



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2023

	Individual Quarter		Cumulative Quarter	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Revenue	25,390	23,309	25,390	23,309
Cost of sales	(23,702)	(22,370)	(23,702)	(22,370)
Gross profit	1,688	939	1,688	939
Other income	307	287	307	287
Expenses	(2,550)	(2,531)	(2,550)	(2,531)
Loss from operation	(555)	(1,305)	(555)	(1,305)
Finance costs	(2,083)	(652)	(2,083)	(652)
Loss before taxation	(2,638)	(1,957)	(2,638)	(1,957)
Taxation	(298)	(34)	(298)	(34)
Loss net of tax, representing total comprehensive loss for the period	(2,936)	(1,991)	(2,936)	(1,991)
Total comprehensive loss attributable to:				
- Equity holders of the Company	(2,936)	(1,991)	(2,936)	(1,991)
- Non-controlling interest	-	-	-	-
	(2,936)	(1,991)	(2,936)	(1,991)
Loss per share (Sen) attributable to equity holders of the Company:				
- Basic	(1.63)	(1.11)	(1.63)	(1.11)
- Diluted	N/A	N/A	N/A	N/A

Notes:

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial statement.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
31 MARCH 2023**

	Unaudited As at 31 March 2023 RM'000	Audited As at 31 December 2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	164,512	159,826
Right-of-use assets	22,441	22,584
	186,953	182,410
Current assets		
Inventories	127,104	120,934
Trade and other receivables	74,029	58,177
Tax recoverable	250	138
Other investments	1,000	2,110
Cash and bank balances	5,783	4,562
	208,166	185,921
Total Assets	395,119	368,331
EQUITY AND LIABILITIES		
Share capital	92,024	92,024
Merger reserve	3,623	3,633
Retained earnings	63,054	65,989
Total equity attributable to equity holders of the Company	158,701	161,646
Non-current liabilities		
Loans and borrowings	14,777	14,612
Deferred tax liabilities	6,736	6,804
Lease liabilities	4	4
	21,517	21,420
Current liabilities		
Loans and borrowings	144,566	115,386
Lease liabilities	30	25
Trade and other payables	69,130	69,194
Amount due to Directors	82	79
Contract Liabilities	786	541
Tax liabilities	307	40
	214,901	185,265
Total liabilities	236,418	206,685
Total equity and liabilities	395,119	368,331
Net assets per share attributable to equity holders of the Company (RM)	0.88	0.90

Notes:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial statement.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2023**

	Share Capital RM'000	Non- distributable Merger Reserve RM'000	Distributable Retained Earnings RM'000	Total RM'000
At 1 January 2023	92,024	3,623	65,990	161,637
Total comprehensive loss for the period	-	-	(2,936)	(2,936)
At 31 March 2023	<u>92,024</u>	<u>3,623</u>	<u>63,054</u>	<u>158,701</u>

Notes:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial statement.


UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2023

	Current Year to Date 31 March 2023 RM'000	Preceding Year Corresponding Period 31 March 2022 RM'000
Cash Flows from Operating Activities		
Loss before tax	(2,638)	(1,957)
Adjustments for:		
Depreciation of right-of-use assets	156	172
Depreciation of property, plant and equipment	2,750	1,645
Finance costs	2,083	652
Gain on disposal of property, plant and equipment	(20)	-
Unrealised foreign exchange (gain)/loss	(156)	96
Operating profit before changes in working capital	2,175	608
Changes in working capital:		
Inventories	(6,170)	(227)
Trade and other receivables, deposits and prepayments	(15,840)	11,895
Trade and other payables	(90)	2,375
Contract liabilities	244	-
Amount due to Directors	3	274
Cash (used in)/generated from operations	(19,678)	14,925
Income tax paid, net of refund	(209)	(186)
Interest paid	(1,755)	(517)
Net cash (used in)/generated from operating activities	(21,642)	14,222
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(7,449)	(21,794)
Proceeds from disposal of property, plant and equipment	20	-
Net cash used in investing activities	(7,429)	(21,794)
Cash Flows from Financing Activities		
Proceeds from borrowings	28,868	5,622
Net repayment of finance leases	(21)	(8)
Payment of lease liabilities	(8)	(15)
Interest paid	(328)	(135)
Net cash generated from financing activities	28,511	5,464
Net (decrease) in cash and cash equivalents	(560)	(2,108)
Effect of exchange rate fluctuations on cash held and bankers acceptances	160	(165)
Cash and cash equivalents at beginning of period	(19,733)	(18,625)
Cash and cash equivalents at end of period	(20,133)	(20,898)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2023 (CONTINUED)

Notes:

	Current Year to Date 31 March 2023 RM'000	Preceding Year Corresponding Period 31 March 2022 RM'000
Cash outflows for leases as a lessee		
Included in net cash from operating activities:		
Expense relating to short term lease	32	26
Interest paid in relation to lease liabilities	3	1
Included in net cash from financing activities:		
Payment of lease liabilities	8	15
Total cash outflows for leases	43	42
Cash and cash equivalents at end of period comprises:		
Cash and bank balances	5,783	4,167
Fixed deposits with original maturities not exceeding three months	1,000	2,611
Bank overdrafts	(26,916)	(27,676)
	(20,133)	(20,898)

Note:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard 134 (“MFRS 134”): Interim Financial reporting and Appendix 9B part A of paragraph 9.22 of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). The condensed consolidated interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

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 Company and its subsidiaries since the financial year ended 31 December 2022.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the explanatory notes attached to this interim financial statement.

A2. Adoption of Malaysian Financial Reporting Standards

The significant accounting policies applied in the interim financial report are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2022, except for the effects of newly issued Malaysian Financial Reporting Standards (“MFRS”) and IC Interpretations (“IC Int.”) applied for the financial period beginning 1 January 2023.

Title	Effective date
MFRS 17, <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17, <i>Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information</i>	1 January 2023
Amendments to MFRS 101, <i>Presentation of Financial Statements – Disclosures of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108, <i>Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112, <i>Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 16, <i>Leases – Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101, <i>Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current</i>	1 January 2024



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONTINUED)

A2. Adoption of Malaysian Financial Reporting Standards (continued)

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*

Yet to be confirmed

The initial application of the above is not expected to have any material financial impact on the Group’s results.

A3. Auditors’ Report on preceding Annual Financial Statements

The Auditors’ Reports on the financial statements of the Company and its subsidiaries for the financial year ended 31 December 2022 were not qualified.

A4. Changes in estimates

There were no material changes in estimates that have had a material effect in the current interim results.

A5. Item of unusual nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter ended 31 March 2023.

A6. Seasonality of operations

The operations of the Group are not seasonal in nature.

A7. Debts and Equity Securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter.

A8. Dividends

There were no dividends proposed or declared for the current quarter under review.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segment information

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer similar products and services, but are managed separately because they require different marketing strategies.

- Manufacturing - Includes manufacturing and distributions of batteries.
- Marketing - Includes marketing and retailing of batteries and lubricants.

Other non-reportable segment comprises operations related to investment holding and dormant entities.

There has been no material change in total assets and no differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last annual financial statements.

	Manufacturing RM'000	Marketing RM'000	Other non- Reportable segment RM'000	Total RM'000
<i>As At 31 March 2023</i>				
Segment (loss)/profit	1,450	194	(2,199)	(555)
Included in the measure of segment (loss)/ profit are:				
Revenue from external customers	16,938	8,452	-	25,390
Inter-segment revenue	6,596	-	-	6,596
Depreciation	(1,648)	(41)	(1,217)	(2,906)
Finance costs	(1,002)	8	(1,089)	(2,083)
<i>As At 31 March 2022</i>				
Segment (loss)/profit	(2,630)	1,554	(229)	(1,305)
Included in the measure of segment (loss)/profit are:				
Revenue from external customers	14,472	8,837	-	23,309
Inter-segment revenue	5,899	-	-	5,899
Depreciation	(1,777)	(39)	(1)	(1,817)
Finance costs	(664)	12	-*	(652)

* Amount is below RMI,000



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONTINUED)

A10. Property, plant and equipment

During the current financial quarter, the Group acquired assets at cost of RM7.45 million (31 March 2022: RM21.79 million).

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

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter under review.

A12. Changes in the Composition of the Group

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

A13. Commitments

The capital commitments of the Group as at 31 March 2023 are as follows:

	As at 31 March 2023 RM'000	As at 31 March 2022 RM'000
Commitments in respect of capital expenditure:		
- Approved and contracted for	53,048	60,516

A14. Contingencies

There were no contingencies as at the end of the current financial quarter.

A15. Significant Related Party Transaction

The transactions with a company in which certain Directors are common directors have interest for the current financial year were summarised as follows:

	As at 31 March 2023 RM'000	As at 31 March 2022 RM'000
Income:		
- Sales of automotive batteries	92	148

A16. Disclosure of derivatives

There were no outstanding derivatives as at the end of the current financial quarter.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

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

B1. Performance Review

Current quarter against corresponding quarter in prior year

The Group achieved revenue of RM25.39 million and recorded a loss before tax of RM2.64 million for the current quarter as compared to revenue of RM23.31 million and loss before tax of RM1.96 million for the corresponding quarter in prior year.

B2. Comment on Material Change in Loss/Profit before Tax Against Immediate Preceding Quarter

The Group achieved revenue of RM25.39 million and recorded a loss before tax of RM2.64 million for the current quarter as compared to revenue of RM26.38 million and loss before tax of RM1.75 million for immediate preceding quarter.

The loss before tax in the current quarter is mainly due to lower sales compared to preceding quarter, as well as higher finance and operating costs.

B3. Commentary on Prospects

Malaysia's Gross Domestic Product (GDP) in the first quarter of 2023 expanded 5.6% after recorded a growth of 7.1% in the previous quarter. The economic performance in the first quarter of 2023 on the supply side was driven by all sectors, particularly the Services, Manufacturing and Construction sectors. On the demand side, Private final consumption expenditure and Gross fixed capital formation continued to propel the growth in the economy in the first quarter of 2023 (*Source: Media Statement for Malaysia Economic Performance First Quarter of 2023 released by Ministry of Economy, Department of Statistics Malaysia*).

Bank Negara Malaysia (BNM) projects GDP growth to expand by 4% to 5% in 2023. According to the Malaysian Automotive Association ("MAA"), the Total Industry Volume ("TIV") for 2022 increased by 211,775 units, a growth of 41.6% to 720,658 units from previous year. This is mainly due to the substantial orders received before the expiration of the vehicle sales tax exemption made prior to 30 June 2022 and post-pandemic pent-up demand. The MAA projects the TIV to achieve 650,000 units in 2023, which is lower than 2022 but is still higher than the annual levels reported between 2016 to 2021.

The Group is expected to increase battery production from its new plant in the second quarter of 2023 to meet the sales demand.

The Group continues to be prudent and focus on production expansion and efficiency, products and services improvement, expansion of customer base both locally and internationally as well as cost control to achieve satisfactory performance in the financial year 2023.

B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

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

B5. Loss before Tax

Included in the loss before tax are the following items:

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Loss for the period derived at after charging and crediting:				
Depreciation of right-of-use assets	156	172	156	172
Depreciation of property, plant and equipment	2,750	1,645	2,750	1,645
Rental of premises - expenses	32	26	32	26
Finance costs	2,083	652	2,083	652
Foreign exchange (gain)/loss:				
- realised	(52)	(341)	(52)	(341)
- unrealised	(156)	96	(156)	96
Rental of premises - income	(17)	(7)	(17)	(7)

B6. Taxation

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Malaysian taxation				
- current year	365	186	365	186
- prior year	-	-	-	-
	<hr/> 365	<hr/> 186	<hr/> 365	<hr/> 186
Deferred taxation	(67)	(152)	(67)	(152)
Taxation	<hr/> <hr/> 298	<hr/> <hr/> 34	<hr/> <hr/> 298	<hr/> <hr/> 34



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

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

B7. Loans and Borrowings

Total Group borrowings as at 31 March 2023 were as follows:

	As at 31 March 2023	As at 31 March 2022
	RM'000	RM'000
Current		
- Secured	144,566	86,603
- Unsecured	-	-
	<u>144,566</u>	<u>86,603</u>
Non-current		
- Secured	14,777	5,148
	<u>159,343</u>	<u>91,751</u>

Note:

The Group's short term borrowings comprised mainly banks overdrafts and trade lines for working capital purpose.

B8. Material Litigation

There was no material litigation against the Group.

B9. Dividend

There were no dividends proposed or declared for the current quarter under review.

B10. Loss per Share

Basic loss per share are calculated by dividing loss for the period, net of tax, attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

The Company has no potential ordinary shares in issue as at 31 March 2023. As such, the fully diluted earnings per share of the Company are equivalent to the basic earnings per share.

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Loss attributable to equity holders of the Company (RM'000)	(2,936)	(1,991)	(2,936)	(1,991)
Weighted average number of ordinary share in issuance ('000)	180,000	180,000	180,000	180,000
Basic loss per share (Sen)	(1.63)	(1.11)	(1.63)	(1.11)
Diluted	N/A	N/A	N/A	N/A



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

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

B11. Disclosures of Gains/Losses Arising from Fair Value Changes of Financial Liabilities

The Group did not have any financial liabilities measures at fair value through profit or loss as at 31 March 2023.

B12. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors passed at Board of Directors' meeting held on 24 May 2023.

B13. Comparative Figures

Some of the figures in previous financial year have been reclassified to conform with current year's presentation.