



**CSH ALLIANCE BERHAD**  
REGISTRATION NO. 200001002113 (504718-U)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED  
31 MARCH 2023**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2023**

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	CURRENT YEAR	PRECEDING YEAR		CURRENT	PRECEDING	
	QUARTER	CORRESPONDING		YEAR-TO-	YEAR-TO-	
	ENDED	QUARTER ENDED	CHANGES	DATE ENDED	DATE ENDED	CHANGES
31.03.2023	31.03.2022	%	31.03.2023	31.03.2022	%	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	9,665	10,142	(4.7)	27,604	27,261	1.3
Cost of sales	(7,513)	(8,992)	16.4	(22,457)	(21,046)	(6.7)
Gross profit	2,152	1,150	87.1	5,147	6,215	(17.2)
Other income	247	395	(37.5)	1,199	702	70.8
Operating expenses	(3,328)	(2,953)	(12.7)	(9,555)	(8,272)	(15.5)
Other operating expenses	(73)	(203)	64.0	(215)	(211)	(1.9)
Finance costs	(96)	(4)	(2,300.0)	(293)	(59)	(396.6)
(Loss)/Profit before taxation	(1,098)	(1,615)	32.0	(3,717)	(1,625)	(128.7)
Taxation	(87)	(404)	78.5	(1,154)	(1,053)	9.6
<b>(Loss)/Profit after taxation</b>	<b>(1,185)</b>	<b>(2,019)</b>	<b>41.3</b>	<b>(4,871)</b>	<b>(2,678)</b>	<b>(81.9)</b>
<b>Other comprehensive loss, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive (loss)/income</b>	<b>(1,185)</b>	<b>(2,019)</b>	<b>41.3</b>	<b>(4,871)</b>	<b>(2,678)</b>	<b>(81.9)</b>
(Loss)/Profit after taxation attributable to:						
- Owners of the Company	(938)	(2,019)	53.5	(4,312)	(2,678)	(61.0)
- Non-controlling interest	(247)	-	100.0	(559)	-	100.0
	<b>(1,185)</b>	<b>(2,019)</b>	<b>41.3</b>	<b>(4,871)</b>	<b>(2,678)</b>	<b>(81.9)</b>
Total comprehensive (loss)/income attributable to:						
- Owners of the Company	(938)	(2,019)	53.5	(4,312)	(2,678)	(61.0)
- Non-controlling interest	(247)	-	100.0	(559)	-	100.0
	<b>(1,185)</b>	<b>(2,019)</b>	<b>41.3</b>	<b>(4,871)</b>	<b>(2,678)</b>	<b>(81.9)</b>
(Loss)/Earning per share attributable to Owners of the Company (sen):						
Basic	(0.07)	(0.17)		(0.31)	(0.31)	
Diluted	(0.07)	(0.17)		(0.31)	(0.31)	

The condensed consolidated statements of profit and loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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

	<b>UNAUDITED AS AT 31.03.2023 RM'000</b>	<b>AUDITED AS AT 30.06.2022 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	49,754	24,519
Investment properties	25,405	25,602
Right-of-use assets	8,711	98
Intangible asset	20,006	21,256
Goodwill	1,984	1,984
Other investment	22,000	22,000
Financing receivables	904	904
Fixed deposit with licensed bank	100	-
<b>Total non-current assets</b>	<b>128,864</b>	<b>96,363</b>
<b>Current assets</b>		
Inventories	9,309	9,354
Financing receivables	213,335	178,572
Trade and other receivables	23,079	21,232
Tax recoverable	317	318
Fixed and short-term deposits	24,895	82,756
Cash and bank balances	26,461	30,054
<b>Total current assets</b>	<b>297,396</b>	<b>322,286</b>
<b>TOTAL ASSETS</b>	<b>426,260</b>	<b>418,649</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	396,791	396,791
Warrants reserve	43,722	43,722
Accumulated losses	(29,507)	(34,373)
	411,006	406,140
Non-controlling interest	(1,542)	-
<b>Total equity</b>	<b>409,464</b>	<b>406,140</b>
<b>Non-current liabilities</b>		
Lease liabilities	6,526	85
Deferred tax liabilities	2,009	2,057
<b>Total non-current liabilities</b>	<b>8,535</b>	<b>2,142</b>
<b>Current liabilities</b>		
Lease liabilities	2,502	99
Trade and other payables	4,501	9,302
Tax payable	1,258	966
<b>Total current liabilities</b>	<b>8,261</b>	<b>10,367</b>
<b>Total liabilities</b>	<b>16,796</b>	<b>12,509</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>426,260</b>	<b>418,649</b>
<b>Net assets per ordinary share (RM)</b>	<b>0.2975</b>	<b>0.2940</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 MARCH 2023**

	←————— Attributable to Owners of the Company —————→				Non- controlling interest RM'000	Total equity RM'000
	Share capital RM'000	Warrants reserve RM'000	Accumulated losses RM'000	Total RM'000		
Balance at 01.07.2022	396,791	43,722	(34,373)	406,140	-	406,140
Change in ownership interest in subsidiaries	-	-	9,178	9,178	(983)	8,195
Total transactions with Owners of the Company	-	-	9,178	9,178	(983)	8,195
Loss after taxation for the financial period	-	-	(4,312)	(4,312)	(559)	(4,871)
Other comprehensive loss for the financial period, net of tax	-	-	-	-	-	-
Total comprehensive loss for the financial period	-	-	(4,312)	(4,312)	(559)	(4,871)
Balance at 31.03.2023	396,791	43,722	(29,507)	411,006	(1,542)	409,464

**CSH ALLIANCE BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 31 MARCH 2023 (CONT'D)**

	←————— Attributable to Owners of the Company —————→			
	←————— Non-distributable —————→			
	<b>Share capital RM'000</b>	<b>Warrants reserve RM'000</b>	<b>Accumulated losses RM'000</b>	<b>Total equity RM'000</b>
Balance at 01.07.2021	336,907	-	(26,333)	310,574
Issuance of shares pursuant to right issue of shares with warrants	59,884	43,722	-	103,606
Total transaction with Owners of the Company	59,884	43,722	-	103,606
Loss after taxation for the financial period	-	-	(2,678)	(2,678)
Other comprehensive loss for the financial period, net of tax	-	-	-	-
Total comprehensive loss for the financial period	-	-	(2,678)	(2,678)
Balance at 31.03.2022	396,791	43,722	(29,011)	411,502

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 31 MARCH 2023**

	<b>CURRENT YEAR- TO-DATE ENDED 31.03.2023 RM'000</b>	<b>PRECEDING YEAR- TO-DATE ENDED 31.03.2022 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Loss before taxation</b>	(3,717)	(1,625)
Adjustments for:		
Amortisation of intangible asset	1,251	1,250
Bad debts written off	-	6
Depreciation of investment properties	197	177
Depreciation of property, plant and equipment	1,566	816
Depreciation of right-of-use assets	1,858	1,685
Gain on lease termination	-	(46)
- Property, plant and equipment	-	(176)
Interest expense	293	59
Interest income	(629)	(302)
Net loss/(gain) on disposal of plant and equipment	-	208
Net unrealised loss on foreign exchange	3	49
Net write down in value of inventories	-	125
Property, plant and equipment written off	7	-
Operating profit before working capital changes	829	2,226
Net change in financing receivables	(34,762)	(70,840)
Net change in inventories	45	(405)
Net change in trade and other receivables	(1,851)	(17,050)
Net change in trade and other payables	(4,801)	2,594
Cash flows utilised in operations	(40,540)	(83,475)
Interest paid	(293)	(59)
Income tax paid	(908)	(329)
<b>Net cash used in operating activities</b>	<b>(41,741)</b>	<b>(83,863)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	629	302
Purchase of property, plant and equipment	(26,809)	(744)
Subscription of shares by non-controlling interest	8,195	-
<b>Net cash used in investing activities</b>	<b>(17,985)</b>	<b>(442)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in fixed deposits pledged as security	(110)	-
Proceeds from shares issued pursuant to a private placement exercise	-	103,606
Repayment of lease liabilities and hire purchase instalments	(1,627)	(1,688)
Repayment to directors	-	7,654
<b>Net cash used in financing activities</b>	<b>(1,737)</b>	<b>109,572</b>
<b>Net changes in cash and cash equivalents</b>	<b>(61,463)</b>	<b>25,267</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>112,150</b>	<b>101,308</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>50,687</b>	<b>126,575</b>
<b>Cash and cash equivalents at end of financial period comprised:</b>		
Cash and bank balances	26,461	44,498
Fixed deposits with licensed banks	24,226	82,077
	<b>50,687</b>	<b>126,575</b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. BASIS OF PREPARATION**

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard 134: *Interim Financial Reporting* (“MFRS 134”), International Accounting Standard 34: *Interim Financial Reporting* (“IAS 34”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of CSH Alliance Berhad (“CSH” or the “Company”) and its subsidiaries (the “Group”) for the financial year ended 30 June 2022. The explanatory notes attached to the condensed consolidated 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 Group since the financial year ended 30 June 2022.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 July 2022.

The initial application of the Amendments to MFRSs, is not expected to have any significant financial impact to the financial statements of the Group upon their first adoption except for the changes in presentation and disclosure of financial information.

**2. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors’ report on the audited financial statements for the financial year ended 30 June 2022 was not qualified.

**3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The ceramic segment of the Group is cyclical in nature as it is affected by the seasonal pattern of the importing countries.

**4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no items affecting assets, liabilities, equity, net income or cash flows during the current financial period under review that were unusual because of their nature, size or incidence.

**5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There were no significant changes in estimates that have any material effect during the current financial quarter under review.

**6. DEBT AND EQUITY SECURITIES**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter.

**7. DIVIDENDS**

There was no dividend paid during the current financial period under review.

**8. SEGMENTAL INFORMATION**

The Group's business segments as follows:-

- (a) Ceramic – involved in the retail, trading, manufacturing, exporting and marketing of pottery, porcelain products and ceramics wares and ornaments.
- (b) Construction and property division – involved in construction and other related businesses, property investment and property development and other related services.
- (c) Financial services – involved in moneylending business and hire purchase business.
- (d) Transportation and logistics – involved in transportation and logistics business and related information technology (“IT”) solutions and services.
- (e) Others – involved in investment holding and general trading.

The Group operates principally in Malaysia.

Segmental information is provided based on business segments, as follows:-

	Ceramic RM'000	Construction and property RM'000	Financial services RM'000	Transportation and logistics RM'000	Others RM'000	Total RM'000
<b>Current year quarter ended</b>						
<b>31.03.2023</b>						
External revenue	2,544	-	2,281	4,766	74	9,665
<b>Results</b>						
Results before following adjustments:	(208)	(93)	860	(237)	229	551
Interest income	- *	-	10	-	126	136
Net unrealised gain on foreign exchange	12	-	-	-	-	12
Amortisation of intangible asset	-	-	-	(417)	-	(417)
Depreciation of investment properties	-	(59)	(7)	-	-	(66)
Depreciation of property, plant and equipment	(206)	(13)	(121)	(75)	(156)	(571)
Depreciation of right-of-use assets	(4)	-	(11)	(622)	(10)	(647)
Segment results	(406)	(165)	731	(1,351)	189	(1,002)
Finance costs	(3)	-	(1)	(91)	(1)	(96)
Taxation	-	(5)	(164)	(135)	217	(87)
(Loss)/Profit after taxation	(409)	(170)	566	(1,577)	405	(1,185)

Note:-

\* - Amount less than RM1,000



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**8. SEGMENTAL INFORMATION (CONT'D)**

Segmental information is provided based on business segments, as follows (Cont'd):-

	Ceramic RM'000	Construction and property RM'000	Financial services RM'000	Transportation and logistics RM'000	Others RM'000	Total RM'000
<b>Current period-to-date ended 31.03.2023</b>						
External revenue	7,942	-	6,551	12,126	985	27,604
<b>Results</b>						
Results before following adjustments:	(325)	(704)	4,271	(1,605)	(808)	829
Interest income	10	1	37	-	581	629
Net unrealised loss on foreign exchange	(3)	-	-	-	-	(3)
Amortisation of intangible asset	-	-	-	(1,251)	-	(1,251)
Depreciation of investment properties	-	(177)	(20)	-	-	(197)
Depreciation of property, plant and equipment	(679)	(39)	(348)	(147)	(353)	(1,566)
Depreciation of right-of-use assets	(12)	-	(33)	(1,783)	(30)	(1,858)
Property, plant and equipment written off	-	-	-	-	(7)	(7)
Segment results	(1,009)	(919)	3,907	(4,786)	(617)	(3,424)
Finance costs	(10)	-	(3)	(277)	(3)	(293)
Taxation	(100)	(14)	(998)	(135)	93	(1,154)
(Loss)/Profit after taxation	(1,119)	(933)	2,906	(5,198)	(527)	(4,871)
	<b>Ceramic RM'000</b>	<b>Construction and property RM'000</b>	<b>Financial services RM'000</b>	<b>Transportation and logistics RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>31.03.2023</b>						
<b>Assets</b>						
Segment assets	22,013	41,184	227,586	45,255	90,222	426,260
<b>Liabilities</b>						
Segment liabilities	4,282	339	1,045	10,633	497	16,796

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**8. SEGMENTAL INFORMATION (CONT'D)**

Segmental information is provided based on business segments, as follows (Cont'd):-

	Ceramic RM'000	Construction and property RM'000	Financial services RM'000	Transportation and logistics RM'000	Others RM'000	Total RM'000
<b>Preceding year corresponding quarter ended 31.03.2022</b>						
External revenue	3,782	720	1,642	3,998	-	10,142
<b>Results</b>						
Results before following adjustments:	(202)	(236)	1,424	(1,402)	(600)	(1,016)
Interest income	- *	-	15	-	206	221
Net unrealised gain on foreign exchange	10	-	-	-	-	10
Amortisation of intangible asset	-	-	-	(417)	-	(417)
Depreciation of investment properties	(192)	(13)	(61)	(4)	(3)	(273)
Depreciation of property, plant and equipment	-	(59)	-	-	-	(59)
Depreciation of right-of-use assets	(4)	-	(73)	-	-	(77)
Segment results	(388)	(308)	1,305	(1,823)	(397)	(1,611)
Finance costs	(1)	-	(3)	-	-	(4)
Taxation	(60)	(19)	(341)	-	16	(404)
Profit/(Loss) after taxation	(449)	(327)	961	(1,823)	(381)	(2,019)

*Note:-*

\* - Amount less than RM1,000

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**8. SEGMENTAL INFORMATION (CONT'D)**

Segmental information is provided based on business segments, as follows (Cont'd):-

	Ceramic RM'000	Construction and property RM'000	Financial services RM'000	Transportation and logistics RM'000	Others RM'000	Total RM'000
<b>Preceding year ended</b>						
<b>31.03.2022</b>						
External revenue	8,671	720	4,274	12,181	1,415	27,261
<b>Results</b>						
Results before following adjustments:	166	(305)	3,087	(630)	(249)	2,069
Interest income	- *	1	59	-	242	302
Gain on termination	-	-	-	46	-	46
Net unrealised gain/(loss) on foreign exchange	(49)	-	-	-	-	(49)
Amortisation of intangible asset	-	-	-	(1,250)	-	(1,250)
Bad debts written off	(6)	-	-	-	-	(6)
Depreciation of investment properties	-	(177)	-	-	-	(177)
Depreciation of property, plant and equipment	(582)	(40)	(165)	(10)	(19)	(816)
Depreciation of right-of-use assets	(13)	-	(219)	(1,453)	-	(1,685)
Segment results	(484)	(521)	2,762	(3,297)	(26)	(1,566)
Finance costs	(3)	-	(12)	(44)	-	(59)
Taxation	(64)	(37)	(816)	(183)	47	(1,053)
(Loss)/Profit after taxation	(551)	(558)	1,934	(3,524)	21	(2,678)

Note:-

\* - Amount less than RM1,000

	Ceramic RM'000	Construction and property RM'000	Financial services RM'000	Transportation and logistics RM'000	Others RM'000	Group RM'000
<b>31.03.2022</b>						
<b>Assets</b>						
Segment assets	29,865	43,149	181,551	41,372	127,685	423,622
<b>Liabilities</b>						
Segment liabilities	6,536	173	925	4,315	171	12,120

**Geographical information for revenue**

	Current year quarter ended 31.03.2023 RM'000	Current year- to-date ended 31.03.2023 RM'000
United States	297	872
Malaysia	9,368	26,156
Europe	-	512
Others	-	64
	<u>9,665</u>	<u>27,604</u>

## **9. MATERIAL EVENTS DURING THE INTERIM PERIOD**

The following were the material events during the financial period ended 31 March 2023:-

- (a) Reference made to announcements on 22 March 2022, 12 April 2022, 10 May 2022, 13 May 2022, 1 September 2022 and 29 November 2022 in relation to (i) Memorandum of Understanding (“MOU”) entered between Alliance EV Sdn Bhd (“AEV”) and BYD Malaysia Sdn Bhd (“BYD”); (ii) Letter of Appointment from BYD to AEV, and (iii) acquisition of 3 adjoining plots of industrial land in Tanjung Malim (“Tanjung Malim Land”) by AEV (collectively referred to as the “Announcements”) whereby AEV and BYD intend to work together in the business of distribution of the BYD T3 commercial electric van (“BYD T3 EV”) model as well as to set up a local assembly plant for the said model on the Tanjung Malim Land.

Pursuant to the above, on 6 January 2023 and 10 January 2023, the Board of Directors announced that AEV has successfully obtained the manufacturing license (dated 20 November 2022) for the assembly of commercial electric van and model approval letter (dated 21 December 2022) for local assembly of electric commercial van, primarily the BYD T3 EV, which were issued by Ministry of International Trade and Industry (“MITI”). The local assembly of the said model shall be set up on the Tanjung Malim Land in compliance with the regulations and standards of construction and safety of electric power-trained vehicles including any other technical requirements as set out by the Road Transport Department Malaysia.

AEV is currently applying for Approved Permit from the MITI and other approvals from relevant authorities to bring in the Complete-Built-Up units of BYD T3 EV into the country for distribution purposes prior to the set up of the local assembly plant on the Tanjung Malim Land.

## **10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

Save for the following, there were no material events subsequent to the end of the current quarter up to 23 May 2023, being the last practicable date from the date of the issue of this report (“LPD”) that are expected to have an operational or financial impact on the Group.

- (a) Reference made to announcements on 13 February 2023, the Board of Directors announced that the Company had entered into a Shares Sale Agreement with Hong Seng Consolidated Berhad (“the Purchaser”), for the disposal of 5,000,000 ordinary shares in AEV, representing 100% of the equity interest in AEV, for a total cash consideration of RM20 million.

Pursuant to the above, on 13 April 2023, the Board of Directors announced that the Company had entered into a Letter of Termination with the Purchaser and the parties have mutually agreed to terminate the SSA subject to the terms and conditions of the Letter of Termination.

## **11. CHANGES IN COMPOSITION OF THE GROUP**

There were no other changes in the composition of the Group during the current financial period under review except for the following:-

- (a) On 1 October 2022, Omnipack Sdn. Bhd. (“Omnipack”) issued an additional 974,900 new ordinary shares at an issue price of RM1 per ordinary share of which 779,900 ordinary shares were subscribed by the Company and the remaining 195,000 ordinary shares were subscribed by a creditor of Omnipack. The consideration for the shares issued amounted to RM974,900 was satisfied by way of capitalising the amount due to the Company and due to the creditor respectively. The partial subscription to Omnipack shares has resulted in a dilution of the Company’s equity interest in Omnipack from 100% to 80%; and
- (b) On 20 October 2022, CSH Solutions Sdn. Bhd. (“CSH Solutions”) issued an additional 900,000 new ordinary shares of which 750,000 ordinary shares were subscribed by the Company and the remaining 150,000 ordinary shares were subscribed by a third party. The consideration for the shares issued amounted to RM27,900,000 was satisfied by way of capitalising the amount due to the Company of RM19,900,000 and cash consideration of RM8,000,000 from the third party respectively. The partial subscription to CSH Solutions shares has resulted in a dilution of the Company’s equity interest in CSH Solutions from 100% to 85%.

**12. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no material changes in contingent liabilities since the last annual reporting date and there were no contingent assets since the last annual reporting date.

**13. CAPITAL COMMITMENT**

There was no capital commitment as at 31 March 2023.

**14. CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES, TRANSFERS AND CLASSIFICATIONS**

There has been no significant change in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities in the current financial period under review.

**15. FAIR VALUE OF FINANCIAL INSTRUMENTS**

1. The fair value of financing receivables is estimated based on discounted cash flows using prevailing rates of loans of similar credit profile.
2. The fair values of hire purchase payables approximate their carrying amounts.
3. The carrying amount of non-current receivables which is based on principal amounts outstanding representing approximately the cash flow receivables discounted at their effective interest rates, closely approximate their fair values.
4. The carrying amounts of the Group's and of the Company's other financial assets and financial liabilities are reasonable approximation of their fair values, either due to their short-term nature or that they are priced to market interest rates.

There was no transfer in between fair value levels during the current financial period under review.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**1. REVIEW OF GROUP PERFORMANCE**

	Individual Period				Cumulative Period			
	Preceding year		Current		Preceding		Current	
	Current year quarter ended 31.03.2023 RM'000	corresponding quarter ended 31.03.2022 RM'000	Changes RM'000 %		year-to- date ended 31.03.2023 RM'000	year-to- date ended 31.03.2022 RM'000	Changes RM'000 %	
Revenue								
- Ceramic	2,544	3,782	(1,238)	-32.7%	7,942	8,671	(729)	-8.4%
- Construction and property division	-	720	(720)	0.0%	-	720	(720)	0.0%
- Financial services	2,281	1,642	639	38.9%	6,551	4,274	2,277	53.3%
- Transportation and logistics	4,766	3,998	768	19.2%	12,126	12,181	(55)	-0.5%
- Others	74	-	74	100.0%	985	1,415	(430)	100.0%
	9,665	10,142	(477)	-4.7%	27,604	27,261	343	1.3%
(Loss)/Profit before taxation								
- Ceramic	(409)	(389)	(20)	5.1%	(1,019)	(487)	(532)	109.2%
- Construction and property division	(165)	(308)	143	-46.4%	(919)	(521)	(398)	76.4%
- Financial services	730	1,302	(572)	-43.9%	3,904	2,750	1,154	42.0%
- Transportation and logistics	(1,442)	(1,823)	381	-20.9%	(5,063)	(3,341)	(1,722)	51.5%
- Others	188	(397)	585	-147.4%	(620)	(26)	(594)	2284.6%
	(1,098)	(1,615)	517	-32.0%	(3,717)	(1,625)	(2,092)	128.7%

**Revenue**

The Group's revenue for the current quarter decreased by RM0.48 million, representing a decrease of 5% as compared to the preceding year corresponding quarter ended 31 March 2022.

The decline in revenue in the current quarter mainly caused by the lower sales generated by the ceramic segment and there is no sale of property from construction and property division as compared to the corresponding quarter ended 31 March 2022.

The Group's revenue for the financial period ended 31 March 2023 increased by RM0.34 million, representing an increase of 1% as compared to the preceding year corresponding financial period ended 31 March 2023.

The overall increase was mainly contributed by revenue derived from financial services segment.

The increase in revenue from financial services segment was mainly due to higher interest income received from loan borrowers as a licensed moneylender in current quarter under review.

**(Loss)/Profit before taxation (LBT/PBT)**

For the current quarter under review, LBT of the Group decreased by RM0.52 million or 32% as compared to the LBT of preceding year corresponding quarter ended 31 March 2022. The decrease in the LBT was mainly due to the improved performance in the transportation and logistics segment.

For the current financial period under review, LBT of the Group increased by RM2.09 million as compared to the preceding year corresponding quarter ended 31 March 2022. The improvement in the PBT in the financial services segment was offset by the higher loss incurred in the transportation and logistics segment.

**CSH ALLIANCE BERHAD**  
Registration No. 200001002113 (504718-U)

**2. MATERIAL CHANGE IN PERFORMANCE AS COMPARED TO PRECEDING QUARTER**

	Current year quarter ended 31.03.2023 RM'000	Immediate preceding quarter ended 31.12.2022 RM'000	Changes	
			RM'000	%
Revenue				
- Ceramic	2,544	3,831	(1,287)	-33.6%
- Construction and property division	-	-	-	0.0%
- Financial services	2,281	2,291	(10)	-0.4%
- Transportation and logistics	4,766	3,563	1,203	33.8%
- Others	74	506	(432)	100.0%
	9,665	10,191	(526)	-5.2%
(Loss)/Profit before taxation				
- Ceramic	(409)	342	(751)	-219.6%
- Construction and property division	(165)	(88)	(77)	87.5%
- Financial services	730	1,763	(1,033)	-58.6%
- Transportation and logistics	(1,442)	(2,467)	1,025	-41.5%
- Others	188	(677)	865	-127.8%
	(1,098)	(1,127)	29	-2.6%

**Revenue**

The Group's revenue for the current quarter decreased by RM0.53 million, representing a decrease of 5% as compared to the immediate preceding quarter, mainly due to the drop in revenue from the ceramic segment.

**LBT/PBT**

The Group recorded a LBT of RM1.10 million as compared to LBT of RM1.13 million in the immediate preceding quarter. This was mainly due to loss incurred in the ceramic segment.

### **3. GROUP'S PROSPECTS**

The Group is principally involved in retail, trading, manufacturing, exporting and marketing pottery, porcelain products, ceramics wares and ornaments, construction, property investment, property development, transportation and logistics business as well as financial services. To minimise over-reliance on the Group's existing businesses, the Group has constantly been exploring new business opportunities to gain additional income streams.

CSH Network's moneylending business is expected to continue to grow as it plans to extend its moneylending services to untapped customers which it perceives to be underserved by banks or licensed financial institutions.

Even though CSH Group presently does not have any ongoing construction and property development projects, it will continue to explore other viable opportunities via joint venture or bidding for a suitable project to revive its construction and property development segments.

As part of the Group's efforts to search for new business opportunities to expand its existing business, CSH's wholly owned subsidiary, Alliance EV Sdn Bhd ("AEV") is presently collaborating with BYD Malaysia Sdn. Bhd. ("BYD") to venture into the business of distribution of electrical vehicles ("EV") and providing after-sales services for EV in the country to drive its transportation and logistics business forward particularly in the supply of EV for the logistics industry ("Project EV").

The long-term prospect and outlook of the EV industry remained positive, but it would require extensive resources such as considerable capital investments and working capital to be injected into the business for the setting up of the local assembly plant and the 4S service centre, employment of highly-skilled manpower, procurement of advance technologies and machineries and aggressive marketing initiatives to create brand awareness and promote adoption of EVs in the market.

Taking cognisance of the above, AEV will adopt cautious measures to implement and execute its plans in stages. With the Approved Permits obtained from MITI, AEV has been actively preparing the import and shipments of BYD T3 commercial EV ("BYD T3") into the country for distribution. AEV will continue to work closely with BYD to commence the distribution of BYD T3 with the subsequent plan to set up the local EV assembly plant on the Tanjung Malim Land. As such, AEV expects to launch the sales of BYD T3, a compact fully electric van to cater to the rising demand in the logistics and courier industry in reducing their carbon footprints in the near future.

In addition, CSH is also tapping on Dato' Goh Soo Wee (the newly appointed Executive Director of the Company) who has more than 20 years of extensive knowledge and experience in the distribution of private, commercial, and heavy vehicles as well as the vehicle assembly business to spearhead and oversee the Group's EV business. Further, CSH also intends to leverage on the competency and network of Dato' Goh Soo Wee to source for potential partners and/or investors to carry out and realise the Project EV in collaboration with BYD and eventually expand into other commercial and heavy EV such as buses, trucks and others in the future to create an EV ecosystem.

### **4. PROFIT FORECAST OR PROFIT GUARANTEE**

There was no profit forecast or guarantee made public for the current financial period under review.



**5. TAXATION**

The tax expense is as follows:-

	<b>Current year quarter ended 31.03.2023 RM'000</b>	<b>Current year- to-date ended 31.03.2023 RM'000</b>
Current tax expense	103	1,202
Deferred tax expense	(16)	(48)
	87	1,154

**6. CORPORATE PROPOSALS**

There were no corporate proposal announced but not completed as at 23 May 2023, being the LPD from the date of the issue of this report.

**7. UTILISATION OF PROCEEDS**

Right Issue of Shares with Free Warrant

The Right Issue of Shares with Free Warrant was completed following the listing of 690,705,280 Rights Shares together with 690,705,280 Warrants on the Main Market of Bursa Securities on 26 January 2022.

On 3 June 2022, the proposed variation to the utilisation of proceeds raised from the Rights Issue of Ordinary Shares with Warrants (“Proposed Variation”) was duly passed by way of poll at the Extraordinary General Meeting held on 3 June 2022.

The details of the utilisation of proceeds raised from the Right Issue of Shares with Free Warrant as at 31 March 2023 are disclosed in the table below:-

<b>Purpose</b>	<b>Proposed utilisation after variation RM'000</b>	<b>Actual utilisation RM'000</b>	<b>Balance of proceeds RM'000</b>	<b>Intended timeframe for utilisation</b>
Transportation and logistics business	23,869	13,454	10,415	Within 36 months
Electrical vehicles business	20,000	20,000	-	Within 24 months
Financial services business	56,100	56,100	-	Fully utilised
Working capital	2,947	2,947	-	Fully utilised
Expenses for corporate exercise <sup>^</sup>	690	690	-	Fully utilised
	103,606	93,191	10,415	

<sup>^</sup> The surplus of RM24,000 from the expenses for the corporate exercises had been allocated to the working capital of the Group.

**8. BORROWINGS AND DEBT SECURITIES**

The Group's borrowings are as follows:-

	<b>As at 31.03.2023 RM'000</b>	<b>As at 30.06.2022 RM'000</b>
<b>Current - unsecured</b>		
Lease liabilities	2,502	99
<b>Non-current - unsecured</b>		
Lease liabilities	6,526	85
	9,028	184

**9. CHANGES IN MATERIAL LITIGATION**

The Directors were not aware of any material litigation, which, if enforced, may have a material impact on the profit or net asset value of the Group.

**10. PROPOSED DIVIDEND**

There were no dividends proposed or declared by the Company for the current financial period under review.

**11. LOSS PER SHARE**

(i) Basic loss per share

The basic loss per share of the Group is calculated by dividing the loss attributable to Owners of the Company by the weighted average number of ordinary shares in issue during the reporting period.

	<b>Individual Period</b>		<b>Cumulative Period</b>	
	<b>Preceding year</b>		<b>Current year- to-date ended</b>	<b>Preceding year- to-date ended</b>
	<b>Current year quarter ended</b>	<b>corresponding quarter ended</b>		
	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Loss attributable to owners of the Company (RM'000)	(938)	(2,019)	(4,312)	(2,678)
Weighted average number of ordinary shares in issue (Unit'000)	1,381,411	1,189,548	1,381,411	854,559
Basic loss per share (sen)	(0.07)	(0.17)	(0.31)	(0.31)

**11. LOSS PER SHARE (CONT'D)**

(ii) Diluted loss per share

The diluted loss per share of the Group is calculated by dividing the loss attributable to Owners of the Company by the weighted average number of ordinary shares in issue during the reporting period which the weighted average number of ordinary shares has been adjusted to assume full conversion of all dilutive potential ordinary shares.

The diluted loss per share is equal to the basic loss per share as the Group has no dilutive potential ordinary shares during the current financial period.

**12. NOTES TO THE STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**

	<b>Current year quarter ended 31.03.2023 RM'000</b>	<b>Current year-to- date ended 31.03.2023 RM'000</b>
Amortisation of intangible asset	417	1,251
Depreciation of investment properties	66	197
Depreciation of property, plant and equipment	571	1,566
Depreciation of right-of-use assets	647	1,858
Interest expense	96	293
Interest income	136	629
Other income	110	568
Property, plant and equipment written off	NA	7
Unrealised (gain)/loss on foreign exchange	(12)	3

**13. AUTHORISED FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 May 2023.