

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIXTH QUARTER ENDED 30 JUNE 2023

		Individual Period (6th Quarter)		Cumulative Period (6th Quarter)	
		Current Year Quarter 30.06.2023 (Unaudited) RM'000	Preceding Year Corresponding Quarter 30.06.2022 (Unaudited) RM'000	Current Year Period To-date 30.06.2023 (Unaudited) RM'000	Preceding Year Corresponding Period To-date 30.06.2022 (Unaudited) RM'000
Revenue		8,250	-	369,932	-
Cost of sales		(7,947)	-	(325,346)	-
Gross profit		303	-	44,586	-
Other operating income		14,075	-	20,399	-
Other operating expenses		(69,032)	-	(69,043)	-
Administrative expenses		(641)	-	(4,744)	-
Operating expenses		(35,179)	-	(51,687)	-
Selling and distribution expenses		(35)	-	(236)	-
Finance costs		(3,075)	-	(10,112)	-
Share of results of an associate, net of tax		(558)	-	(391)	-
Profit/(loss) before taxation	25	(94,142)	-	(71,228)	-
Taxation	21	(185)	-	565	-
Profit/(loss) after taxation		(94,327)	-	(70,663)	-
Total comprehensive profit/(loss) for the financial period		(94,327)	-	(70,663)	-
Profit/(loss) after taxation attributable to:					
Owners of the Company		(94,329)	-	(70,751)	-
Non-controlling interests		2	-	88	-
		(94,327)	-	(70,663)	-
Total comprehensive profit/(loss) attributable to:					
Owners of the Company		(94,329)	-	(70,751)	-
Non-controlling interests		2	-	88	-
		(94,327)	-	(70,663)	-
Earnings/(loss) per share for profit attributable to the owners of the Company (sen per share)					
- Basic	24	(41.46)	-	(56.33)	-
- Diluted	24	(29.02)	-	(31.71)	-

The financial year end of the Group has been changed from 31 December to 30 June. As such, there is no comparative financial information available for the preceding year corresponding period.

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the quarterly report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	As at 30.06.2023 (Unaudited) RM'000	As at 31.12.2021 (Audited) RM'000
Non-current assets		
Property, plant, and equipment	53,781	11,364
Intangible assets	23,633	153,617
Investment in associate	-	391
	77,414	165,372
Current assets		
Trade receivables	10,524	38,599
Other receivables, deposits, and prepayments	14,160	29,172
Assets held for sales	9,326	-
Tax recoverable	11	250
Cash and bank balances	10,615	3,535
	44,636	71,556
TOTAL ASSETS	122,050	236,928
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	144,839	93,464
Accumulated profits/(losses)	(53,562)	16,530
	91,277	109,994
Non-controlling interests	(10)	(1)
Total Equity	91,267	109,993
Non-current liabilities		
Other payables	-	95,148
Deferred tax liabilities	595	3,333
	595	98,481
Current liabilities		
Trade payables	9,604	27,769
Other payables and accruals	20,584	685
	30,188	28,454
Total Liabilities	30,783	126,935
TOTAL EQUITY AND LIABILITIES	122,050	236,928
Net assets per share attributable to owners of the Company (RM)	0.73	1.47

The financial year end of the Group has been changed from 31 December to 30 June.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes to the quarterly report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE SIXTH QUARTER ENDED 30 JUNE 2023**

	<u>Non-distributable</u>			Total equity attributable to owners of the Company RM'000	Non- controlling interests RM'000	Total RM'000
	Share capital RM'000	Treasury shares RM'000	Accumulated (losses)/profit RM'000			
At 1 January 2022	93,464	-	16,530	109,994	(1)	109,993
Total comprehensive profit for the financial period	-	-	(70,751)	(70,751)	88	(70,663)
Acquisition of subsidiaries	-	-	-	-	562	562
Acquisition of additional interests in subsidiary from NCI:						
- Accretion of equity interests	-	-	-	-	(659)	(659)
- Gain on acquisition	-	-	659	659	-	659
Issuance of shares via private placement	12,375	-	-	12,375	-	12,375
Issuance of shares via rights issue	39,000	-	-	39,000	-	39,000
At 30 JUNE 2023	144,839	-	(53,562)	91,277	(10)	91,267
At 1 January 2021	-	-	-	-	-	-
Total comprehensive profit for the financial period	-	-	-	-	-	-
Disposal of treasury shares	-	-	-	-	-	-
At 30 JUNE 2022	-	-	-	-	-	-

The financial year end of the Group has been changed from 31 December to 30 June. As such, there is no comparative financial information available for the preceding year corresponding period.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes to the quarterly report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE SIXTH QUARTER ENDED 30 JUNE 2023**

	Current Period To-date 30.06.2023 (Unaudited) RM'000	Corresponding Period To-date 30.06.2022 (Unaudited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(71,229)	-
Adjustments for:		
Amortisation of intangible assets	34,232	-
Depreciation of property, plant and equipment	2,230	-
Interest expenses	261	-
Accretion of financial instrument	9,851	-
Interest income	(2)	-
Share of result of an associate company	391	-
Allowance for impairment loss on intangible assets	68,579	-
Property, plant and equipment written off	453	-
Gain on disposal of an associate company	(490)	-
Gain on acquisition/disposal of subsidiaries	(19,830)	-
Operating profit before working capital changes	<u>24,446</u>	-
Change in receivables	69,644	-
Change in payables	(83,878)	-
Cash generated from operations	<u>10,212</u>	-
Interest received	2	-
Interest paid	(261)	-
Net income tax refunded	249	-
Net cash generated from operating activities	<u>10,202</u>	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(54,423)	-
Acquisition/disposal of subsidiaries, net of cash flow	(148)	-
Proceeds from disposal of an associate company	490	-
Net cash used in investing activities	<u>(54,081)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares via private placement	12,375	-
Proceeds from issuance of shares via rights issue	39,000	-
Repayment of term loan	(416)	-
Net cash generated from financing activities	<u>50,959</u>	-
Net decrease in cash and cash equivalents	7,080	-
Cash and cash equivalents at beginning of financial period	<u>3,535</u>	-
Cash and cash equivalents at end of financial period	<u>10,615</u>	-

The financial year end of the Group has been changed from 31 December to 30 June. As such, there is no comparative financial information available for the preceding year corresponding period.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes to the quarterly report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIXTH QUARTER ENDED 30 JUNE 2023 (cont'd)**

	Current Period To-date 30.06.2023 (Unaudited) RM'000	Corresponding Period To-date 30.06.2022 (Unaudited) RM'000
Cash and cash equivalents at the end of financial period comprise of the followings:		
Cash in hand	-	-
Cash at bank	10,615	-
	<u>10,615</u>	<u>-</u>

The financial year end of the Group has been changed from 31 December to 30 June. As such, there is no comparative financial information available for the preceding year corresponding period.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes to the quarterly report.

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 – INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with 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 statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes attached.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group.

2. Significant Accounting Policies

The accounting policies applied by the Group in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2021 except for the adoption of the new and amended MFRSs and IC Interpretations effective for annual financial period beginning on or after 1 January 2022. The initial application of these new and amended MFRSs and IC Interpretations have no material impact on this interim financial reporting.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 141 <i>Measurement of Fair Value</i>	1 January 2022
Amendments to MFRS 3 <i>Reference to Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 9 <i>Fees in the 10% Test for Derogation of Financial Liabilities</i>	1 January 2022
Amendments to MFRS 1 <i>Measurement of Cumulative Translation Differences for Foreign Operation</i>	1 January 2022

Standards Issued but not Yet Effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group’s interim financial statements are disclosed below. The Group intends to adopt these standards and interpretations, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023

Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
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 adoption of the above standards and interpretations will have no material impact on the Group's financial statements in the year of initial applications.

3. Auditors' Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2021.

4. Seasonality of Operations

The Group's business operation and performance were not materially affected by any seasonal or cyclical factors during the current quarter and financial period under review.

5. Unusual Items

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

6. Changes in Estimates

There were no material changes in estimates of the amount reported in prior financial years which have a material effect in the current year quarter under review.

7. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current financial period under review.

8. Dividend Paid

No dividend was paid during the current quarter and financial period under review.

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9. Segmental Information

Segmental information for the current period to-date is presented in respect of the Group's business segments as follows: -

	<u>Plywood Trading</u>	<u>Construction</u>	<u>Wholesale*</u>	<u>Elimination</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
External	197,345	35,408	137,179	-	369,932
Inter-segment	-	-	14,551	(14,551)	-
Total	197,345	35,408	151,730	(14,551)	369,932
<u>Results</u>					
Segment results	(219,072)	(112,889)	(15,049)	286,283	(60,727)
Interest income	-	2	-	-	2
Finance costs	-	(8,176)	(1,936)	-	(10,112)
Taxation	-	-	-	565	565
Share of results of an associate	-	-	-	(391)	(391)
Total	(219,072)	(121,063)	(16,985)	286,457	(70,663)
<u>Assets</u>					
Segment Assets	78,405	8,881	34,742	22	122,050

*Wholesale trading of consumer products

10. Valuations of Property, Plant and Equipment

The Group states its property, plant and equipment at cost less accumulated depreciation and accumulated impairment losses. There were no valuations of property, plant and equipment conducted since the last audited financial statements for the financial year ended 31 December 2021.

11. Significant Events

There was no significant event in the current financial period under review.

12. Material Events Subsequent to the End of Financial Period

There was no material event subsequent to the end of the current quarter up to the date of the interim financial report.

13. Changes in the Composition of the Group

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

14. Capital Commitments

There were no capital commitments during the current quarter and financial period under review.

15. Changes in Contingent Liabilities or Contingent Assets

There was no material contingent liability as at the end of the current financial period and up to the date of the interim financial report.

16. Recurrent Related Party Transactions

The recurrent related party transactions as at current period to-date are set out below.

	Current Year Quarter 30.06.2023 RM'000	Current Year Period To-date 30.06.2023 RM'000
<u>Ageson Berhad's Group of Companies</u>		
Sales of goods	-	39,187

17. Significant Related Party Transactions

The significant related party transactions as at current period to-date are set out below.

	Current Year Quarter 30.06.2023 RM'000	Current Year Period To-date 30.06.2023 RM'000
<u>ARB Berhad's Group of Companies</u>		
IT support fee paid and payable	41	61

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ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")

18. Review of Performance

Comparison of Quarterly Results for Current Year Quarter with Preceding Year Corresponding Quarter

	Current Year Quarter 30.06.2023	Preceding Year Corresponding Quarter 30.06.2022	Changes	
	RM'000	RM'000	RM'000	%
Revenue	8,250	-	-	-
Loss Before Interest and Taxation	(90,509)	-	-	-
Loss Before Taxation	(94,142)	-	-	-
Loss After Taxation	(94,327)	-	-	-
Loss Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	(41.46)	-	-	-

Financial Review for Current Year Period To-Date with Preceding Year Corresponding Period To-date

	Current Year Period To-date 30.06.2023	Preceding Year Corresponding Period To-date 30.06.2022	Changes	
	RM'000	RM'000	RM'000	%
Revenue	369,932	-	-	-
Profit Before Interest and Taxation	(60,727)	-	-	-
Profit Before Taxation	(71,228)	-	-	-
Profit After Taxation	(70,663)	-	-	-
Earnings Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	(56.33)	-	-	-

For the current quarter and current period to-date ended 30 June 2023, the Group recorded revenues of RM8.25 million and RM369.93 million respectively, which was contributed by the plywood trading, construction and wholesale segments.

The financial year end of the Group has been changed from 31 December to 30 June. As such, there is no comparative financial information available for the preceding year corresponding period.

18. Review of Performance (cont'd)
Financial Review for Current Quarter with Immediate Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Changes	
	30.06.2023	31.03.2023	RM'000	%
Revenue	8,250	36,548	(28,298)	(77.43)
Profit/(Loss) Before Interest and Taxation	(90,509)	(1,377)	(89,132)	6,472.91
Profit/(Loss) Before Taxation	(94,142)	(2,438)	(91,704)	3,761.44
Profit/(Loss) After Taxation	(94,327)	(1,893)	(92,434)	4,882.94
Earnings/(Loss) Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	(41.46)	(1.24)	(40.22)	3,243.55

Revenue for the current quarter decreased by RM28.30 million or 77.43% to RM8.25 million as compared to RM36.55 million in the immediate preceding quarter. The decrease in revenue in the current quarter was mainly due to the reduction in demand in the plywood trading and wholesale of consumer products.

For the current quarter under review, the Group recorded a loss before tax of RM94.14 million compared to a loss before tax of RM2.44 million in the immediate preceding quarter. The increase in loss before tax was mainly due to lower revenue and allowance for impairment loss on intangible assets of RM68.58 million.

19. Group's Prospect

Our Group recorded RM363.58 million revenue in the current period-to-date ended 30 June 2023, mainly due to the high sales volume generated from plywood trading and the new wholesale segment. However, the management of our Group anticipates that the future prospects of the plywood trading segment will continue to be challenging.

Whilst the Group continues to strive towards establishing its track record and developing its business reputation in the construction segment, the Group's management continues to seek, explore and consider viable business opportunities to ensure sustainable growth for the Group.

In addition, the Group has launched the smart farming business in Q2'2023, which will include the full spectrum of agribusiness supply chain comprising planting, harvesting, packaging, marketing, sales, and distribution. The Group initially commenced with the production of golden melons and will be venturing into other farming products.

The Group is venturing into the smart office franchise business and Internet of Things ("IoT") machine operation and retailing business.

Our Board is of the opinion that the Group's business strategies are expected to gradually improve and strengthen its financial position and enhance shareholders' value in the mid to long term horizon.

20. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee

The Group did not publish any profit forecast for the current quarter and financial period under review.

21. Taxation

	Current Year Quarter 30.06.2023 RM'000	Current Year To-date 30.06.2023 RM'000
Income tax:		
Current tax	-	-
Deferred tax	(185)	565
	<u>(185)</u>	<u>565</u>

Taxation is computed after taking into consideration the available capital allowances and the adjusted business losses carried forward from previous years to set off against taxable profit.

22. Status of Corporate Proposals

Save as disclosed below, there were no other corporate proposals announced but not completed, as at the date of this report.

On 3 October 2022, TA Securities Holdings Berhad (“TA Securities”) had, on behalf of the Board, announced that the Company proposed to undertake the following:

- (i) proposed diversification of the existing businesses of Annum and its subsidiaries (“Group”) to include Smart Farming Business (as defined herein) (“Proposed Diversification”); and
- (ii) proposed renounceable rights issue of up to 130,000,000 new ordinary shares in Annum (“Annum Share(s)”) (“Rights Share(s)”) on the basis of 4 Rights Shares for every 3 Annum Shares held on an entitlement date to be determined later (“Entitlement Date”), together with up to 97,500,000 free detachable warrants (“Warrant(s)”) on the basis of 3 Warrants for every 4 Rights Shares subscribed for (“Proposed Rights Issue”),

(Collectively referred to as the “Proposals”).

At the EGM on 29 December 2022, shareholders approved all the resolutions set out in the Notice of EGM dated 14 December 2022.

The Rights Issue was completed with the listing of and quotation for 129,998,598 Rights Shares together with 97,498,878 Warrants on the Main Market of Bursa Securities on 21 February 2023. Total proceeds raised was approximately RM39 million.

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22. Status of Corporate Proposals (cont'd)

The status of utilisation of proceeds as of to date is as follows:

Detail of the utilisation of proceeds		Proposed Utilisation	Actual Utilisation	Re-allocation	Balance Proceeds	Intended timeframe for utilisation (from the date of listing)
		RM'000	RM'000	RM'000	RM'000	
(i)	Set-up of greenhouses and purchase and installation of its related facilities for the Smart Farming Business	35,000	(35,000)	-	-	Within 36 months
(ii)	Working capital for the Smart Farming Business	3,200	(328)	-	2,872	Within 12 months
(iii)	Estimated expenses for the Proposed Rights Issue	800	(800)	-	-	Within 1 month
	Total	39,000	(36,128)	-	2,872	

The utilisation of proceeds as disclosed above should be read in conjunction with the Announcement of the Company dated 14 December 2022.

23. Material Litigation

There was no material litigation as at the date of this announcement.

24. Earnings/(loss) Per Share

The following reflect the profit/(loss) attributable to owners of the Company and share data used in the computation of basic and diluted earnings/(loss) per share :-

(a) Basic earnings/(loss) per share

	Current Year Quarter 30.06.2023	Preceding Year Quarter 30.06.2022	Current Year Period To-date 30.06.2023	Preceding Year Period To-date 30.06.2022
Profit/(loss) attributable to Owners of the Company (RM'000)	(94,329)	-	(70,751)	-
Weighted average number of ordinary shares in issue ('000)	227,498	-	125,609	-
Basic earnings/(loss) per share (Sen)	(41.46)	-	(56.33)	-

24. Earnings/(loss) Per Share (cont'd)

(b) Diluted earnings/(loss) per share

	Current Year Quarter 30.06.2023	Preceding Year Quarter 30.06.2022	Current Year Period To-date 30.06.2023	Preceding Year Period To-date 30.06.2022
Profit/(loss) attributable to Owners of the Company (RM'000)	(94,329)	-	(70,751)	-
Weighted average number of ordinary shares in issue ('000)	227,498	-	125,609	-
Effect of dilution due to issuance of warrants ('000)	97,499	-	97,499	-
Adjusted weighted average number of ordinary shares in issue ('000)	324,997	-	223,108	-
Diluted earnings/(loss) per share (Sen)	(29.02)	-	(31.71)	-

The financial year end of the Group has been changed from 31 December to 30 June. As such, there is no comparative financial information available for the preceding year corresponding period.

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25. Notes to The Condensed Consolidated Statement of Comprehensive Income

Profit/(loss) before tax for the current quarter and period to-date are arrived at after charging/(crediting):-

	Current Year Quarter 30.06.2023 RM'000	Current Year Period To-date 30.06.2023 RM'000
Depreciation and amortisation	22,178	36,462
Finance costs	3,075	10,112
Interest income	-	(2)
Allowance for impairment loss on intangible assets	68,579	68,579
Property, plant and equipment written off	453	453
Gain on disposal of an associate company	(490)	(490)
Gain on acquisition/disposal of subsidiaries	(13,585)	(19,830)

There were no other exceptional items for the current quarter and period to-date under review.