



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

	Individual Quarter		Cumulative Quarter	
	30 June 2023 RM'000	30 June 2022 RM'000	30 June 2023 RM'000	30 June 2022 RM'000
Revenue	33,240	25,841	58,630	49,150
Cost of sales	(27,755)	(19,269)	(51,457)	(41,639)
Gross profit	5,485	6,572	7,173	7,511
Other income	455	352	762	639
Expenses	(3,052)	(2,767)	(5,602)	(5,298)
Profit from operation	2,888	4,157	2,333	2,852
Finance costs	(2,507)	(764)	(4,590)	(1,416)
Profit/(loss) before taxation	381	3,393	(2,257)	1,436
Taxation	(290)	(788)	(588)	(822)
Profit/(loss) net of tax, representing total comprehensive profit/(loss) for the period	91	2,605	(2,845)	614
Total comprehensive profit/(loss) attributable to:				
- Equity holders of the Company	91	2,605	(2,845)	614
- Non-controlling interest	-	-	-	-
	91	2,605	(2,845)	614
Earnings/(loss) per share (Sen) attributable to equity holders of the Company:				
- Basic	0.05	1.45	(1.58)	0.34
- 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
30 JUNE 2023**

	Unaudited As at 30 June 2023 RM'000	Audited As at 31 December 2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	165,689	159,826
Right-of-use assets	22,289	22,584
	187,978	182,410
Current assets		
Inventories	135,761	120,934
Trade and other receivables	100,888	58,177
Tax recoverable	194	138
Other investments	1,650	2,110
Cash and bank balances	5,066	4,562
	243,559	185,921
Total Assets	431,537	368,331
EQUITY AND LIABILITIES		
Share capital	92,024	92,024
Merger reserve	3,623	3,633
Retained earnings	63,144	65,989
Total equity attributable to equity holders of the Company	158,791	161,646
Non-current liabilities		
Loans and borrowings	12,231	14,612
Deferred tax liabilities	6,592	6,804
Lease liabilities	7	4
	18,830	21,420
Current liabilities		
Loans and borrowings	179,795	115,386
Lease liabilities	25	25
Trade and other payables	72,574	69,194
Amount due to Directors	51	79
Contract Liabilities	787	541
Tax liabilities	684	40
	253,916	185,265
Total liabilities	272,746	206,685
Total equity and liabilities	431,537	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 30 JUNE 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	65,989	161,636
Total comprehensive loss for the period	-	-	(2,845)	(2,845)
At 30 June 2023	<u>92,024</u>	<u>3,623</u>	<u>63,144</u>	<u>158,791</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 30 JUNE 2023

	Current Year to Date 30 June 2023 RM'000	Preceding Year Corresponding Period 30 June 2022 RM'000
Cash Flows from Operating Activities		
(Loss)/profit before tax	(2,257)	1,436
Adjustments for:		
Depreciation of right-of-use assets	313	343
Depreciation of property, plant and equipment	5,761	3,306
Finance costs	4,590	1,416
Gain on disposal of property, plant and equipment	(20)	-
Unrealised foreign exchange gain	(375)	(69)
Operating profit before changes in working capital	8,012	6,432
Changes in working capital:		
Inventories	(14,827)	(660)
Trade and other receivables, deposits and prepayments	(42,619)	14,402
Trade and other payables	3,329	15,527
Contract liabilities	246	-
Amount due to Directors	(28)	115
Cash (used in)/generated from operations	(45,887)	35,816
Income tax paid, net of refund	(212)	(324)
Interest paid	(3,972)	(1,110)
Net cash (used in)/generated from operating activities	(50,071)	34,382
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(11,474)	(43,031)
Placement of fixed deposits with original maturity exceeding three months	-	541
Proceeds from disposal of property, plant and equipment	20	-
Net cash used in investing activities	(11,454)	(42,490)
Cash Flows from Financing Activities		
Proceeds from borrowings	64,455	9,436
Net repayment of finance leases	(36)	(16)
Payment of lease liabilities	(16)	(23)
Interest paid	(618)	(306)
Net cash generated from financing activities	63,785	9,091
Net increase in cash and cash equivalents	2,260	983
Effect of exchange rate fluctuations on cash held and bankers acceptances	325	(90)
Cash and cash equivalents at beginning of period	(19,733)	(21,230)
Cash and cash equivalents at end of period	(17,148)	(20,337)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2023 (CONTINUED)

Notes:

	Current Year to Date 30 June 2023 RM'000	Preceding Year Corresponding Period 30 June 2022 RM'000
Cash outflows for leases as a lessee		
Included in net cash from operating activities:		
Expense relating to short term lease	77	51
Interest paid in relation to lease liabilities	5	2
Included in net cash from financing activities:		
Payment of lease liabilities	16	23
Total cash outflows for leases	98	76
Cash and cash equivalents at end of period comprises:		
Cash and bank balances	5,066	5,973
Fixed deposits with original maturities not exceeding three months	1,650	-
Bank overdrafts	(23,864)	(26,310)
	(17,148)	(20,337)

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 30 JUNE 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 30 JUNE 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 30 June 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 30 JUNE 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 entity.

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 30 June 2023</i>				
Segment profit/(loss)	2,754	773	(1,194)	2,333
Included in the measure of segment profit/(loss) are:				
Revenue from external customers	40,856	17,774	-	58,630
Inter-segment revenue	12,369	2	-	12,371
Depreciation	(3,303)	(74)	(2,697)	(6,074)
Finance costs	(2,026)	(12)	(2,552)	(4,590)
<i>As At 30 June 2022</i>				
Segment profit/(loss)	2,177	1,192	(517)	2,852
Included in the measure of segment profit/(loss) are:				
Revenue from external customers	32,757	16,393	-	49,150
Inter-segment revenue	10,836	-	-	10,836
Depreciation	(3,556)	(77)	(16)	(3,649)
Finance costs	(1,420)	4	-*	(1,416)

* Amount is below RM1,000



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 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 RM11.48 million (30 June 2022: RM43.03 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 30 June 2023 are as follows:

	As at 30 June 2023 RM'000	As at 30 June 2022 RM'000
Commitments in respect of capital expenditure:		
- Approved and contracted for	45,518	66,399

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 30 June 2023 RM'000	As at 30 June 2022 RM'000
Income:		
- Sales of automotive batteries	92	456

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 30 JUNE 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 RM33.24 million and recorded a profit before tax of RM0.38 million for the current quarter as compared to revenue of RM25.84 million and profit before tax of RM3.39 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 RM33.24 million and recorded a profit before tax of RM0.38 million for the current quarter as compared to revenue of RM25.39 million and loss before tax of RM2.64 million for immediate preceding quarter.

The profit before tax in the current quarter is mainly due to increase local sales compared to preceding quarter.

B3. Commentary on Prospects

Malaysia's Gross Domestic Product (GDP) in the second quarter of 2023 (Q2 2023) expanded 2.9% after bringing the first half of 2023's (Q1 2023) growth to 4.2% as the backdrop of a cooling global trade. However, domestic demand remained resilient in Q2 2023 registering a 4.5% increase while Malaysia's total trade reduced by 11.3% to RM643.4 billion in Q2 2023. Public and private expenditures were also instrumental in anchoring the Malaysian economy in Q2 2023, as they grew by 4.6% and 4.5% respectively. On the supply side, Malaysia's economic expansion in Q2 2023 was underpinned by growth in construction, services, and manufacturing sectors. The construction sector recorded the strongest performance, soaring 6.2% in the quarter, followed by services (4.7%), and manufacturing (0.1%).(Source:Media Release Ministry of finance- Domestic Demand Anchored Second Quarter Economic Performance Amidst Global Uncertainty).

With the challenging global environment, Malaysia's economy is projected to expand close to the lower end of the 4% to 5% in 2023. The Malaysian Automotive Association ("MAA") has revised its Total Industry Volume ("TIV") forecast for 2023 upwards to 725,000 units from 650,000 units in Q1 2023. This is mainly due to the back of a stable economic outlook, new model launches and further improvement in the automotive industry supply chain environment.

The Group is expected to increase battery production from its new plant in the third 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.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2023

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

B4. Profit Forecast or Profit Guarantee

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

B5. Profit/(loss) before Tax

Included in the profit/(loss) before tax are the following items:

	Current Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	30 June 2023 RM'000	30 June 2022 RM'000	30 June 2023 RM'000	30 June 2022 RM'000
Profit/(loss) for the period derived at after charging and crediting:				
Depreciation of right-of-use assets	157	171	313	343
Depreciation of property, plant and equipment	3,011	1,661	5,761	3,306
Rental of premises - expenses	45	25	77	51
Finance costs	2,507	764	4,590	1,416
Foreign exchange (gain)/loss:				
- realised	(271)	(170)	(323)	(511)
- unrealised	(223)	(27)	(379)	69
Rental of premises - income	(17)	(7)	(34)	(14)

B6. Taxation

	Current Quarter 3 Months Ended		Cumulative Quarter 6 Months Ended	
	30 June 2023 RM'000	30 June 2022 RM'000	30 June 2023 RM'000	30 June 2022 RM'000
Malaysian taxation				
- current year	435	420	800	606
- prior year	-	-	-	-
	435	420	800	606
Deferred taxation	(145)	368	(212)	216
Taxation	290	788	588	822



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 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 30 June 2023 were as follows:

	As at 30 June 2023	As at 30 June 2022
	RM'000	RM'000
Current		
- Secured	179,795	85,651
- Unsecured	-	-
	<u>179,795</u>	<u>85,651</u>
Non-current		
- Secured	12,231	8,540
	<u>192,026</u>	<u>94,191</u>
Total Borrowings		

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. Earnings per Share

Basic earnings per share are calculated by dividing profit 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 30 June 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 6 Months Ended	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Profit/(loss) attributable to equity holders of the Company (RM'000)	91	2,605	(2,845)	614
Weighted average number of ordinary share in issuance ('000)	180,000	180,000	180,000	180,000
Basic earnings/(loss) per share (Sen)	0.05	1.45	(1.58)	0.34
Diluted	N/A	N/A	N/A	N/A



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 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 June 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 30 August 2023.

B13. Comparative Figures

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