



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

| | Individual Quarter | | Cumulative Quarter | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 30 September 2023 RM'000 | 30 September 2022 RM'000 | 30 September 2023 RM'000 | 30 September 2022 RM'000 |
| Revenue | 33,797 | 25,232 | 92,427 | 74,382 |
| Cost of sales | (35,710) | (21,371) | (87,167) | (63,010) |
| Gross (loss)/profit | (1,913) | 3,861 | 5,260 | 11,372 |
| Other income | 230 | 470 | 992 | 1,109 |
| Expenses | (2,970) | (3,713) | (8,572) | (9,011) |
| (Loss)/profit from operation | (4,653) | 618 | (2,320) | 3,470 |
| Finance costs | (2,650) | (819) | (7,240) | (2,235) |
| (Loss)/Profit before taxation | (7,303) | (201) | (9,560) | 1,235 |
| Taxation | 85 | (398) | (503) | (1,220) |
| (Loss)/Profit net of tax, representing total comprehensive (loss)/income for the period | (7,218) | (599) | (10,063) | 15 |
| Total comprehensive (loss)/income attributable to: | | | | |
| - Equity holders of the Company | (7,218) | (599) | (10,063) | 15 |
| - Non-controlling interest | - | - | - | - |
| | (7,218) | (599) | (10,063) | 15 |
| (Loss)/Earnings per share (Sen) attributable to equity holders of the Company: | | | | |
| - Basic | (4.01) | (0.33) | (5.59) | 0.01 |
| - 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 SEPTEMBER 2023

| | Unaudited As at 30 September 2023 RM'000 | Audited As at 31 December 2022 RM'000 |
|---|---|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 161,536 | 159,826 |
| Right-of-use assets | 23,660 | 22,584 |
| Deferred tax assets | 424 | - |
| | 185,620 | 182,410 |
| Current assets | | |
| Inventories | 126,423 | 120,934 |
| Trade and other receivables | 126,531 | 58,177 |
| Tax recoverable | 102 | 138 |
| Other investments | 1,550 | 2,110 |
| Cash and bank balances | 3,387 | 4,562 |
| | 257,993 | 185,921 |
| Total Assets | 443,613 | 368,331 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Share capital | 92,024 | 92,024 |
| Merger reserve | 3,623 | 3,633 |
| Retained earnings | 55,936 | 65,989 |
| Total equity attributable to equity holders of the Company | 151,583 | 161,646 |
| Non-current liabilities | | |
| Loans and borrowings | 16,715 | 14,612 |
| Deferred tax liabilities | 6,383 | 6,804 |
| Lease liabilities | 4 | 4 |
| | 23,102 | 21,420 |
| Current liabilities | | |
| Trade and other payables | 79,034 | 69,194 |
| Amount due to Directors | 88 | 79 |
| Tax liabilities | 805 | 40 |
| Loans and borrowings | 186,687 | 115,386 |
| Contract liabilities | 2,303 | 541 |
| Lease liabilities | 11 | 25 |
| | 268,928 | 185,265 |
| Total liabilities | 292,030 | 206,685 |
| Total equity and liabilities | 443,613 | 368,331 |
| Net assets per share attributable to equity holders of the Company (RM) | 0.84 | 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 SEPTEMBER 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 | 3,633 | 65,989 | 161,646 |
| Total comprehensive loss for the period | - | - | (10,063) | (10,063) |
| Realisation of merger reserve | - | (10) | 10 | - |
| At 30 September 2023 | <u>92,024</u> | <u>3,623</u> | <u>55,936</u> | <u>151,583</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 SEPTEMBER 2023

| | Current Year to Date 30 September 2023 RM'000 | Preceding Year Corresponding Period 30 September 2022 RM'000 |
|--|--|---|
| Cash Flows from Operating Activities | | |
| (Loss)/profit before tax | (9,560) | 1,235 |
| Adjustments for: | | |
| Depreciation of right-of-use assets | 475 | 515 |
| Depreciation of property, plant and equipment | 9,689 | 4,983 |
| Finance costs | 7,240 | 2,235 |
| Gain on disposal of property, plant and equipment | (20) | - |
| Unrealised foreign exchange (gain)/loss | (346) | (284) |
| Operating profit before changes in working capital | 7,478 | 8,684 |
| Changes in working capital: | | |
| Inventories | (5,489) | 730 |
| Trade and other receivables, deposits and prepayments | (68,288) | 10,328 |
| Trade and other payables | 9,802 | 16,672 |
| Amount due to Directors | 9 | (49) |
| Contract liabilities | 1,762 | - |
| Cash (used in)/ generated from operations | (54,726) | 36,365 |
| Income tax paid, net of refund | (547) | (424) |
| Interest paid | (6,353) | (1,772) |
| Net cash (used in)/ generated from operating activities | (61,626) | 34,169 |
| Cash Flows from Investing Activities | | |
| Acquisition of property, plant and equipment | (12,948) | (52,024) |
| Withdrawal/(Placement) of fixed deposits with original maturity exceeding three months | - | 495 |
| Proceeds from disposal of property, plant and equipment | 20 | - |
| Net cash used in investing activities | (12,928) | (51,529) |
| Cash Flows from Financing Activities | | |
| Net drawdown from borrowings | 73,458 | 20,932 |
| Net drawdown of finance leases | 84 | 68 |
| Net repayment of lease liabilities | (15) | (30) |
| Interest paid | (886) | (463) |
| Net cash generated from financing activities | 72,641 | 20,507 |
| Net (decrease)/ increase in cash and cash equivalents | (1,913) | 3,147 |
| Effect of exchange rate fluctuations on cash held and bankers acceptances | 315 | 80 |
| Cash and cash equivalents at beginning of period | (19,733) | (21,230) |
| Cash and cash equivalents at end of period | (21,331) | (18,003) |



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

Notes:

| | Current Year to Date 30 September 2023 RM'000 | Preceding Year Corresponding Period 30 September 2022 RM'000 |
|--|--|---|
| Cash outflows for leases as a lessee | | |
| Included in net cash from operating activities: | | |
| Expense relating to short term lease | 116 | 77 |
| Interest paid in relation to lease liabilities | 8 | 2 |
| Included in net cash from financing activities: | | |
| Payment of lease liabilities | 15 | 30 |
| Total cash outflows for leases | 139 | 109 |
| Cash and cash equivalents at end of period comprises: | | |
| Cash and bank balances | 3,387 | 4,519 |
| Fixed deposits with original maturities not exceeding three months | 1,550 | - |
| Bank overdraft | (26,268) | (22,522) |
| | (21,331) | (18,003) |

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 SEPTEMBER 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 2022.

| Title | Effective date |
|---|-----------------------|
| Amendments to MFRS 3, <i>Business Combinations – Reference to the Conceptual Framework</i> | 1 January 2022 |
| Amendments to MFRS 9, <i>Financial Instruments (Annual Improvements to MFRS Standards 2018-2021)</i> | 1 January 2022 |
| Amendments to Illustrative Examples accompanying MFRS 16, <i>Leases (Annual Improvements to MFRS Standards 2018-2021)</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>Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract</i> | 1 January 2022 |

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



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2023

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

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 September 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.

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.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2023

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

A9. Segment information (Continued)

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 September 2023</i> | | | | |
| Segment (loss)/profit | (3,292) | 1,050 | (78) | (2,320) |
| Included in the measure of segment (loss)/profit are: | | | | |
| Revenue from external customers | 66,808 | 25,618 | - | 92,427 |
| Inter-segment revenue | 18,915 | 2 | - | 18,917 |
| Depreciation | (9,677) | (106) | - | (9,783) |
| Finance costs | (7,231) | (9) | - | (7,240) |
| <i>As At 30 September 2022</i> | | | | |
| Segment profit/(loss) | 3,731 | 1,419 | (1,680) | 3,470 |
| Included in the measure of segment profit/(loss) are: | | | | |
| Revenue from external customers | 49,778 | 24,604 | - | 74,382 |
| Inter-segment revenue | 16,800 | - | - | 16,800 |
| Depreciation | (5,335) | (119) | (44) | (5,498) |
| Finance costs | (2,231) | (4) | -* | (2,235) |

* Amount is below RM1,000

A10. Property, plant and equipment

During the current financial quarter, the Group acquired assets at cost of RM12.95 million (30 September 2022: RM52.02 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.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2023

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

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 September 2023 are as follows:

| | As at 30 September 2023 RM'000 | As at 30 September 2022 RM'000 |
|---|---|---|
| Commitments in respect of capital expenditure: | | |
| - Approved and contracted for | 44,890 | 64,574 |

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 September 2023 RM'000 | As at 30 September 2022 RM'000 |
|---------------------------------|---|---|
| Income: | | |
| - Sales of automotive batteries | 386 | 464 |

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 SEPTEMBER 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 RM33.80 million and recorded a loss before tax of RM7.30 million for the current quarter as compared to revenue of RM25.23 million and loss before tax of RM0.20 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 RM33.80 million and recorded a loss before tax of RM7.30 million for the current quarter as compared to revenue of RM33.24 million and profit before tax of RM0.38 million for immediate preceding quarter.

The loss before tax in the current quarter is mainly due to administrative expenses incurred in one of the subsidiaries of the Group for its new battery manufacturing plant as well as several increases in overnight policy rates leading to higher finance costs.

B3. Commentary on Prospects

The Malaysian's gross domestic products expanded by 3.3% in the third quarter of 2023 (2Q 2023: 2.9%). Growth was anchored by resilient domestic demand. Household spending remained supported by continued growth in employment and wages. Meanwhile, investment activity was underpinned by the progress of multi-year projects and capacity expansion by firms. Exports remained soft amid prolonged weakness in external demand. This, however, was partially offset by the recovery in inbound tourism. On the supply side, the services, construction and agriculture sectors remained supportive of growth. This was partly offset by the decline in production in the manufacturing sector given the weakness in demand for electrical and electronic (E&E) products and lower production of refined petroleum products. On a quarter-on-quarter seasonally adjusted basis, the economy grew by 2.6% (2Q 2023: 1.5%). Overall, the Malaysian economy expanded by 3.9% in the first three quarters of 2023. (Source: Press release from Ministry of finance - Domestic Demand Galvanised Third Quarter Economic Growth Amid Challenging Global Conditions on 17 November, 2023).

Malaysia Automotive Association (MAA) reported that total industry volume (TIV) remained strong in September 2023 at 67,000 units, a drop of -8.8 per cent month-on-month as consumers held back purchases pending 2024 Budget. Year-on-year growth however was relatively flat at 1.3 per cent year-on-year, but a growth of 10.6 per cent year-to-date to 571,800 units on improved supply chains and continued strong demand.

The Group has completed fifty percent (50%) of its new plant with two out of five lines are currently producing batteries. The produced batteries have boosted Q3's revenue. The other three lines are estimated to go live in between quarter two and three in year 2024. These batteries will be sold in local and international markets which will gradually boost overall Group's performance.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 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. (Loss)/profit before Tax

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

| | Current Quarter 3 Months Ended | | Cumulative Quarter 9 Months Ended | |
|---|---|------------------------------|--|------------------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| (Loss)/profit for the period derived at after charging and crediting: | | | | |
| Depreciation of right-of-use assets | 162 | 172 | 475 | 515 |
| Depreciation of property, plant and equipment | 3,547 | 1,677 | 9,308 | 4,983 |
| Rental of premises - expenses | 39 | 26 | 116 | 77 |
| Finance costs | 2,650 | 819 | 7,240 | 2,235 |
| Foreign exchange (gain)/loss: | | | | |
| - realised | (133) | (241) | (456) | (752) |
| - unrealised | 33 | (353) | (346) | (284) |
| Rental of premises - income | (17) | (7) | (51) | (21) |

B6. Taxation

| | Current Quarter 3 Months Ended | | Cumulative Quarter 9 Months Ended | |
|--------------------|---|------------------------------|--|------------------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Malaysian taxation | | | | |
| - current year | 549 | 262 | 1,349 | 868 |
| - prior year | - | 40 | - | 40 |
| | <u>549</u> | <u>302</u> | <u>1,349</u> | <u>908</u> |
| Deferred taxation | (634) | 96 | (846) | 312 |
| Taxation | <u>85</u> | <u>398</u> | <u>503</u> | <u>1,220</u> |



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 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 September 2023 were as follows:

| | As at 30 September 2023 RM'000 | As at 30 September 2022 RM'000 |
|-------------------------|---|---|
| Current | | |
| - Secured | 186,687 | 82,805 |
| - Unsecured | | |
| | 186,687 | 82,805 |
| Non-current | | |
| - Secured | 16,715 | 19,178 |
| | | |
| Total Borrowings | 203,402 | 101,983 |

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 September 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 9 Months Ended | |
|--|---|----------------------------------|--|----------------------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| (Loss)/Profit attributable to equity holders of the Company (RM'000) | (7,218) | (599) | (10,063) | 15 |
| Weighted average number of ordinary share in issuance ('000) | 180,000 | 180,000 | 180,000 | 180,000 |
| Basic (loss)/earnings per share (Sen) | (4.01) | (0.33) | (5.59) | 0.01 |
| Diluted | N/A | N/A | N/A | N/A |



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 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 30 September 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 November 2023.