


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

	Individual Quarter		Cumulative Quarter	
	31 December 2023 RM'000 (Unaudited)	31 December 2022 RM'000 (Unaudited)	31 December 2023 RM'000 (Unaudited)	31 December 2022 RM'000 (Audited)
Revenue	35,098	26,377	127,525	100,759
Cost of sales	(35,905)	(24,041)	(123,072)	(86,966)
Gross profit/ (loss)	(807)	2,336	4,453	13,793
Other income	175	179	1,167	1,296
Expenses	(5,796)	(3,270)	(14,368)	(12,384)
Profit/ (loss) from operation	(6,428)	(755)	(8,748)	2,705
Finance costs	(2,955)	(1,002)	(10,195)	(3,238)
Profit/ (loss) before taxation	(9,383)	(1,757)	(18,943)	(533)
Taxation	4,680	(373)	4,177	(1,578)
Profit/ (loss) net of tax, representing total comprehensive income for the year	(4,703)	(2,130)	(14,766)	(2,111)
Total comprehensive income/ (loss) attributable to:				
- Equity holders of the Company	(4,703)	(2,130)	(14,766)	(2,111)
- Non-controlling interest	-	-	-	-
	(4,703)	(2,130)	(14,766)	(2,111)
Earnings per share (Sen) attributable to equity holders of the Company:				
- Basic	(2.61)	(1.18)	(8.20)	(1.17)
- 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 DECEMBER 2023

	Unaudited As at 31 December 2023 RM'000	Audited As at 31 December 2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	187,050	159,826
Right-of-use assets	23,501	22,584
Deferred tax assets	4,788	-
	215,339	182,410
Current assets		
Inventories	118,298	120,934
Trade and other receivables	111,880	58,177
Tax recoverable	187	138
Other investments	1,350	2,110
Cash and bank balances	18,662	4,562
	250,377	185,921
Total Assets	465,716	368,331
EQUITY AND LIABILITIES		
Share capital	92,024	92,024
Merger reserve	3,623	3,633
Retained earnings	51,233	65,989
Total equity attributable to equity holders of the Company	146,880	161,646
Non-current liabilities		
Loans and borrowings	49,074	14,612
Deferred tax liabilities	5,442	6,804
Lease liabilities	2	4
	54,518	21,420
Current liabilities		
Trade and other payables	76,237	69,194
Amount due to Directors	51	79
Tax liabilities	696	40
Loans and borrowings	186,129	115,386
Contract liabilities	1,198	541
Lease liabilities	7	25
	264,318	185,265
Total liabilities	318,836	206,685
Total equity and liabilities	465,716	368,331
Net assets per share attributable to equity holders of the Company (RM)	0.82	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 YEAR ENDED 31 DECEMBER 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 income/ (loss) for the year	-	-	(14,766)	(14,766)
Realisation of merger reserve	-	(10)	10	-
At 31 December 2023	<u>92,024</u>	<u>3,623</u>	<u>51,233</u>	<u>146,880</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 YEAR ENDED 31 DECEMBER 2023

	Current Year Ended 31 December 2023 RM'000 (Unaudited)	Preceding Year Ended 31 December 2022 RM'000 (Audited)
Cash Flows from Operating Activities		
Profit/ (loss) before tax	(18,943)	(533)
Adjustments for:		
Depreciation of right-of-use assets	258	663
Depreciation of property, plant and equipment	13,044	7,007
Gain on disposal of property, plant and equipment	(20)	(36)
Finance costs	10,330	3,301
Finance income	(135)	(63)
Net loss on/ (reversal of) impairment of financial instruments	1,458	8
Unrealised foreign exchange (gain)/ loss	(312)	(77)
Operating profit/ (loss) before changes in working capital	5,680	10,270
Changes in working capital:		
Inventories	2,636	(11,538)
Trade and other receivables, deposits and prepayments	(55,161)	8,301
Trade and other payables	7,043	15,784
Contract liabilities	657	(279)
Amount due to Directors	(28)	28
Cash generated from/ (used in) operations	(39,173)	22,566
Net income tax (paid)/ refund	(1,366)	(612)
Interest received	135	63
Interest paid	(2,299)	(3,900)
Net cash generated from/ (used in) operating activities	(42,703)	18,117
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(41,452)	(63,810)
Proceeds from disposal of property, plant and equipment	20	36
Net cash generated from/ (used in) investing activities	(41,432)	(63,774)
Cash Flows from Financing Activities		
Net drawdown/ (repayment) from loans and borrowings	104,488	44,962
Interest paid	(8,018)	(507)
Net drawdown/ (repayment) of lease liabilities	(11)	(39)
Hire purchase financing interest paid	(13)	(7)
Net cash generated from/ (used in) financing activities	96,446	44,409
Net increase/ (decrease) in cash and cash equivalents	12,311	(1,248)
Effect of exchange rate fluctuations on cash held and bankers acceptances	312	140
Cash and cash equivalents at beginning of year	(19,733)	(18,625)
Cash and cash equivalents at end of year	(7,110)	(19,733)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

Notes:

	Current Year Ended 31 December 2023 RM'000 (Unaudited)	Preceding Year Ended 31 December 2022 RM'000 (Audited)
Cash outflows for leases as a lessee		
Included in net cash from operating activities:		
Expense relating to short term lease	162	116
Interest paid in relation to lease liabilities	13	7
Included in net cash from financing activities:		
Payment of lease liabilities	11	38
Total cash outflows for leases	186	161
Cash and cash equivalents at end of year comprises:		
Cash and bank balances	16,736	3,249
Fixed deposits with original maturities not exceeding three months	1,926	1,313
Other investments	1,350	2,110
Bank overdrafts	(27,122)	(26,405)
	(7,110)	(19,733)

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 YEAR ENDED 31 DECEMBER 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
Amendments to MFRS 10, <i>Consolidated Financial Statements</i> and MFRS 128, <i>Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Yet to be confirmed

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 YEAR ENDED 31 DECEMBER 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 31 December 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 YEAR ENDED 31 DECEMBER 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 31 December 2023 (unaudited)</i>				
Segment profit/ (loss)	(9,279)	830	(299)	(8,748)
Included in the measure of segment profit/ (loss) are:				
Revenue from external customers	93,378	34,147	-	127,525
Inter-segment revenue	41,477	90	-	41,567
Depreciation	(13,156)	(146)	-	13,302
Not included in the measure of segment profit/ (loss) are:				
Finance costs	(10,178)	(17)	-	(10,195)
Tax expense	4,529	(302)	(50)	4,177
<i>As At 31 December 2022 (audited)</i>				
Segment profit/ (loss)	3,656	2,023	(2,974)	2,705
Included in the measure of segment profit/ (loss) are:				
Revenue from external customers	67,342	33,417	-	100,759
Inter-segment revenue	21,661	-	-	21,661
Depreciation	(7,023)	(132)	(515)	(7,670)
Not included in the measure of segment profit/ (loss) are:				
Finance costs	(2,361)	(24)	(853)	(3,238)
Tax expense	(885)	(493)	(200)	(1,578)

* Amount is below RM1,000

A10. Property, plant and equipment

During the current financial year, the Group acquired assets at cost of RM41.45 million (31 December 2022: RM63.98 million).



UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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

A11. Material Events Subsequent to the End of the Reporting Quarter

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. Capital Commitments

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

	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Commitments in respect of capital expenditure:		
- Approved and contracted for	38,700	68,213

A14. Contingencies

There were no material changes in the 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 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Income:		
- Sales of automotive batteries	405	464
Expenses:		
- Purchases of automotive batteries	227	-

A16. Disclosure of derivatives

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



UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 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 RM35.10 million and recorded a loss before tax of RM9.38 million for the current quarter as compared to revenue of RM26.38 million and loss before tax of RM1.76 million for the corresponding quarter in prior year.

B2. Comment on Material Change in Current Quarter Against Immediate Preceding Quarter

The Group achieved revenue of RM35.10 million and recorded a loss before tax of RM9.38 million for the current quarter as compared to revenue of RM33.80 million and loss before tax of RM7.30 million for immediate preceding quarter.

The increase in loss before tax for the current reporting quarter is mainly due to expenses incurred in the Group's new battery manufacturing plant, impairment loss recognised on trade receivables and higher finance costs.

B3. Commentary on Prospects

The Malaysian economy expanded by 3% in the fourth quarter of 2023 (3Q 2023: 3.3%; 2Q 2023: 2.9%). Household spending remained supported by improving labour market conditions and easing cost pressures. The unemployment rate declined to the pre-pandemic level of 3.3% while the labour force participation rate was at a historic high in 2023. Meanwhile, growth in investment activity was underpinned by the progressive realisation of multi-year projects and capacity expansion by firms. Exports, however, remained subdued due to prolonged weakness in external demand amid stronger imports. On the supply side, there was a broad-based expansion. The commodities sector grew. This was supported by higher oil and gas production as well as expansion in the agriculture sector amid improved labour supply. The services and construction sectors continued to expand. The manufacturing sector remained soft from continued weakness in the electrical and electronics industry. In terms of monthly GDP, December recorded a growth of 1.4%, lower than November (3.8%) and October (3.9%), attributed mainly to the shorter school holiday period during the month and weaker export-oriented manufacturing sector. On a quarter-on-quarter seasonally-adjusted basis, the economy contracted by 2.1% (3Q 2023: +2.6%). Overall, the 2023 growth for the Malaysian economy normalised to 3.7%, following a strong growth registered in the previous year (2022: 8.7%). (Source: Press release from Bank Negara Malaysia - Economic and Financial Developments in Malaysia in the Fourth Quarter of 2023 on 16 February 2024)

Malaysia Automotive Association (MAA) reported that sales of new motor vehicles in 2023 rose 11% to a new all-time high, propelled mainly by passenger cars sub-segment, amid a resilient domestic economy and a very much stable socio-political environment. Total Industry Volume currently producing batteries. The produced batteries have boosted Q3's revenue. The remaining (TIV) or vehicle registrations increased to 799,731 units during the year under review, surpassing the previous highest sales result of 721,177 units achieved in 2022, marking the second annual gain since the downturn in 2020-2021 caused by Covid-19 pandemic crisis.

The Group has completed three production lines for its new battery manufacturing plant. These batteries will be sold in local and international markets which will gradually boost overall Group's performance.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 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 12 Months Ended	
	31 December 2023 RM'000 (Unaudited)	31 December 2022 RM'000 (Unaudited)	31 December 2023 RM'000 (Unaudited)	31 December 2022 RM'000 (Audited)
Profit/ (loss) for the year derived at after charging and crediting:				
Depreciation of right-of-use assets	(217)	157	258	663
Depreciation of property, plant and equipment	3,736	2,014	13,044	7,007
Finance costs	2,955	1,002	10,195	3,238
Net loss on/ (reversal of) impairment of financial instruments	1,458	-	1,458	8
Rental of premises - expenses	46	26	162	116
Foreign exchange (gain)/loss:				
- realised	(157)	(340)	(613)	(1,083)
- unrealised	34	207	(312)	(77)
Rental of premises - income	(17)	(7)	(68)	(28)

B6. Taxation

	Current Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31 December 2023 RM'000 (Unaudited)	31 December 2022 RM'000 (Unaudited)	31 December 2023 RM'000 (Unaudited)	31 December 2022 RM'000 (Audited)
Malaysian taxation				
- current year	647	187	1,996	1,042
- prior year	(23)	-	(23)	40
	624	187	1,973	1,082
Deferred taxation	(5,304)	186	(6,150)	496
Taxation	(4,680)	373	(4,177)	1,578



UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 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 December 2023 were as follows:

	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Current		
- Secured	186,129	115,386
Non-current		
- Secured	49,074	14,612
Total Borrowings	235,203	129,998

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 year, net of tax, attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

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



UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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

B10. Earnings per Share (continued)

	Current Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31 December 2023 (Unaudited)	31 December 2022 (Unaudited)	31 December 2023 (Unaudited)	31 December 2022 (Audited)
Profit/ (loss) attributable to equity holders of the Company (RM'000)	(4,703)	(2,130)	(14,766)	(2,111)
Weighted average number of ordinary share in issuance ('000)	180,000	180,000	180,000	180,000
Basic (Loss)/earnings per share (Sen)	(2.61)	(1.18)	(8.20)	(1.17)
Diluted	N/A	N/A	N/A	N/A

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

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

B12. Authorised for Issue

The Condensed Report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors passed at Board of Directors' meeting held on 29 February 2024.