

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

	<i>Note</i>	Individual Period (2nd Quarter)		Cumulative Period (2nd Quarter)	
		Current Year Quarter 31.12.2023 (Unaudited) RM'000	Preceding Year Corresponding Quarter 31.12.2022 (Unaudited) RM'000	Current Year Period To-date 31.12.2023 (Unaudited) RM'000	Preceding Year Corresponding Period To-date 31.12.2022 (Unaudited) RM'000
Revenue		3,673	90,935	13,565	174,154
Cost of sales		(3,555)	(82,958)	(13,143)	(156,857)
Gross profit		118	7,977	422	17,297
Other operating income		33	55	664	69
Other operating expenses		(169)	(10)	(169)	(10)
Administrative expenses		(638)	(718)	(1,395)	(1,068)
Operating expenses		(2,300)	(3,491)	(4,570)	(6,597)
Selling and distribution expenses		-	422	-	62
Finance costs		-	(1,415)	-	(2,829)
Share of results of associates, net of tax		(40)	(176)	(40)	(176)
Profit/(loss) before taxation	25	(2,996)	2,644	(5,088)	6,748
Taxation	21	-	150	-	300
Profit/(loss) after taxation		(2,996)	2,794	(5,088)	7,048
Total comprehensive profit/(loss) for the financial period		(2,996)	2,794	(5,088)	7,048
Profit/(loss) after taxation attributable to:					
Owners of the Company		(2,996)	2,801	(5,088)	7,056
Non-controlling interests		-	(7)	-	(8)
		(2,996)	2,794	(5,088)	7,048
Total comprehensive profit/(loss) attributable to:					
Owners of the Company		(2,996)	2,801	(5,088)	7,056
Non-controlling interests		-	(7)	-	(8)
		(2,996)	2,794	(5,088)	7,048
Earnings/(loss) per share for profit attributable to the owners of the Company (sen per share)					
- Basic	24	(1.32)	2.87	(2.24)	7.24
- Diluted	24	(0.92)	N/A	(1.57)	N/A

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 31 DECEMBER 2023**

	As at 31.12.2023 (Unaudited) RM'000	As at 30.06.2023 (Unaudited) RM'000
Non-current assets		
Property, plant, and equipment	58,955	53,780
Intangible assets	26,342	24,476
Investment in associates	8,324	-
	<u>93,621</u>	<u>78,256</u>
Current assets		
Trade receivables	5,845	10,329
Other receivables, deposits, and prepayments	85,195	14,087
Assets held for sales	-	9,326
Tax recoverable	-	61
Cash and bank balances	2,521	10,615
	<u>93,561</u>	<u>44,418</u>
TOTAL ASSETS	<u>187,182</u>	<u>122,674</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	144,839	144,839
Accumulated profits/(losses)	(58,878)	(53,790)
	<u>85,961</u>	<u>91,049</u>
Non-controlling interests	(1)	(10)
Total Equity	<u>85,960</u>	<u>91,039</u>
Non-current liabilities		
Other payables	-	-
Deferred tax liabilities	-	595
	<u>-</u>	<u>595</u>
Current liabilities		
Trade payables	7,761	10,484
Other payables and accruals	93,461	20,556
	<u>101,222</u>	<u>31,040</u>
Total Liabilities	<u>101,222</u>	<u>31,635</u>
TOTAL EQUITY AND LIABILITIES	<u>187,182</u>	<u>122,674</u>
Net assets per share attributable to owners of the Company (RM)	0.38	0.40

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 SECOND QUARTER ENDED 31 DECEMBER 2023**

	<u>Non-distributable</u>			Total equity attributable to owners of the Company	Non- controlling interests	Total
	Share capital RM'000	Treasury shares RM'000	Accumulated (losses)/profit RM'000	RM'000	RM'000	RM'000
At 1 July 2023	144,839	-	(53,790)	91,049	(10)	91,039
Total comprehensive profit for the financial period	-	-	(5,088)	(5,088)	-	(5,088)
Derecognition of subsidiary	-	-	-	-	9	9
At 31 DECEMBER 2023	144,839	-	(58,878)	85,961	(1)	85,960
At 1 January 2022	93,464	-	16,530	109,994	(1)	109,993
Total comprehensive profit for the financial period	-	-	(70,979)	(70,979)	88	(70,891)
Acquisition of subsidiary	-	-	-	-	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	-	(53,790)	91,049	(10)	91,039

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 SECOND QUARTER ENDED 31 DECEMBER 2023**

	Current Year Period To-date 31.12.2023 (Unaudited) RM'000	*Preceding Year Period From 01.01.2022 To 31.12.2022 (Unaudited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(5,088)	25,351
Adjustments for:		
Amortisation of intangible assets	3,732	10,418
Depreciation of property, plant and equipment	348	1,032
Loss on derecognition of subsidiaries	136	-
Gain on disposal of assets held for sales	(631)	-
Interest expenses	-	390
Accretion of financial instrument	-	5,421
Share of results of associates	40	(3)
Bargain purchase on business combination	-	(6,182)
Operating profit/(loss) before working capital changes	(1,463)	36,427
Change in receivables	(67,227)	46,044
Change in payables	70,496	(83,999)
Cash generated from/(used in) operations	1,806	(1,528)
Interest received	-	-
Interest paid	-	(390)
Net income tax paid	-	(11)
Net cash generated from/(used in) operating activities	1,806	(1,929)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(10,953)	(46)
Acquisition of intangible assets	(167)	-
Proceeds from disposal of assets held for sales	1,670	-
Acquisition/Disposal of subsidiaries, net of cash flow	(450)	8
Net cash used in investing activities	(9,900)	(2)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares via private placement	-	12,375
Repayment of term loan	-	(328)
Net cash generated from financing activities	-	12,047
Net (decrease)/increase in cash and cash equivalents	(8,094)	10,080
Cash and cash equivalents at beginning of financial period	10,615	3,535
Cash and cash equivalents at end of financial period	2,521	13,615
Cash and cash equivalents at the end of financial period comprise of the followings:		
Cash in hand	-	3
Cash at bank	2,521	13,612
	2,521	13,615

*The financial year end of the Group has been changed from 31 December 2022 to 30 June 2023. As such, the comparative financial information that available for the preceding year is a cumulative period of twelve (12) months.

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 and methods of computation adopted for the interim financial statements are consistent with those adopted for the Audited Financial Statements for the financial year ended 31 December 2021. Details of standards, amendments to published standards and interpretations to existing standards that are applicable to the Group with effect from 1 January 2021 or later are provided in the notes to the financial statements in the Audited Financial Statements of the Group for the financial year ended 31 December 2021. The Group did not early adopt any new standards, amendments to published standards and interpretation to existing standards.

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.

9. Segmental Information

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

	<u>General Trading</u> RM'000	<u>Others</u> RM'000	<u>Consolidation Adjustment</u> RM'000	<u>Total</u> RM'000
<u>Revenue</u>				
External	13,565	-	-	13,565
Inter-segment	678	-	(678)	-
Total	14,243	-	(678)	13,565
<u>Results</u>				
Segment results	8,062	152,429	(165,539)	(5,048)
Interest income	-	-	-	-
Finance costs	-	-	-	-
Taxation	-	-	-	-
Share of results of associates	-	-	(40)	(40)
Total	(8,062)	(152,429)	(165,579)	(5,088)
<u>Assets</u>				
Segment Assets	42,566	153,408	(8,792)	187,182

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

On 2 October 2023, Annum S3 Sdn. Bhd. (“**Annum S3**”), an indirect wholly-owned subsidiaries of the Group, have allotted additional shares to the Company and third party. Annum S3 is the investment holding company to Annum Trading Sdn. Bhd. (formerly known as Cymao Plywood Sdn. Bhd.). As a result, Annum S3 and its subsidiary have become associate of the Group.

On 2 October 2023, Annum W3 Sdn. Bhd. (“**Annum W3**”), an indirect wholly-owned subsidiaries of the Group, have allotted additional shares to the Company and third party. Annum W3 is the investment holding company to Inovwood Sdn. Bhd. As a result, Annum W3 and its subsidiary have become associate of the Group.

On 2 October 2023, Annum Tech2 Sdn. Bhd. (“**Annum Tech2**”), an indirect wholly-owned subsidiary of the Group, has allotted additional shares to third party. Annum Sahabatko Sdn. Bhd. is the 75% owned subsidiary to Annum Tech2. As a result, Annum Tech2 and its subsidiary have become other investment of the Group.

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

There was no recurrent related party transactions as at current quarter and period to-date.

17. Related Party Transactions

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

	Current Year Quarter 31.12.2023 RM’000	Current Year Period To-date 31.12.2023 RM’000
<u>ARB Berhad’s Group of Companies</u>		
IT support & maintenance fee paid and payable	99	223

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 31.12.2023	Preceding Year Corresponding Quarter 31.12.2022	Changes	
	RM'000	RM'000	RM'000	%
Revenue	3,673	90,935	(87,262)	(95.96)
Profit/(Loss) Before Interest and Taxation	(2,956)	4,235	(7,191)	(169.80)
Profit/(Loss) Before Taxation	(2,996)	2,644	(5,640)	(213.31)
Profit/(Loss) After Taxation	(2,996)	2,794	(5,790)	(207.23)
Earnings/(Loss) Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	(1.32)	2.87	(4.19)	(145.84)

For the current quarter ended 31 December 2023, the Group recorded revenues of RM3.67 million, a decrease of RM87.26 million or 95.96% from RM90.94 million in corresponding quarter in the preceding year. The decrease in revenue was mainly due to the cessation of the plywood trading business.

Profit before taxation in the current quarter ended 31 December 2023 decreased by RM5.64 million or 213.31% to loss before taxation RM3.00 million as compared to profit before taxation of RM2.64 million in corresponding quarter in the preceding year. The decrease in profit before taxation was mainly due to severe drop in revenue.

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18. Review of Performance (cont'd)

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

	Current Year Period To-date 31.12.2023	Preceding Year Corresponding Period To-date 31.12.2022	Changes	
	RM'000	RM'000	RM'000	%
Revenue	13,565	174,154	(160,589)	(92.21)
Profit Before Interest and Taxation	(5,048)	9,753	(14,801)	(151.76)
Profit Before Taxation	(5,088)	6,748	(11,836)	(175.40)
Profit After Taxation	(5,088)	7,048	(12,136)	(172.19)
Earnings Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	(2.24)	7.24	(9.48)	(130.90)

For the current period to-date ended 31 December 2023, the Group only recorded revenue of RM13.57 million, a decrease of RM160.59 million or 92.21% as compared to RM174.15 million in the preceding year corresponding period to-date. The decrease in revenue was mainly due to the cessation of the plywood trading business.

As a result, the profit before taxation in the current period to-date ended 31 December 2023 decreased by RM11.84 million or 175.40% to loss before taxation RM5.09 million as compared to profit before taxation of RM6.75 million in corresponding period to-date in the preceding year.

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

	Current Quarter 31.12.2023	Immediate Preceding Quarter 30.09.2023	Changes	
	RM'000	RM'000	RM'000	%
Revenue	3,673	9,892	(6,219)	(62.87)
Profit/(Loss) Before Interest and Taxation	(2,956)	(2,092)	(864)	41.30
Profit/(Loss) Before Taxation	(2,996)	(2,092)	(904)	43.21
Profit/(Loss) After Taxation	(2,996)	(2,092)	(904)	43.21
Earnings/(Loss) Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	(1.32)	(0.92)	(0.40)	43.55

Revenue for the current quarter decreased by RM6.22 million or 62.87% to RM3.67 million as compared to RM9.89 million in the immediate preceding quarter. The decrease in revenue in the current quarter was mainly due to slow down in general trading.

For the current quarter under review, the Group recorded a loss before tax of RM3.00 million, a decrease of RM0.90 million or 43.21% as compared to a loss before tax of RM2.09 million in the immediate preceding quarter. The increase in loss before tax was mainly due to the depreciation charge on the addition property, plant and equipment that acquired in current quarter and the gain on disposal of assets held for sales that recorded in immediate preceding quarter.

19. Group's Prospect

The Group's management continues to seek, explore and consider viable business opportunities to ensure sustainable growth for the Group. For instance, the management is now exploring the food trading business in other countries.

The Group has launched the smart farming business in May 2023, which will include the full spectrum of agribusiness supply chain comprising planting, harvesting, packaging, marketing, sales, and distribution. Currently, the smart farming business is still in testing stage and no revenue-generating yet.

The Group is planning to venture into the smart office franchise business and Internet of Things ("IoT") machine operation and it's still at the initial stage.

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 31.12.2023 RM'000	Current Year To-date 31.12.2023 RM'000
Income tax:		
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</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.

The proceeds raised from the Rights Issue on 21 February 2023 has been fully utilized as of to date as per the disclosure made in the Circular to the shareholders dated 14 December 2022.

23. Material Litigation

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

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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 31.12.2023	Preceding Year Quarter 31.12.2022	Current Year Period To-date 31.12.2023	Preceding Year Period To-date 31.12.2022
Profit/(loss) attributable to Owners of the Company (RM'000)	(2,996)	2,801	(5,088)	7,056
Weighted average number of ordinary shares in issue ('000)	227,498	97,500	227,498	97,500
Basic earnings/(loss) per share (Sen)	(1.32)	2.87	(2.24)	7.24

(b) Diluted earnings/(loss) per share

	Current Year Quarter 31.12.2023	Preceding Year Quarter 31.12.2022	Current Year Period To-date 31.12.2023	Preceding Year Period To-date 31.12.2022
Profit/(loss) attributable to Owners of the Company (RM'000)	(2,996)	2,801	(5,088)	7,056
Weighted average number of ordinary shares in issue ('000)	227,498	-	227,498	-
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	-	324,997	-
Diluted earnings/(loss) per share (Sen)	(0.92)	N/A	(1.57)	N/A

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.

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 31.12.2023 RM'000	Current Year Period To-date 31.12.2023 RM'000
Depreciation and amortisation	2,204	4,080
Loss on derecognition of subsidiaries	136	-
Gain on disposal of assets held for sales	-	(631)

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