

**TOYO VENTURES HOLDINGS BERHAD**

(Company No.202001001322 (1357641-P))

(Incorporated in Malaysia)

**QUARTERLY REPORT  
FOR THE THIRD FINANCAL QUARTER ENDED  
30 JUNE 2023**

This Report is dated 29 August 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 THIRD FINANCIAL QUARTER ENDED 30 JUNE 2023**

(The figures have not been audited)

	Note	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
		Current quarter ended	Corresponding quarter ended	Current year ended	Corresponding year ended
		<b>30/6/2023</b> <b>RM'000</b>	<b>30/6/2022</b> <b>RM'000</b>	<b>30/6/2023</b> <b>RM'000</b>	<b>30/6/2022</b> <b>RM'000</b>
Revenue		19,975	25,669	65,139	79,890
Cost of sales		(15,295)	(22,714)	(50,078)	(67,796)
Gross profit		<u>4,680</u>	<u>2,955</u>	<u>15,061</u>	<u>12,094</u>
Interest income		2	14	12	87
Other operating income		2,511	1,756	2,895	2,536
Operating expenses		(4,669)	(3,613)	(14,694)	(13,059)
Finance cost		(137)	(132)	(484)	(292)
Profit before taxation	B13	<u>2,387</u>	<u>980</u>	<u>2,790</u>	<u>1,366</u>
Taxation	B6	<u>(393)</u>	<u>(568)</u>	<u>(1,051)</u>	<u>(1,174)</u>
Profit for the period		<u><u>1,994</u></u>	<u><u>412</u></u>	<u><u>1,739</u></u>	<u><u>192</u></u>
<b>Profit Attributable to:</b>					
Owners of the parent		<u><u>1,994</u></u>	<u><u>412</u></u>	<u><u>1,739</u></u>	<u><u>192</u></u>
<b>Basic earnings</b>					
<b>per ordinary share (sen)</b>	B14	<u>1.69</u>	<u>0.35</u>	<u>1.48</u>	<u>0.16</u>
<b>Diluted earnings</b>					
<b>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 30 JUNE 2023**

	Note	<b>As At 30/6/2023 RM'000</b>	<b>As At 30/09/2022 RM'000 (Audited)</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	A9	21,296	19,765
Power plant development project		314,968	311,977
Other investment		-	690
Deferred tax assets		-	-
		<u>336,264</u>	<u>332,432</u>
<b>Current Assets</b>			
Inventories		16,990	20,968
Trade and other receivables		131,933	128,751
Tax recoverable		944	1,061
Fixed deposits with licensed banks		917	900
Cash and bank balances		89,113	18,191
		<u>239,897</u>	<u>169,871</u>
<b>TOTAL ASSETS</b>		<u><u>576,161</u></u>	<u><u>502,303</u></u>
<b>EQUITY AND LIABILITIES</b>			
Share capital		131,605	131,605
Other reserve		8,819	6,830
Retained earnings		2,532	2,559
<b>TOTAL EQUITY</b>		<u>142,956</u>	<u>140,994</u>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Lease liabilities		466	571
Loan and borrowings	B8	2,472	3,088
Other payables		404,583	329,045
Deferred tax liabilities		935	935
		<u>408,456</u>	<u>333,639</u>
<b>Current Liabilities</b>			
Lease liabilities		357	371
Loan and borrowings	B8	4,866	5,382
Trade and other payables		19,341	20,340
Contract liabilities		-	1,563
Tax payables		185	14
		<u>24,749</u>	<u>27,670</u>
<b>TOTAL LIABILITIES</b>		<u>433,205</u>	<u>361,309</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>576,161</u></u>	<u><u>502,303</u></u>
Net Assets Per Share Attributable to Owners of the Parent (RM)		<u>1.21</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 THIRD FINANCIAL QUARTER ENDED 30 JUNE 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
Profit for the period	-	-	-	192	192
Exchange differences on translation of foreign operations	-	-	3,128	-	3,128
Total comprehensive income for the period	-	-	3,128	192	3,320
<b>At 30 June 2022</b>	131,605	-	4,719	3,595	139,919
<b>At 1 October 2022</b>	131,605	-	6,830	2,559	140,994
Profit for the period	-	-	-	1,739	1,739
Exchange difference on translation of foreign operations	-	-	1,989	-	1,989
Total comprehensive income for the period	-	-	1,989	1,739	3,728
Dividend paid	-	-	-	(1,766)	(1,766)
<b>At 30 June 2023</b>	131,605	-	8,819	2,532	142,956

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 THIRD FINANCIAL QUARTER ENDED 30 JUNE 2023**

(The figures have not been audited)

	<b>Current period to date ended 30/6/2023 RM'000</b>	<b>Corresponding period to date ended 30/6/2022 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,790	1,366
Adjustments for:		
Interest income	(12)	(87)
Bad debts written off	-	181
Depreciation of property, plant and equipment	1,169	1,060
Gain on disposal of property, plant and equipment	-	(10)
Interest expense	484	292
Loss on disposal of other investments	370	-
Property, plant and equipment written off	44	155
Unrealised gain on foreign exchange	(2,627)	(1,753)
<b>Operating profit before working capital changes</b>	<u>2,218</u>	<u>1,204</u>
<b>Changes in working capital:</b>		
Decrease/(Increase) in inventories	3,978	(4,254)
Decrease/(Increase) in receivables	1,485	(48,314)
(Decrease)/Increase in payables	(9,836)	33,741
<b>Cash used in operations</b>	<u>(2,155)</u>	<u>(17,623)</u>
Tax paid, net of refunds	(763)	(937)
<b>Net cash used in operating activities</b>	<u>(2,918)</u>	<u>(18,560)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(698)	(2,388)
Power plant development project expenditure	(2,341)	-
Proceeds from disposal of other investment	320	-
Finance income received from lease receivables	-	21
Net proceeds from disposal of property, plant and equipment	-	2
<b>Net cash used in investing activities</b>	<u>(2,719)</u>	<u>(2,365)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net changes in banker's acceptance	(2,652)	1,522
Repayment of lease liabilities	(348)	(312)
Repayment of term loans	(572)	(153)
Dividends paid	(1,766)	-
Repayment to directors	-	(53)
Advances from non-current other payables	75,538	-
Drawdown of term loans	-	3,459
<b>Net cash generated from financing activities</b>	<u>70,200</u>	<u>4,463</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>64,563</u>	<u>(16,462)</u>
<b>Cash and cash equivalents at beginning of financial year</b>	18,191	28,633
Effect of exchange rate changes	4,270	114
<b>Cash and cash equivalents at end of financial quarter</b>	<u><u>87,024</u></u>	<u><u>12,285</u></u>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	89,113	8,214
Fixed deposits with licensed banks	-	4,071
Bank overdraft	(2,089)	-
	<u><u>87,024</u></u>	<u><u>12,285</u></u>

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 THIRD FINANCIAL QUARTER ENDED 30 JUNE 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 30 June 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, MFRS 139, MRS 7, MFRS 4 and MFRS 16 | Interest Rate Benchmark Reform – Phase 2                |

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 30 June 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	37,593	27,546	-	-	65,139
Inter-segment	-	927	-	(927)	-
Total revenue	<u>37,593</u>	<u>28,473</u>	<u>-</u>	<u>(927)</u>	<u>65,139</u>
<b>Results</b>					
Segment results	1,157	1,717	689	(301)	3,262
Interest income	9	1	2	-	12
Finance cost	(239)	(245)	-	-	(484)
Taxation	(541)	(510)	-	-	(1,051)
Net profit for the financial period	<u>386</u>	<u>963</u>	<u>691</u>	<u>(301)</u>	<u>1,739</u>
<b>Other Information</b>					
Segment assets	47,708	789,707	229,796	(502,645)	564,566
Unallocated corporate assets					11,595
Consolidated total assets					<u>576,161</u>
Segment liabilities	19,115	522,832	136,138	(250,964)	427,121
Unallocated corporate liabilities					6,084
Consolidated total liabilities					<u>433,205</u>
Capital expenditure	192	506	-	-	698
Depreciation/ amortization	642	525	2	-	1,169

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**A10. Segmental Reporting (continued)**

**Corresponding Period To Date 30 June 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	52,188	28,059	-	(357)	79,890
Inter-segment	-	439	-	(439)	-
Total revenue	52,188	28,498	-	(796)	79,890
<b>Results</b>					
Segment results	(845)	6,462	(389)	(3,657)	1,571
Interest income	61	26	-	-	87
Finance cost	(129)	(163)	-	-	(292)
Taxation	(423)	(751)	-	-	(1,174)
Net profit/(loss) for the financial period	(1,336)	5,574	(389)	(3,657)	192
<b>Other Information</b>					
Segment assets	62,548	623,924	160,706	(359,727)	487,451
Unallocated corporate assets					17,658
Consolidated total assets					505,109
Segment liabilities	33,205	365,479	67,391	(105,590)	360,485
Unallocated corporate liabilities					6,521
Consolidated total liabilities					367,006
Capital expenditure	3,300	1,950	-	(980)	4,270
Depreciation/ amortization	590	469	1	-	1,060

**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
	30 Jun	30 Jun	30 Jun	30 Jun	30 Jun	30 Jun
	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>						
Malaysia	65,139	79,890	346,365	344,403	698	4,270
Vietnam	-	-	229,796	160,706	-	-
	<u>65,139</u>	<u>79,890</u>	<u>576,161</u>	<u>505,109</u>	<u>698</u>	<u>4,270</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.

On 7 July 2023, EMS Power Solutions Vietnam Limited was incorporated in Vietnam 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.

**TOYO VENTURES HOLDINGS BERHAD**

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**A14. Capital Commitments**

	<b>9 months ended 30/06/2023 RM'000</b>	<b>9 months ended 30/06/2022 RM'000</b>
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 (30.6.2022 : RM66,944,000 equivalent to VND365.5 billion).

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

The group recorded profit before tax (“PBT”) of RM2.4 million against revenue of RM20.0 million for the current quarter ended 30 June 2023 compared to PBT of RM1 million against revenue of RM25.7 million a year ago. Despite the drop in group revenue by RM5.7 million or 22.2% compared to corresponding quarter in the preceding year, gross profit margin increased from 11.5% to 23.4% due to efficiency gains through cost and value management and improvements in inventory control in the Ink Group.

For the 9 months ended 30 June 2023, the group’s revenue declined by RM14.8 million or 22.7% to RM65.1 million from the corresponding year’s RM79.9 million due to weakening market sentiment from the printing and packaging industry and semiconductor industry. Revenue contributed by the manufacturing segment is RM37.6 million while trading and investment holding generated RM27.5 million. However, gross profit rose from RM12.1 million to RM15.1 million giving an increase from 15.1% to 23.1% year-on-year. In the 9 months, PBT increased by 2-fold to RM2.8 million from RM1.4 million in the corresponding period, due mainly to higher gross margin and favourable foreign currency exchange which was offset by the litigation judgement sum and loss on disposal of investment.

The energy segment had no revenue and posted PBT of RM0.7 million arising mainly from unrealized gain on foreign exchange.

Current year-to-date group revenue of RM65.1 million was contributed by Toyo Ink Sdn Bhd (“TISB”) RM25.3 million, EDM Tools (M) Sdn Bhd (“ETSB”) RM19.6 million and EDM Machining Solutions (M) Sdn Bhd (“EMSSB”) RM20.2 million. Year-to-date PBT of RM2.8 million was contributed mainly by EMSSB with RM2 million while TISB and ETSB each contributed RM0.6 million and RM0.4 million respectively.

**B2. Comparison with Preceding Quarter's Results**

**Quarter ended 30 June 2023 vs 31 March 2023**

	<b>3 months ended 30 June 2023 RM'000</b>	<b>3 months ended 31 March 2023 RM'000</b>
Revenue	<u>19,975</u>	<u>21,825</u>
Profit before tax	<u>2,387</u>	<u>1,343</u>

The group revenue of RM20.0 million for the current quarter ended 30 June 2023 ("3Q-2023") dipped by 8.5% from RM21.8 million registered in previous quarter ended 31 March 2023 ("2Q-2023").

However, group PBT increased significantly by 75.6% during 3Q-2023 to RM2.4 million from RM1.3 million during 2Q-2023, due mainly to favourable foreign currency exchange.

**B3. Prospects**

The board of directors strive to expand the group's business with better product mix and new business ventures, except for the energy segment which currently is at pre-operational stage. As revenue dipped by 30% generally in the manufacturing segment, the board expects its financial year ending 30 September 2023 to remain challenging.

Given that the machinery utilization and sales are still within the group's manufacturing capacity, 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.

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**B6. Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended 30/6/2023 RM'000	Corresponding quarter ended 30/6/2022 RM'000	Current year to date ended 30/6/2023 RM'000	Corresponding ended 30/6/2022 RM'000
<b>Malaysia Income Tax</b>				
- Provision for the period	(393)	(568)	(1,051)	(1,174)
<b>Deferred Taxation</b>				
- Provision for the period	-	-	-	-
	<u>(393)</u>	<u>(568)</u>	<u>(1,051)</u>	<u>(1,174)</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:

	30/6/2023 RM'000	30/09/2022 RM'000
<b>Long term borrowings</b>		
<b>Secured</b>		
Term loans	<u>2,472</u>	<u>3,088</u>
<b>Short term borrowings</b>		
<b>Secured</b>		
Banker's acceptance	1,963	4,612
Bank overdraft	2,089	-
Term loans	<u>814</u>	<u>770</u>
	<u>4,866</u>	<u>5,382</u>
<b>Total</b>	<u><u>7,338</u></u>	<u><u>8,470</u></u>

**TOYO VENTURES HOLDINGS BERHAD**

Company No. 202001001322 (1357641-P)  
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**B9. Litigation**

- (i) Toyo Ink Group Berhad (“TIGB”), a wholly owned subsidiary of TVHB, has been served with the Writ of Summons 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.

- (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:-
- (a) is for the sum of USD10,363,516.00 for the “Equity Success Fee” and “Debt Success Fee” (“Success Fee Claim”); or
  - (b) in the alternative, the sum of USD8,839,947.60 for professional fees and loss of business opportunity (“Alternative Claim”); or
  - (c) in the further alternative, damages on a quantum meruit basis based on Section 71 of the Contracts Act, 1950 to be assessed.

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, but 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.

On 15 June 2023, TIGB filed an application for the summary dismissal of the Suit, which will be heard on 15 September 2023.

**TOYO VENTURES HOLDINGS BERHAD**

Company No. 202001001322 (1357641-P)

(Incorporated in Malaysia)

**B10. Dividend**

The Board had 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 30 June 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 30 June 2023.

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

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

	<b>Current quarter ended 30/6/2023 RM'000</b>	<b>Cumulative quarter ended 30/6/2023 RM'000</b>
Interest income	2	12
Depreciation of property, plant and equipment	(403)	(1,169)
Interest expense	(137)	(484)
Loss on disposal of other investments	(370)	(370)
Property, plant and equipment written off	-	(44)
Unrealised gain on foreign exchange	2,362	2,627



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**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	Corresponding quarter ended	Current year to date ended	Corresponding year to date ended
	<b>30/6/2023</b>	<b>30/6/2022</b>	<b>30/6/2023</b>	<b>30/6/2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit attributable to shareholders	1,994	412	1,739	192
Weighted average number of ordinary shares in issue	117,703	117,703	117,703	117,703
Basic earnings per share (sen)	1.69	0.35	1.48	0.16

- 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 29 August 2023