2016. Auro Builder had entered into the SSA with the Respondent to acquire 300 ordinary shares representing 30% equity interest in Aviation A.I. Inc. for a cash consideration of USD1,500,000 payable to Ismail in exchange for the 300 ordinary shares.

In the Notice of Arbitration, Auro Builder sought the return of RM4.1 million or any other sum deemed appropriate by the Arbitral Tribunal and damages. This claim was on the basis of the Respondent’s non-fulfillment of the conditions precedent as set out in the SSA, including the failure to transfer the ownership and title of the shares in Aviation A.I. to Auro Builder.

On 10 July 2023, the appointed Sole Arbitrator informed the parties of his close relationship with one of the counsels for the Respondent. On 16 August 2023, a request was made for the appointment of new arbitrator and subsequently, another request on 14 December 2023.

On 7 March 2024, Auro Builder made payment on behalf of the Respondent for their share of the Provisional Advance Deposit. Subsequently, Auro Builder submitted a Statement of Claim on 14 August 2024 to the arbitrator. The next submission will be processed once the Respondent files his Defence and Counterclaim.

AURO HOLDINGS BERHAD

Registration No. 199901020576 (495476-M)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

- (b) Auro Resources Sdn Bhd (formerly known as NWP Resources Sdn Bhd) (“Auro Resources”) and Auro Holdings Berhad (“Auro” or “the Company”) vs the Estate of Kee Soon Ling, Deceased (“Kee Soon Ling” or “the Estate”) and GT Nelson Realty Sdn Bhd (“GT Nelson”)

On 6 March 2023, the Company and its wholly-owned subsidiary, Auro Resources, filed a Writ and Statement of Claim against Kee Soon Ling and GT Nelson. Kee Soon Ling was a director of the Auro and Auro Resources from 6 May 2015 until his resignation on 21 March 2022. Kee Soon Ling was also a director and shareholder of GT Nelson, which is a real estate agency. He resigned as director of GT Nelson on 11 May 2022 and ceased as its shareholder on 7 October 2022.

During his tenure as director of the Company and Auro Resources, he caused Auro Resources to rent a premise at Desa Commercial Centre from Seri Tiara Development Sdn Bhd. He also caused Auro Resources to engage GT Nelson as its real estate agent to find sub-tenants for the said premises. However, Kee Soon Ling and GT Nelson failed to secure any sub-tenants as agreed, which caused financial losses to Auro Resources. As such, the Company and Auro Resources are claiming damages against Kee Soon Ling and GT Nelson.

Claims pursuant to the case were detailed in announcement to Bursa Malaysia on 7 March 2023. At the case management held on 27 March 2024, it was ordered that Lee Ying Ying and Kok Siew Poh replace the Estate of Kee Soon Ling as Defendants in this suit. This was pursuant to a grant letter of administration obtained by Lee Ying Ying and Kok Siew Poh on 30 November 2023.

On 30 May 2024, the Company filed an injunction against Lee Ying Ying and Kok Siew Poh to prohibit them from dealing with the Estate of Kee Soon Ling and to disclose details of the assets and relevant transactions involving the Estate. Auro Builder was granted this injunction and parties now need to determine who would represent the Estate. A case management with the High Court Judge had been fixed on 9 December 2024.

The above are the latest updates on pending litigations and the Group is not engaged in other material litigation as plaintiff or defendant as at the date of this report.

NOTES TO THE QUARTERLY REPORT – 31 AUGUST 2024

Part B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

2.10. Loss Per Share

(a) Basic loss per share

	(Unaudited) 3 Months Ended (Quarter)		(Unaudited) 6 Months Ended (Cumulative)	
	31.08.2024	31.08.2023	31.08.2024	31.08.2023
Net loss attributable to owners of the Company (RM'000)	(1,362)	(307)	(2,231)	(265)
Weighted average no. of shares ('000)	584,501	579,041	584,501	579,041
Loss per share (sen)	<u>(0.23)</u>	<u>(0.05)</u>	<u>(0.38)</u>	<u>(0.05)</u>

(b) Diluted loss per share

The fully diluted earnings per share for the Group is not presented as there are no potential dilutive shares outstanding as at the balance sheet date.

2.11. Auditor's Report on Preceding Annual Financial Statements

There was no qualification in the audit report on the preceding audited financial statements.

2.12. Notes to the Statement of Comprehensive Income

Loss before taxation is arrived at after crediting/(charging) the following income/(expense) items:

	3 Months Ended (Quarter)		6 Months Ended (Cumulative)	
	31.08.2024	31.08.2023	31.08.2024	31.08.2023
	RM '000	RM '000	RM '000	RM '000
Interest income	2	-	4	-
Interest expense	(52)	(5)	(78)	(13)
Other income including investment income	86	-	(127)	-
Depreciation and amortisation	(712)	(233)	(1,191)	(455)
(Provision for)/Reversal of impairment and write off of inventories	-	179	(9)	179
Gain on disposal of properties, plant and equipment	-	-	-	53
Foreign exchange loss	(56)	(6)	(78)	(6)

Dated: 29 October 2024