



ARB BERHAD

[Company No. 199701033435 (448934-M)]
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	As at 31.03.2024 RM'000	As at 31.12.2023 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	66	97
Right-of-use assets	745	916
Goodwill on consolidation	31	31
	<u>842</u>	<u>1,044</u>
Current Assets		
Trade receivables	22,386	43,472
Other receivables, prepayments and deposits	154,410	152,392
Tax recoverable	48	32
Cash and cash equivalents	34,978	23,766
	<u>211,822</u>	<u>219,662</u>
TOTAL ASSETS	<u>212,664</u>	<u>220,706</u>
EQUITY AND LIABILITIES		
Share capital	201,606	199,673
Irredeemable convertible preference shares ("ICPS")	-	1,933
Reserves	6,384	1,808
	<u>207,990</u>	<u>203,414</u>
Equity attributable to owners of the Company	207,990	203,414
Non-controlling interests	1,693	1,574
	<u>209,683</u>	<u>204,988</u>
Total Equity	<u>209,683</u>	<u>204,988</u>
Non-Current Liabilities		
Lease liabilities	60	241
	<u>60</u>	<u>241</u>
Current Liabilities		
Trade payables	1	11,463
Other payables and accruals	1,186	2,290
Lease liabilities	709	701
Current tax liability	1,025	1,023
	<u>2,921</u>	<u>15,477</u>
Total Liabilities	<u>2,981</u>	<u>15,718</u>
TOTAL EQUITY AND LIABILITIES	<u>212,664</u>	<u>220,706</u>
Net assets per share attributable to owners of the Company (RM)	<u>0.17</u>	<u>0.16</u>
Number of outstanding ordinary shares in issue ('000)	<u>1,249,801</u>	<u>1,235,989</u>

The financial year end of the Group has been changed from 30 June to 31 December.

The Condensed Consolidated Statements 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 to the interim financial report.



ARB BERHAD

[Company No. 199701033435 (448934-M)]
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

	Current quarter ended 31.03.2024 RM'000	Comparative quarter ended 31.03.2023 RM'000	Current period to date ended 31.03.2024 RM'000	Preceding period to date ended 31.03.2023 RM'000
Revenue	2,381	-	2,381	-
Cost of sales	(1,699)	-	(1,699)	-
Gross profit	682	-	682	-
Other operating incomes	3,880	-	3,880	-
Administrative expenses	(960)	-	(960)	-
Other operating expenses	(3,333)	-	(3,333)	-
Profit from operations	269	-	269	-
Finance costs	(10)	-	(10)	-
Profit before tax	259	-	259	-
Taxation	(24)	-	(24)	-
Profit for the period	235	-	235	-
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Gain on foreign currency translation	4,460	-	4,460	-
Other comprehensive income, net of tax	4,460	-	4,460	-
Total comprehensive (expenses)/income for the period	4,695	-	4,695	-
Profit attributable to:				
Owners of the Company:	116	-	116	-
Non-controlling interests	119	-	119	-
	235	-	235	-
Total comprehensive income attributable to:				
Owners of the Company:	4,576	-	4,576	-
Non-controlling interests	119	-	119	-
	4,695	-	4,695	-
Earnings per share attributable to Owners of the Company (sen):				
Basic	0.01	-	0.01	-
Diluted	0.01	-	0.01	-

The financial year end of the Group has been changed from 30 June to 31 December. As such, there will no comparative financial information available for the preceding year corresponding period.

The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes to the interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2024**

	Attributable To Owners Of The Company				Non- controlling Interests	Total Equity
	Share Capital	ICPS	Foreign Exchange Reserve	Retained Earnings		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2024	199,673	1,933	(3,338)	5,146	203,414	204,988
Profit after tax	-	-	-	116	116	235
Foreign currency translation gain	-	-	4,460	-	4,460	4,460
Other comprehensive income	-	-	4,460	-	4,460	4,460
Total comprehensive income	-	-	4,460	116	4,576	4,695
Transaction with Owners of the Company						
Issuance of shares pursuant to conversion of ICPS	1,933	(1,933)	-	-	-	-
Total transactions with owners in their capacity as owners	1,933	(1,933)	-	-	-	-
As at 31 March 2024	201,606	-	1,122	5,262	207,990	209,683
As at 1 January 2023	-	-	-	-	-	-
Profit after tax	-	-	-	-	-	-
Total comprehensive expenses/ As at 31 March 2023	-	-	-	-	-	-

The financial year end of the Group has been changed from 30 June to 31 December. As such, there will no comparative financial information available for the preceding year corresponding period.

The Condensed Consolidated Statements 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 the interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2024**

	Current period to date ended 31.03.2024 RM'000	Preceding period to date ended 31.03.2023 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	259	-
Adjustments for:		
Depreciation of property, plant and equipment	31	-
Depreciation of right-of-use assets	172	-
Finance costs	10	-
Interest income	(192)	-
Impairment loss on receivables	3,333	-
Gain on disposal of subsidiaries, net	(3,688)	-
Operating loss before changes in working capital	(75)	-
Changes in working capital:		
Receivables	15,735	-
Payables	(8,876)	-
Cash generated from operations	6,784	-
Interest received	192	-
Income tax paid	(39)	-
Net cash generated from operating activities	6,937	-
CASH FLOW FROM INVESTING ACTIVITIES		
Net cash outflow upon disposal of interest of subsidiaries	(3)	-
Net cash used in investing activities	(3)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Increase in fixed deposits with the licensed banks	(202)	-
Payment of lease liabilities	(182)	-
Net cash used in financing activities	(384)	-
Net increase in cash and cash equivalents	6,550	-
Effects of exchange rate changes	4,460	-
Cash and cash equivalents at beginning of the financial period	16,499	-
Cash and cash equivalents at end of the financial period	27,509	-
Cash and cash equivalents comprised:		
Fixed deposits with licenced banks	7,469	-
Cash and bank balances	27,509	-
	34,978	-

The financial year end of the Group has been changed from 30 June to 31 December. As such, there will no comparative financial information available for the preceding year corresponding period.

The Condensed Consolidated Statements 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 to the interim financial report.

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023. These 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 31 December 2023.

The financial year end of the Group has been changed from 30 June to 31 December. As such, there will no comparative financial information available for the preceding year corresponding period.

A2. Significant Accounting Policies

The accounting policies adopted by the Group in the interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2023.

(a) New/ Revised MFRSs, Amendments to MFRSs and Interpretations adopted

During the financial year, the Group have adopted the following new standards and amendments issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial period:

MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16 *Leases - Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101 *Presentation of Financial Statements - Non-current Liabilities with Covenants*
- Amendments to MFRS 107 *Statement of Cash Flows* and MFRS 7 *Financial Instruments: Disclosures - Supplier Finance Arrangements*

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

A2. Significant Accounting Policies (Cont'd)

(b) New/ Revised MFRSs, Amendments to MFRSs and Interpretations not adopted

MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121 *The Effect of Changes in Foreign Exchanges Rates - Lack of Exchangeability*

MFRSs, Amendments to MFRSs and Interpretations effective date yet to be confirmed

- Amendments to MFRS 10 *Consolidated Financial Statements and MFRS 128 Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an investor and its Associate or Joint Venture*

The Group did not early adopt the above MFRSs, amendments to MFRSs and interpretations as they are not expected to have a significant effect on its consolidated financial statements.

A3. Seasonal or Cyclical Factors

The principal business operations of the Group are not materially affected by seasonal or cyclical factors during the financial period to date under review.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

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

A5. Material Changes in Estimates

There were no material changes in estimates of the amounts reported in prior financial years that have a material effect for the financial period to date under review.

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

A6. Changes in Debts and Equity Securities

Save for the below, there were no issuances, share cancellations, share buy-back, share held as treasury share, resale of treasury share and repayments of debts and equity securities for the financial period under review.

- (a) During the financial period, the Company issued 13,811,830 new ordinary shares pursuant to the conversion of 193,369,528 Irredeemable Convertible Preference Shares ("ICPS") at a conversion price of RM0.14 each.

A7. Dividends Paid

Save for the below, there were no dividends have been paid during the current quarter and financial period to date under review:

The Company completed the Distribution-In-Specie of 17,496,142 ordinary shares in ARB IOT Group Limited ("AIGL") ("Distributable Shares"), representing approximately 66.18% equity interest held by ARB in AIGL, on the basis of 14 Distributable Shares for every 1,000 ordinary shares in ARB ("ARB Shares") held by the Entitled Shareholders of ARB whose name appear in the record of depositors of ARB Shares as of 22 January 2024 ("Entitled Shareholders").

All the Distributable Shares had been distributed to all the Entitled Shareholders and are now recorded in the books of AIGL pursuant to the book-based Direct Registration System.

The Direct Registration Statements evidencing the Entitled Shareholders' Distributable Shares together with the notification have been despatched to all the Entitled Shareholders on 5 February 2024. Thus, the Dividend-in-Specie has been completed on 5 February 2024.

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

A8. Segmental Information

(a) Segment analysis for the financial period to date ended 31 March 2024:

	CRM RM'000	Platform RM'000	Cloud RM'000	Others RM'000	Total RM'000
Revenue					
Total revenue	-	6	2,375	-	2,381
- Inter-segment revenue	-	-	-	-	-
Revenue from external parties	-	6	2,375	-	2,381
Results					
Segment profit/(loss)	374	(4)	142	(243)	269
Finance costs	-	-	(10)	-	(10)
Profit/(Loss) before taxation	374	(4)	132	(243)	259
Taxation	(1)	-	(4)	(19)	(24)
Net profit/(loss) for the financial period	373	(4)	128	(262)	235
Addition of property, plant and equipment					
Segment assets	3,811	14	22,003	186,788	212,616
Non-cash expenses					
Depreciation of property, plant and equipment	-	-	(31)	-	(31)
Depreciation of right-of-use assets	-	-	(172)	-	(172)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

A8. Segmental Information (Cont'd)

(b) Segment analysis for the financial period to date ended 31 March 2023:

	CRM RM'000	Platform RM'000	Cloud RM'000	Others RM'000	Total RM'000
Revenue					
Total revenue	-	-	-	-	-
- Inter-segment revenue	-	-	-	-	-
Revenue from external parties	-	-	-	-	-
Results					
Segment profit/(loss)	-	-	-	-	-
Finance costs	-	-	-	-	-
Profit/(Loss) before taxation	-	-	-	-	-
Taxation	-	-	-	-	-
Net profit/(loss) for the financial period	-	-	-	-	-
Addition of property, plant and equipment	-	-	-	-	-
Segment assets	-	-	-	-	-
Non-cash expenses					
Depreciation of property, plant and equipment	-	-	-	-	-
Depreciation of right-of-use assets	-	-	-	-	-

The financial year end of the Group has been changed from 30 June to 31 December. As such, there will no comparative financial information available for the preceding year corresponding period.

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

A9. Significant Event During The Financial Period

There were no significant event during the current quarter ended 31 March 2024.

A10. Material Events Subsequent to the End of the Financial Period

There is no material subsequent event from the end of the current quarter to the date of the interim financial report.

A11. Changes in the Composition of the Group

There were no material changes in the composition of the Group during the financial period under review.

A12. Changes in Contingent Liabilities and Assets

There were no material contingent liabilities or assets since the last audited financial statements for the financial period under review.

A13. Capital Commitments

There were no material capital commitments during the current quarter under review.

A14. Significant Related Party Transactions

The significant related party transactions as at period to date were summarised as below:

	Current quarter ended 31.03.2024 RM'000	Current period to date ended 31.03.2024 RM'000
Provision of information technology service to :		
- Ageson Berhad	6	6

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of Performance

The financial year end of the Group has been changed from 30 June to 31 December. As such, there will no comparative financial information available for the preceding year corresponding period.

The comparison of the quarterly results is tabulated below:

Table 1: Financial review for current quarter and financial period to date

	Current quarter ended 31.03.2024 RM'000	Comparative quarter ended 31.03.2023 RM'000	Changes (RM'000 / %)	Current period to date ended 31.03.2024 RM'000	Preceding period to date ended 31.03.2023 RM'000	Changes (RM'000 / %)
Revenue	2,381	-	- / -	2,381	-	- / -
Profit Before Tax ("PBT")	259	-	- / -	259	-	- / -
Profit After Tax	235	-	- / -	235	-	- / -
EPS Attributable to Owners of the Company (sen)	0.01	-	- / -	0.01	-	- / -

The Group registered revenue of RM2.4 million in current quarter was mainly contributed by revenue generated from Cloud segments.

Table 2: Financial review for current quarter compared with immediate preceding quarter

	Current quarter ended 31.03.2024 RM'000	Immediate preceding quarter ended 31.12.2023 RM'000	Changes (RM'000 / %)
Revenue	2,381	10,861	(8,480) / (78)
Profit/(Loss) Before Tax	259	(37,596)	37,855 / >100%
Profit/(Loss) After Tax	235	(22,304)	22,539 / >100%
EPS Attributable to Owners of the Company (sen)	0.01	(1.86)	1.87 / >100%

In the current quarter, the Group reported revenue of RM2.4 million compare with revenue of RM10.9 million in immediate preceding quarter, representing a decrease of RM8.5 million or 78% in revenue. The decrease in revenue is primarily attributed to IOT segment which previously de-consolidated.

In the current quarter, the Group recorded a PBT of RM0.3 million, a significant improvement from the LBT of RM37.6 million in immediate preceding quarter, representing an increase of RM37.9 million in PBT. This increase in profit is mainly attributable to the gain realised from disposal of a subsidiary. However, it was partially offset by depreciation of plant and equipment and impairment loss on receivables for the current quarter under review.



INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B2. Group's Prospect

Moving forward, our Group will continue to work and invest in strategic system integrators and independent software vendors to accelerate potential partnering in various industries. As part of the growth strategy driven through mergers and acquisitions, the Group is delivering innovative solutions in new businesses, including analytics, commerce, IoT and integration, and expect to continue business diversification in near future.

In line with the Industrial Revolution 4.0, the Group has recently involved in the Artificial Intelligence ("AI") technology research and development ("R&D") projects to innovate the AI technologies in order to produce more high-value added products. The Group believe that the integration of AI technology into our products would be our competitive advantage to expand our business in local and ASEAN markets. In the same time, we will continue to explore cloud computing, 5G, robotic process automation, IoT and hyper-connectivity to expand our business in the industries to meet evolving demands of customers who are seeking for the digital changes and securing an additional revenue stream for the future.

B3. Variance of Actual Profit from Profit Forecast

The Group did not issue any profit forecast and profit guarantee during the current quarter under review.

B4. Tax expense

	Current quarter ended 31.03.2024 RM'000	Current period to date ended 31.03.2024 RM'000
Current period provision	2,024	2,024
Over provision in prior period	(2,000)	(2,000)
	<u>24</u>	<u>24</u>
Deferred taxation	-	-
	<u>24</u>	<u>24</u>

Taxation is computed after taking into consideration the available capital allowances and the adjusted business losses carried forward from previous years to set off against taxable profit.



INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B5. Status of Corporate Proposals Announced

There were no corporate proposals announced but not completed, as at the date of this report.

B6. Material Litigation

The Group does not engaged in any material litigation and the Directors do not have any knowledge of any proceedings pending or threatened against the Group which might materially and adversely affect the financial position or business of the Group.

B7. Dividend Proposed or Declared

No dividend has been recommended by the Board of Directors for the current quarter under review.

B8. Earnings per Share ("EPS")

(a) Basic EPS

The basic EPS of the Group is calculated based on the profit attributable to owners (ordinary equity holders) of the Company divided by the weighted average number of ordinary shares in issue.

	Current quarter ended 31.03.2024	Comparative quarter ended 31.03.2023	Current period to date ended 31.03.2024	Preceding period to date ended 31.03.2023
Profit attributable to owners of the Company (RM'000)	116	-	116	-
Weighted average number of ordinary shares outstanding ('000)	1,247,132	-	1,247,132	-
Basic EPS (sen)	0.01	-	0.01	-



INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B8. Earnings per Share ("EPS") (Cont'd)

(b) Diluted EPS

The diluted EPS of the Group is calculated based on the profit attributable to owners (ordinary equity holders) of the Company divided by the weighted average number of ordinary shares in issue adjusted to assume conversion of all dilutive potential ordinary shares arising from ICPS as follow:

	Current quarter ended 31.03.2024	Comparative quarter ended 31.03.2023	Current period to date ended 31.03.2024	Preceding period to date ended 31.03.2023
Profit attributable to owners of the Company (RM'000)	116	-	116	-
Weighted average number of ordinary shares outstanding ('000)	1,247,132	-	1,247,132	-
Effect of dilution of assumed conversion of ICPS ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,247,132	-	1,247,132	-
Diluted EPS (sen)	0.01	-	0.01	-

The financial year end of the Group has been changed from 30 June to 31 December. As such, there will no comparative financial information available for the preceding year corresponding period.

B9. Auditors' Report on Preceding Annual Financial Statements

The auditor has expressed the basis for qualified opinion in their independent auditors' report to the members of the company for the financial year ended 31 December 2023.

Kindly refer to the Group's audited financial statement for more details on the auditors' report as well as the relevant announcement to Bursa relating to the Audit.



INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B10. Items included in the Statement of Profit or Loss

	Current quarter ended 31.03.2024 RM'000	Current period to date ended 31.03.2024 RM'000
Depreciation of property, plant and equipment	(31)	(31)
Depreciation of right-of-use assets	(172)	(172)
Finance costs	(10)	(10)
Impairment loss on receivables	(3,333)	(3,333)
Interest income	192	192
Gain on disposal of subsidiaries	3,688	3,688

**By Order of the Board,
Hong Zi Shen
Executive Director**

29 May 2024