



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2024

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Revenue	41,028	33,240	88,040	58,630
Cost of sales	(35,374)	(27,755)	(82,694)	(51,457)
Gross profit/ (loss)	5,654	5,485	5,346	7,173
Other income	378	455	1,080	762
Expenses	(2,999)	(3,052)	(6,638)	(5,602)
Profit/ (Loss) from operation	3,033	2,888	(212)	2,333
Finance costs	(2,113)	(2,507)	(5,390)	(4,590)
Profit/ (Loss) before taxation	920	388	(5,602)	(2,257)
Taxation	(822)	(290)	(1,535)	(588)
Profit/ (Loss) net of tax, representing total comprehensive loss for the period	98	91	(7,137)	(2,845)
Total comprehensive income/ (loss) attributable to:				
- Equity holders of the Company	98	91	(7,137)	(2,845)
- Non-controlling interest	-	-	-	-
	98	91	(7,137)	(2,845)
Profit/ (Loss) per share (Sen) attributable to equity holders of the Company:				
- Basic	0.05	0.05	(3.97)	(1.58)
- 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 2023 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Unaudited As at 30 June 2024 RM'000	Audited As at 31 December 2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	197,657	187,050
Right-of-use assets	22,822	23,122
Deferred tax assets	4,788	4,788
	225,267	214,960
Current assets		
Inventories	102,237	118,277
Current tax assets	266	187
Trade and other receivables	136,757	104,974
Deposits and prepayments	6,662	6,859
Other investments	1,250	1,350
Cash and bank balances	8,138	18,662
	255,310	250,309
Total Assets	480,577	465,269
EQUITY AND LIABILITIES		
Share capital	92,024	92,024
Merger reserve	3,623	3,623
Retained earnings	43,701	50,838
Total equity attributable to equity holders of the Company	139,348	146,485
Non-current liabilities		
Loans and borrowings	57,624	49,536
Deferred tax liabilities	5,264	5,436
Lease liabilities	11	2
	62,899	54,974
Current liabilities		
Loans and borrowings	202,378	185,675
Lease liabilities	3	7
Trade and other payables	72,014	76,238
Amount due to Directors	225	51
Contract Liabilities	2,113	1,142
Current tax liabilities	1,597	697
	278,330	263,810
Total liabilities	341,229	318,784
Total equity and liabilities	480,577	465,269
Net assets per share attributable to equity holders of the Company (RM)	0.77	0.81

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 2023 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 2024**

	Share Capital RM'000	Non- distributable Merger Reserve RM'000	Distributable Retained Earnings RM'000	Total RM'000
At 1 January 2024	92,024	3,623	50,838	146,485
Loss/Total comprehensive expense for the period	-	-	(7,137)	(7,137)
At 30 June 2024	<u>92,024</u>	<u>3,623</u>	<u>43,701</u>	<u>139,348</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 2023 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2024

	Current Year to Date 30 June 2024 RM'000	Preceding Year Corresponding Period 30 June 2023 RM'000
Cash Flows from Operating Activities		
Loss before tax	(5,602)	(2,257)
Adjustments for:		
Depreciation of right-of-use assets	305	313
Depreciation of property, plant and equipment	7,288	5,761
Finance costs	5,390	4,590
Gain on disposal of property, plant and equipment	-	(20)
Unrealised foreign exchange (gain)/loss	(193)	(375)
Operating profit before changes in working capital	7,188	8,012
Changes in working capital:		
Inventories	16,040	(14,827)
Trade and other receivables, deposits and prepayments	(31,586)	(42,619)
Trade and other payables	(4,224)	3,329
Contract liabilities	971	246
Amount due to Directors	174	(28)
Cash (used in)/generated from operations	(11,437)	(45,887)
Income tax paid, net of refund	(885)	(212)
Interest paid	(790)	(3,972)
Interest received	82	-
Net cash (used in)/generated from operating activities	(13,030)	(50,071)
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(17,900)	(11,474)
Proceeds from disposal of property, plant and equipment	-	20
Withdrawal of pledged deposits	100	-
Net cash used in investing activities	(17,800)	(11,454)
Cash Flows from Financing Activities		
Net drawdown/ (repayment) from loans and borrowings	26,942	64,419
Net drawdown/ (repayment) of lease liabilities	5	(16)
Interest paid	(4,682)	(618)
Net cash generated from financing activities	22,265	63,785
Net increase/(decrease) in cash and cash equivalents	(8,565)	2,260
Effect of exchange rate fluctuations on cash held and bankers acceptances	193	325
Cash and cash equivalents at beginning of period	(8,460)	(19,733)
Cash and cash equivalents at end of period	(16,832)	(17,148)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

Notes:

	Current Year to Date 30 June 2024 RM'000	Preceding Year Corresponding Period 30 June 2023 RM'000
Cash outflows for leases as a lessee		
Included in net cash from operating activities:		
Expense relating to short term lease	77	77
Interest paid in relation to lease liabilities	11	5
Included in net cash from financing activities:		
Payment of lease liabilities	68	16
Total cash outflows for leases	156	98
Cash and cash equivalents at end of period comprises:		
Cash and bank balances	6,694	5,066
Fixed deposits with original maturities not exceeding three months	1,444	1,650
Bank overdrafts	(24,970)	(23,864)
	(16,832)	(17,148)

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 2023 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024

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 2023.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023 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 2023, 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 2024.

MFRS/Amendment/Interpretation date	Effective
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 107, <i>Statement of Cash Flows</i> and MFRS 7, <i>Financial Instruments: Disclosures – Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121, <i>The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability</i>	1 January 2025
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>	To be determined

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 JUNE 2024

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 2023 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 2024.

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 2024

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 30 June 2024</i>				
Segment (loss)/profit	(278)	115	(49)	(212)
Included in the measure of segment (loss)/profit are:				
Revenue from external customers	70,442	17,598	-	88,040
Inter-segment revenue	29,337	68	-	29,405
Depreciation	(7,509)	(84)	-	(7,593)
Not included in the measure of segment profit/ (loss) are:				
Finance costs	(5,327)	(63)	-	(5,390)
<i>As At 30 June 2023</i>				
Segment (loss)/profit	2,754	773	(1,194)	2,333
Included in the measure of segment (loss)/profit 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)
Not included in the measure of segment profit/ (loss) are:				
Finance costs	(2,026)	(12)	(2,552)	(4,590)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024

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

A10. Property, plant and equipment

As at 30 June 2024, the Group had acquired assets at cost of RM17.90 million (30 June 2023: RM11.48 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 2024 are as follows:

	As at 30 June 2024 RM'000	As at 30 June 2023 RM'000
Commitments in respect of capital expenditure:		
- Approved and contracted for	29,456	45,518

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 2024 RM'000	As at 30 June 2023 RM'000
Income:		
- Sales of automotive batteries	367	92
Expenses:		
- Purchases of automotive batteries	382	-

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 2024

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 RM41.03 million and recorded a profit before tax of RM0.92 million for the current quarter as compared to revenue of RM33.24 million and profit before tax of RM0.38 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 RM41.03 million and profit before tax of RM0.92 million for the current quarter as compared to revenue of RM47.01 million and loss before tax of RM6.52 million for immediate preceding quarter.

With better economies of scale in production and increasing staffs' expertise in running the machineries of the Group's new battery manufacturing plant, the Group, in this quarter, had been able to further reduce its operational loss of the new battery manufacturing plant. The Group is looking forward to see better and further improvements in the coming quarters.

B3. Commentary on Prospects

The Malaysian economy advanced by 5.9% in the second quarter of 2024 (1Q 2024: 4.2%). The growth is driven by stronger domestic demand and further expansion in exports. Household spending increased amid sustained positive labour market conditions and larger policy support. Investment activity was underpinned by continued progress in multi-year projects and capacity expansion by firms. Exports improved amid higher external demand and positive spillovers from the global tech upcycle. Most supply-side sectors registered higher growth. The manufacturing sector was supported by broad-based improvement across all clusters, particularly in electrical and electronics (E&E). The services sector recorded strong growth, driven by consumer and business-related subsectors. On a quarter-on-quarter seasonally-adjusted basis, the economy expanded by 2.9% (1Q 2024: 1.5%). *Source: Economic and Financial Developments in Malaysia in the Second Quarter of 2024 released by Bank Negara Malaysia*

The Group has completed three production lines for its new battery manufacturing plant and the fourth line is expected to be completed in the 3rd quarter of 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 JUNE 2024

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 before Tax

Included in the loss before tax are the following items:

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Loss for the period derived at after charging and crediting:				
Depreciation of right-of-use assets	152	157	305	313
Depreciation of property, plant and equipment	3,767	3,011	7,288	5,761
Rental of premises - expenses	31	45	77	77
Finance costs	2,113	2,507	5,390	4,590
Foreign exchange (gain)/loss:				
- realised	(419)	(271)	(711)	(323)
- unrealised	70	(223)	(193)	(379)
Rental of premises - income	(17)	(17)	(34)	(34)

B6. Taxation

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Malaysian taxation				
- current year	976	435	1,707	800
- prior year	-	-	-	-
	<hr/> 976	<hr/> 435	<hr/> 1,707	<hr/> 800
Deferred taxation	(154)	(145)	(172)	(212)
Taxation	<hr/> 822	<hr/> 290	<hr/> 1,535	<hr/> 588



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024

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 2024 were as follows:

	As at 30 June 2024 RM'000	As at 30 June 2023 RM'000
Current		
- Secured	202,378	179,795
Non-current		
- Secured	57,624	12,231
Total Borrowings	260,002	192,026

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 30 June 2024. 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	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Profit/ (Loss) attributable to equity holders of the Company (RM'000)	98	91	(7,137)	(2,845)
Weighted average number of ordinary share in issuance ('000)	180,000	180,000	180,000	180,000
Basic loss per share (Sen)	0.05	0.05	(3.97)	(1.58)
Diluted	N/A	N/A	N/A	N/A



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2024

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 June 2024.

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 26 August 2024.