

**TOYO VENTURES HOLDINGS BERHAD**

(Company No.202001001322 (1357641-P))

(Incorporated in Malaysia)

**QUARTERLY REPORT  
FOR THE SECOND FINANCIAL QUARTER ENDED  
31 MARCH 2023**

This Report is dated 29 May 2023

**TOYO VENTURES HOLDINGS BERHAD**  
(Company No.202001001322 (1357641-P))  
(Incorporated in Malaysia)

**QUARTERLY REPORT**

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**TOYO VENTURES HOLDINGS BERHAD**

(Company No.202001001322 (1357641-P))

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 31 MARCH 2023**

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current quarter ended	Corresponding quarter ended	Current year ended	Corresponding year ended
		31/3/2023 RM'000	31/3/2022 RM'000	31/3/2023 RM'000	31/3/2022 RM'000
Revenue		21,825	26,228	45,164	54,221
Cost of sales		(16,561)	(22,026)	(34,783)	(45,082)
Gross profit		<u>5,264</u>	<u>4,202</u>	<u>10,381</u>	<u>9,139</u>
Interest income		2	-	9	72
Other operating income		329	215	384	781
Operating expenses		(4,038)	(5,220)	(10,025)	(9,445)
Finance cost		(214)	(111)	(347)	(160)
Profit/(Loss) before taxation	B13	<u>1,343</u>	<u>(914)</u>	<u>402</u>	<u>387</u>
Taxation	B6	<u>(355)</u>	<u>(92)</u>	<u>(657)</u>	<u>(607)</u>
Profit/(Loss) for the period		<u><u>988</u></u>	<u><u>(1,006)</u></u>	<u><u>(255)</u></u>	<u><u>(220)</u></u>
<b>Profit/(Loss) Attributable to:</b>					
Owners of the parent		<u><u>988</u></u>	<u><u>(1,006)</u></u>	<u><u>(255)</u></u>	<u><u>(220)</u></u>
<b>Basic earnings/(loss) per ordinary share (sen)</b>	B14	<u>0.84</u>	<u>(0.85)</u>	<u>(0.22)</u>	<u>(0.19)</u>
<b>Diluted earnings/(loss) per ordinary share (sen)</b>	B14	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note :

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 30 September 2022.

**TOYO VENTURES HOLDINGS BERHAD**  
(Company No.202001001322 (1357641-P))  
(Incorporated in Malaysia)

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

		<b>As At 31/3/2023 RM'000</b>	<b>As At 30/09/2022 RM'000 (Audited)</b>
<b>ASSETS</b>	Note		
<b>Non-Current Assets</b>			
Property, plant and equipment	A9	21,399	19,765
Power plant development project		314,089	311,977
Other investment		690	690
		<u>336,178</u>	<u>332,432</u>
<b>Current Assets</b>			
Inventories		18,841	20,968
Trade and other receivables		130,156	128,751
Tax recoverable		903	1,061
Fixed deposits with licensed banks		917	900
Cash and bank balances		85,821	18,191
		<u>236,638</u>	<u>169,871</u>
<b>TOTAL ASSETS</b>		<u><u>572,816</u></u>	<u><u>502,303</u></u>
<b>EQUITY AND LIABILITIES</b>			
Share capital		131,605	131,605
Other reserve		6,289	6,830
Retained earnings		538	2,559
<b>TOTAL EQUITY</b>		<u>138,432</u>	<u>140,994</u>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Lease liabilities		523	571
Loan and borrowings	B8	2,681	3,088
Other payables		407,651	329,045
Deferred tax liabilities		935	935
		<u>411,790</u>	<u>333,639</u>
<b>Current Liabilities</b>			
Lease liabilities		413	371
Loan and borrowings	B8	7,913	5,382
Trade and other payables		14,221	20,340
Contract liabilities		-	1,563
Tax payables		47	14
		<u>22,594</u>	<u>27,670</u>
<b>TOTAL LIABILITIES</b>		<u>434,384</u>	<u>361,309</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>572,816</u></u>	<u><u>502,303</u></u>
Net Assets Per Share Attributable to Owners of the Parent (RM)		<u>1.18</u>	<u>1.20</u>

Note:

- 1) The comparative figures in the consolidated statement of financial position are presented as if the reorganisation had been effected from the beginning of the earliest period presented. Please refer to Note A1 Basis of Preparation.
- 2) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 30 September 2022.

**TOYO VENTURES HOLDINGS BERHAD**  
(Company No.202001001322 (1357641-P))  
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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND FINANCIAL QUARTER ENDED 31 MARCH 2023**

(The figures have not been audited)

	<----Attributable to Shareholders of the Company---->				
	<---Non-Distributable Reserves----->			Distributable	
	Share Capital RM '000	Warrant reserve RM '000	Translation reserve RM'000	Retained earnings RM '000	Total Equity RM '000
<b>At 1 October 2021, as previously stated</b>	125,720	5,885	2,761	417	134,783
Prior year adjustments	5,885	(5,885)	(1,170)	2,986	1,816
<b>At 1 October 2021, as restated</b>	131,605	-	1,591	3,403	136,599
Loss for the period	-	-	-	(220)	(220)
Exchange differences on translation of foreign operations	-	-	684	-	684
Total comprehensive income/(expense) for the period	-	-	684	(220)	464
<b>At 31 March 2022</b>	131,605	-	2,275	3,183	137,063
<b>At 1 October 2022</b>	131,605	-	6,830	2,559	140,994
Loss for the period	-	-	-	(255)	(255)
Exchange difference on translation of foreign operations	-	-	(541)	-	(541)
Total comprehensive expense for the period	-	-	(541)	(255)	(796)
Dividend paid	-	-	-	(1,766)	(1,766)
<b>At 31 March 2023</b>	131,605	-	6,289	538	138,432

Note :

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 30 September 2022.

**TOYO VENTURES HOLDINGS BERHAD**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE SECOND FINANCIAL QUARTER ENDED 31 MARCH 2023**

(The figures have not been audited)

	<b>Current period to date ended 31/3/2023 RM'000</b>	<b>Corresponding period to date ended 31/3/2022 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	402	387
Adjustments for:		
Non-cash items	(1)	(10)
Interest income	(9)	(72)
Bad debts written off	226	-
Depreciation of property, plant and equipment	766	661
Interest expense	347	160
Property, plant and equipment written off	44	-
Unrealised (gain)/loss on foreign exchange	(264)	87
<b>Operating profit before working capital changes</b>	<b>1,511</b>	<b>1,213</b>
<b>Changes in working capital:</b>		
Decrease/(Increase) in inventories	2,127	(2,729)
Increase in receivables	(3,757)	(42,991)
(Decrease)/Increase in payables	(9,648)	24,570
<b>Cash used in operations</b>	<b>(9,767)</b>	<b>(19,937)</b>
Tax paid, net of refunds	(467)	(414)
<b>Net cash used in operating activities</b>	<b>(10,234)</b>	<b>(20,351)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(398)	(1,888)
Acquisition of power plant development project	(2,355)	-
Finance income received from lease receivables	-	17
Net proceeds from disposal of property, plant and equipment	-	2
<b>Net cash used in investing activities</b>	<b>(2,753)</b>	<b>(1,869)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net changes in banker's acceptance	750	-
Repayment of lease liabilities	(236)	(212)
Repayment of term loans	(377)	-
Dividends paid	(1,766)	-
Repayment to directors	-	(71)
Pledged of fixed deposit as security	(916)	-
Advances from non-current other payables	78,603	-
Drawdown of term loans	-	3,459
<b>Net cash generated from financing activities</b>	<b>76,058</b>	<b>3,176</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>63,071</b>	<b>(19,044)</b>
<b>Cash and cash equivalents at beginning of financial year</b>	<b>19,091</b>	<b>28,633</b>
Effect of exchange rate changes	1,911	71
<b>Cash and cash equivalents at end of financial quarter</b>	<b>84,073</b>	<b>9,660</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	85,821	3,516
Fixed deposits with licensed banks	-	6,575
Bank overdraft	(1,748)	(431)
	<b>84,073</b>	<b>9,660</b>

Note :

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 30 September 2022.

**QUARTERLY REPORT  
FOR THE SECOND FINANCIAL QUARTER ENDED 31 MARCH 2023**

**NOTES TO THE FINANCIAL REPORT**

**A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING  
STANDARD (“MFRS”) 134 (INTERIM FINANCIAL REPORTING)**

**A1. Basis of Preparation**

The unaudited interim financial statements, for the period ended 31 March 2023, have been prepared in accordance with MFRS 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standard Board (“MASB”) and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The unaudited interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 30 September 2022. For the periods up to and including the year ended 30 September 2022, the Group prepared its financial statement in accordance with the Malaysian Financial Reporting Standards (“MFRS”).

The explanatory notes attached to 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 Group since the year ended 30 September 2022.

**A2. Changes in Accounting Policies**

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”). The significant accounting policies adopted in preparing the interim financial statement are consistent with those of the audited financial statement for the year ended 30 September 2022.

The following are the accounting standards, amendments and interpretations of the MFRS that have been issued by the Malaysian Accounting Standards Board (“MASB”).

- Amendments to MFRS 16                      Covid-19 - Related Rent Concessions beyond 30 June 2021
  
- Amendments to MFRS 9,                      Interest Rate Benchmark Reform – Phase 2  
  MFRS 139, MRS 7, MFRS 4  
  and MFRS 16

The adoption of the above amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

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**A3. Auditors' Report**

The auditors' report of the preceding financial statements for the year ended 30 September 2022 was not subject to any qualification.

**A4. Seasonal or Cyclical Factors**

The Group's operations were not significantly affected by any seasonal or cyclical factors.

**A5. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

**A6. Changes in Estimates**

There were no changes in estimates of amounts reported in prior interim period which have a material effect on the current interim period.

**A7. Issuance or Repayment of Debts and Equity Securities**

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares for the current quarter under review.

**A8. Dividend Paid**

On 28 March 2023, the Company paid a final single-tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 30 September 2022.

**A9. Valuation of Property, Plant and Equipment**

The values of property, plant and equipment have been brought forward without amendment from the previous audited financial statements.

The Group did not carry out any valuation on its property, plant and equipment during the current interim period.



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**A10. Segmental Reporting**

**Current Period To Date 31 March 2023**

	<b>Manufacturing RM'000</b>	<b>Trading and investment holding RM'000</b>	<b>Energy RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External	25,312	19,852	-	-	45,164
Inter-segment	-	630	-	(630)	-
<b>Total revenue</b>	<b>25,312</b>	<b>20,482</b>	<b>-</b>	<b>(630)</b>	<b>45,164</b>
<b>Results</b>					
Segment results	888	(5,606)	5,458	-	740
Interest income	6	1,612	1	(1,610)	9
Finance cost	(188)	(149)	(1,620)	1,610	(347)
Taxation	(332)	(325)	-	-	(657)
<b>Net profit/(loss) for the financial period</b>	<b>374</b>	<b>(4,468)</b>	<b>3,839</b>	<b>-</b>	<b>(255)</b>
<b>Other Information</b>					
Segment assets	49,274	779,067	232,387	(498,749)	561,979
Unallocated corporate assets					10,837
<b>Consolidated total assets</b>					<b>572,816</b>
Segment liabilities	17,539	519,334	137,822	(247,072)	427,623
Unallocated corporate liabilities					6,761
<b>Consolidated total liabilities</b>					<b>434,384</b>
Capital expenditure	120	278	-	-	398
Depreciation/ amortization	421	343	2	-	766

**TOYO VENTURES HOLDINGS BERHAD**  
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**A10. Segmental Reporting (continued)**

**Corresponding Period To Date 31 March 2022**

	<b>Manufacturing RM'000</b>	<b>Trading and investment holding RM'000</b>	<b>Energy RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External	54,221	-	-	-	54,221
Inter-segment	291	432	-	(723)	-
Total revenue	<u>54,512</u>	<u>432</u>	<u>-</u>	<u>(723)</u>	<u>54,221</u>
<b>Results</b>					
Segment results	2,281	(735)	(348)	(723)	475
Interest income	-	72	-	-	72
Finance cost	(114)	(46)	-	-	(160)
Taxation	(575)	(32)	-	-	(607)
Net profit/(loss) for the financial period	<u>1,592</u>	<u>(741)</u>	<u>(348)</u>	<u>(723)</u>	<u>(220)</u>
<b>Other Information</b>					
Segment assets	97,956	244,812	149,383	-	492,151
Unallocated corporate assets					-
Consolidated total assets					<u>492,151</u>
Segment liabilities	48,011	308,812	81	-	356,904
Unallocated corporate liabilities					-
Consolidated total liabilities					<u>356,904</u>
Capital expenditure	2,390	1,378	-	-	3,768
Depreciation/ amortization	651	9	1	-	661

**TOYO VENTURES HOLDINGS BERHAD**

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**A10. Segmental Reporting (continued)****Geographical Segments**

The Group's continuing operations are mainly production and sale of products in two principal geographical areas, Malaysia and Vietnam.

	Revenue from external customers by location of customers		Segment assets by location of assets		Capital expenditure by location of assets	
	YTD	YTD	YTD	YTD	YTD	YTD
	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar
	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>						
Malaysia	45,164	54,221	340,429	342,768	398	3,768
Vietnam	-	-	232,387	149,383	-	-
	<u>45,164</u>	<u>54,221</u>	<u>572,816</u>	<u>492,151</u>	<u>398</u>	<u>3,768</u>

**A11. Subsequent Material Event**

On 27 December 2022, the Company proposes to settle RM354,000,000 ("Settlement Sum") out of the total outstanding debts as at 22 December 2022 of RM355,154,481 owing to non-current other payables related to a substantial shareholder through the issuance of RM354,000,000 nominal value of five (5)-year, zero coupon Irredeemable Convertible Unsecured Loan Stocks ("ICULS") at 100% of its nominal value. ("Proposed Settlement") The exercise is yet to complete up to the date of this financial statements.

**A12. Changes in the Composition of the Group**

On 27 March 2023, TIGB (HK) Private Limited was incorporated in Hong Kong which is a wholly owned subsidiary of Toyo Ink Group Berhad.

**A13. Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities since the last annual reporting date and there were no contingent assets as at the end of the current quarter.

**A14. Capital Commitments**

	6 months ended 31/03/2023 RM'000	6 months ended 31/03/2022 RM'000
Approved and contracted but not provided for:		
Power plant development project	<u>70,907</u>	<u>66,944</u>

The commitment related to the land lease payment for Power Plant Development Project is approximately RM70,907,000 equivalent to VND365.5 billion (31.3.2022 : RM66,944,000 equivalent to VND365.5 billion).

**TOYO VENTURES HOLDINGS BERHAD**

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**B. ADDITIONAL DISCLOSURES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Review of Performance**

For the current quarter ended 31 March 2023, the Group posted Profit Before Tax (“PBT”) of RM1.34 million against Revenue of RM21.83 million. Although Revenue declined by RM4.4 million or 16.8% compared to corresponding quarter’s RM26.23 million, the Group managed to turnaround from Loss Before Tax (“LBT”) of RM0.9 million to PBT of RM1.34 million. Quarter-on-Quarter (“Q-on-Q”), Gross Profit Margin improved from 16.02% to 24.12% due to better selling prices and margin management in the Ink Group, improvements in inventory control and reducing operating expenses.

Year-on-Year (“Y-on-Y”), the Group registered Revenue of RM45.16 million for the 6 months year to date compared to corresponding year’s RM54.22, a decline of 16.7%. Revenue from Manufacturing and Trading and Investment Holding were RM25.3 million and RM19.9 million respectively. PBT improved slightly from RM0.39 million to RM0.4 million Y-on-Y in spite of Revenue declining by RM9.06 million. The Energy segment had no revenue and posted PBT of RM3.8 million arising mainly from unrealized gain on foreign exchange. Conversely, the Trading and Investment Holding segment recorded LBT of RM4.1 million due to unrealized loss on foreign exchange.

Current year to date Revenue from the Manufacturing segment of RM25.3 million was derived from Toyo Ink Sdn Bhd (“TISB”) RM13 million, EDM Tools (M) Sdn Bhd (“ETSB”) RM9.8 million and EDM Machining Solutions (M) (“EMSSB”) RM2.5 million.

The Trading and Investment Holding segment year to date Revenue of RM19.9 million was contributed by TISB RM3.9 million, ETSB RM3.4 million and EMSSB RM12.6 million.

**B2. Comparison with Preceding Quarter’s Results****Quarter ended 31 March 2023 vs 31 December 2022**

	<b>3 months ended 31 March 2023 RM’000</b>	<b>3 months ended 31 December 2022 RM’000</b>
Revenue	<u>21,825</u>	<u>23,338</u>
Profit/(Loss) before tax	<u>1,343</u>	<u>(941)</u>

For the current quarter ended 31 March 2023 (“2Q 2023”), the Group’s revenue of RM21.83 million decreased by 6.5% from RM23.33 million registered in previous quarter ended 31 December 2022 (“1Q 2023”).

However, the Group’s results before tax turnaround from LBT of RM0.94 million in 1Q 2023 to PBT of RM1.3 million in 2Q 2023, due mainly to the increase in gross profit margin from 22% to 24%, and decrease in administrative expenses from RM3.5 million to RM1.5 million.

**TOYO VENTURES HOLDINGS BERHAD**

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**B3. Prospects**

The Board of Directors expect the Group's business to grow, except for the Energy segment which is at initial stage, and remain confident of achieving encouraging performance for the financial year ending 30 September 2023.

Given that the machinery utilization and sales are still within our manufacturing capacity, our expansion plan would be focused on increasing the customer base in more countries to maximise the production capacity.

**B4. Statement of the Board of Directors' Opinion**

Not applicable as the Group did not announce or publish any revenue or profit estimate, forecast, projection or internal target for the financial year.

**B5. Profit Forecast and Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee in a public document.

**B6. Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended 31/3/2023 RM'000	Corresponding quarter ended 31/3/2022 RM'000	Current year to date ended 31/3/2023 RM'000	Corresponding year to date ended 31/3/2022 RM'000
<b>Malaysia Income Tax</b>				
-Provision for the period	(355)	(92)	(657)	(607)
<b>Deferred Taxation</b>				
-Provision for the period	-	-	-	-
	<u>(355)</u>	<u>(92)</u>	<u>(657)</u>	<u>(607)</u>

**B7. Status of Corporate Proposals**

TVHB had on 27 December 2022, entered into a settlement agreement with its non-current other payables related to a substantial shareholder ("Creditors") for the proposed settlement of RM354,000,000 out of the total outstanding debts as at 22 December 2022 of RM355,154,481 owing to the Creditors through the issuance of RM354,000,000 nominal value of five (5)-year, zero coupon irredeemable convertible unsecured loan stocks in TVHB at 100% of its nominal value ("Settlement Agreement" or "Proposed Settlement"). The exercise is yet to complete up to the date of this financial statements.

**B8. Borrowings**

The Group's borrowings as at the end of the reporting quarter are as follows:

	<b>31/3/2023</b>	<b>30/9/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Long term borrowings</b>		
<b>Secured</b>		
Term loans	<u>2,681</u>	<u>3,088</u>
<b>Short term borrowings</b>		
<b>Secured</b>		
Bankers' acceptance	5,366	4,615
Bank overdraft	1,748	-
Term loans	<u>799</u>	<u>770</u>
	<u>7,913</u>	<u>5,385</u>
<b>Total</b>	<u><u>10,594</u></u>	<u><u>8,473</u></u>

**B9. Litigation**

- (i) Toyo Ink Group Berhad ("TIGB"), a wholly owned subsidiary of TVHB, has been served with the Writ of Summon and Statement of Claims filed at the Kuala Lumpur Sessions Court (WA-B52NCVC-347-08/2022) dated 25 August 2022 commenced by K.S. Lee Energy LLP ("KSLE") ("Suit"). The Suit is in regard to the Advisory and Services Agreement dated 28 January 2018 ("Advisory Agreement") between KSLE and TIGB for the appointment of an advisor for the Song Hau 2 Thermal Power Plant located at Hau Giang province in Vietnam ("Project"). As the financial closing of the Project could not be achieved by the required date, TIGB terminated the Advisory Agreement. The Suit was initiated by KSLE to claim for compensation in relation to the termination of the Advisory Agreement.

Pleadings for the Suit have been exhausted. On 30 October 2022, KSLE has filed an application for a summary judgment against TIGB. On 18 January 2023, the summary judgment application by KSLE is allowed by the Sessions Court with the following orders:-

- (a) a sum of USD168,000.00 (equivalent to RM754,782.00) to be fully paid to KSLE;
- (b) interest calculated at the rate of 5% per annum on the total sum of USD168,000.00 (equivalent to RM754,782.00) from the date of judgment till the date of full settlement; and
- (c) costs of RM3,000.00.

TIGB has made the relevant payments of USD168,000.00 to KSLE on 21 February 2023 and the costs of RM3,000.00 to KSLE's solicitors, Messrs T.J. Chin & Co. on 20 February 2023.

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**B9. Litigation (continued)**

- (ii) On 28 April 2023, the solicitors of TIGB were served with the Writ of Summons and Statement of Claim dated 20 April 2023 filed at the High Court of Malaya at Kuala Lumpur (WA-22NCvC-202-04/2023) (“Suit”). The Suit was commenced by KSLE through its solicitors in relation to a Project Success Fee Agreement dated 28 January 2018 between TIGB and KSLE (“PSF Agreement”) in relation to the Project. KSLE’s claim against TIGB is for the sum of:-
- (a) USD10,363,516.00 for the “Equity Success Fee” and “Debt Success Fee” (“Success Fee Claim”); or
  - (b) in the alternative, USD8,839,947.60 for professional fees and loss of business opportunity (“Alternative Claim”).

Under the PSF Agreement, KSLE was to be remunerated through, *inter alia*, a Project Success Fee (“PSF”). The PSF was calculated based on debt financing and contributions towards the Project which were meant to be received by the initial investors, which did not materialise. The PSF forms the subject matter of the Suit, which TIGB disputes. The PSF Agreement was officially terminated on 22 July 2022 vide letter issued by TIGB by email and registered post.

As far as the Board of Directors of TVHB are concerned, and subject to legal counsel’s advice, KSLE is not entitled to the PSF.

**B10. Dividend**

The Board has recommended a final single tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 30 September 2022. The proposed dividend was approved by the shareholders at the Annual General Meeting held on 13 March 2023 and paid on 28 March 2023.

**B11. Disclosures of derivatives**

There were no outstanding derivatives as at 31 Mar 2023.

**B12. Gain/Losses Arising from Fair Value Changes of Financial Liabilities**

There were no gains/losses arising from fair value changes of the financial liabilities for the current quarter ended 31 March 2023.

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**B13. Notes to the Condensed Consolidated Income Statement**

Profit/(Loss) before taxation is arrived at after crediting/(charging) the following items:

	<b>Current quarter ended 31/3/2023 RM'000</b>	<b>Cumulative quarter ended 31/3/2023 RM'000</b>
Bad debts recovered/(written off)	19	(226)
Depreciation of property, plant and equipment	(385)	(766)
Interest expense	(214)	(347)
Interest income	2	9
Unrealized gain on foreign exchange	1,027	264

**B14. Basic Earnings Per Share**

- i. Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares in issue during the financial period.

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	Current quarter ended <b>31/3/2023</b> <b>RM'000</b>	Corresponding quarter ended <b>31/3/2022</b> <b>RM'000</b>	Current year to date ended <b>31/3/2023</b> <b>RM'000</b>	Corresponding year to date ended <b>31/3/2022</b> <b>RM'000</b>
Profit/(Loss) attributable to shareholders	988	(1,006)	(255)	(220)
Weighted average number of ordinary shares in issue	117,703	117,703	117,703	117,703
Basic earnings/(loss) per share (sen)	0.84	(0.85)	(0.22)	(0.19)

- ii. The Company does not have any dilutive potential ordinary shares as the fair value of the ordinary shares during the period is less than the exercise price. Accordingly, the diluted earnings per share were not presented.

By Order of the Board,

Andrea Huong Jia Mei  
Company Secretary

Dated 31 May 2023