



**CN ASIA CORPORATION BHD**

(Registration No.: 199601027090 (399442-A))

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THIRD FINANCIAL QUARTER ENDED 31 DECEMBER 2023**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THIRD FINANCIAL QUARTER ENDED 31 DECEMBER 2023**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 Months Ended 31.12.2023 RM'000	3 Months Ended 31.12.2022 RM'000	9 Months Ended 31.12.2023 RM'000	9 Months Ended 31.12.2022 ** RM'000
Revenue	5,559	2,553	13,415	-
Cost of sales	(4,208)	(1,906)	(9,509)	-
Gross profit	1,351	347	3,906	-
Selling and distribution expenses	(12)	(6)	(28)	-
Administrative expenses	(925)	(1,118)	(2,853)	-
Other operating expenses	-	1,387	(7)	-
Other income	31	75	252	-
Profit from operations before interest and tax	445	685	1,270	-
Finance costs	(100)	(99)	(273)	-
Profit before tax	345	586	997	-
Tax expense	(32)	(4)	(172)	-
Profit after tax for the period	313	582	825	-
Other comprehensive expense, net of tax that may be reclassified subsequently to profit and loss	-	-	-	-
Total comprehensive income/(expense) for the period	313	582	825	-
Net profit for the period attributable to: -				
Owners of the Company	313	582	825	-
Non-controlling interests	-	-	-	-
	313	582	825	-
Total comprehensive income/(expense) for the period attributable to: -				
Owners of the Company	313	582	825	-
Non-controlling interests	-	-	-	-
	313	582	825	-
Earnings per share (sen)				
- Basic	0.13	0.32	0.35	-
- Diluted	0.12	0.27	0.31	-

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the financial period ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.*

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 9 months financial period ended 31 December 2023.*

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

	<b>As At Current Financial Period Ended 31.12.2023 RM'000</b>	<b>As At Preceding Financial Period Ended 31.03.2023 RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
<i>Property, plant and equipment</i>	14,170	14,828
<i>Right-of-use asset</i>	353	618
<i>Intangible asset</i>	64	88
	<u>14,587</u>	<u>15,534</u>
<b>Current Assets</b>		
<i>Inventories</i>	4,494	3,869
<i>Trade and other receivables</i>	23,129	17,098
<i>Contract assets</i>	1,547	188
<i>Current tax asset</i>	25	239
<i>Cash and cash equivalents</i>	12,456	15,676
	<u>41,651</u>	<u>37,070</u>
<b>TOTAL ASSETS</b>	<u><u>56,238</u></u>	<u><u>52,604</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<i>Share capital</i>	75,046	75,046
<i>Share options reserve</i>	162	162
<i>Accumulated losses</i>	(32,240)	(33,065)
<b>Shareholders' Equity</b>	<u>42,968</u>	<u>42,143</u>
<b>Liabilities</b>		
<b>Non-current Liability</b>		
<i>Lease liabilities</i>	-	292
<i>Term loan</i>	3,047	3,120
	<u>3,047</u>	<u>3,412</u>
<b>Current Liabilities</b>		
<i>Trade and other payables</i>	2,620	935
<i>Contract liabilities</i>	3,089	1,170
<i>Short-term borrowings</i>	4,127	4,571
<i>Lease liabilities</i>	387	373
<i>Current tax liabilities</i>	-	-
	<u>10,223</u>	<u>7,049</u>
<b>TOTAL LIABILITIES</b>	<u>13,270</u>	<u>10,461</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>56,238</u></u>	<u><u>52,604</u></u>
<b>Net Assets Per Share (RM)</b>	<u><u>0.18</u></u>	<u><u>0.17</u></u>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THIRD FINANCIAL QUARTER ENDED 31 DECEMBER 2023**

	← Financial Period Ended →	
	31.12.2023	31.12.2022 **
	RM'000	RM'000
<b>Cash Flows From Operating Activities</b>		
Profit Before Tax	997	-
Adjustments For:-		
Amortisation of intangible asset	24	-
Amortisation of leasehold land	34	-
Depreciation of property, plant and equipment	969	-
Depreciation of right-of-use asset	265	-
Gain on foreign exchange - Unrealised	(17)	-
Interest expenses	273	-
Interest income	(224)	-
	1,324	-
Operating Profit Before Working Capital Changes	2,321	-
Changes In Working Capital		
Inventories	(1,984)	-
Receivables	(6,014)	-
Payables	3,604	-
Cash Used In Operations	(2,073)	-
Interest paid	(273)	-
Net tax refunded	42	-
Net Cash Used In Operating Activities	(2,304)	-
<b>Cash Flows From Investing Activities</b>		
Interest received	224	-
Capital work-in-progress incurred	(89)	-
Purchase of property, plant and equipment	(257)	-
Net Cash Used In Investing Activities	(122)	-
<b>Cash Flows From Financing Activities</b>		
Placement of pledged fixed deposit	(222)	-
Net drawdown of bankers' acceptance	2,053	-
Net repayments of lease liabilities	(278)	-
Net repayments of term loan	(70)	-
Net Cash Generated From Financing Activities	1,483	-
Net Decrease In Cash And Cash Equivalents	(943)	-
Cash And Cash Equivalents At Beginning Of The Financial Year	1,654	-
Cash And Cash Equivalents At End Of The Financial Period	711	-
Cash and cash equivalents at end of the financial period comprise:		
Cash and cash equivalents	12,456	-
Bank overdrafts	(508)	-
	11,948	-
Less: Deposits pledged as security for banking facilities	(11,237)	-
	711	-

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.*

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 9 months financial period ended 31 December 2023.*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THIRD FINANCIAL QUARTER ENDED 31 DECEMBER 2023**

	-----Attributable to owners of the Company-----			
	Non-distributable	Distributable		
	SHARE CAPITAL RM'000	SHARE OPTIONS RESERVE RM'000	ACCUMULATED LOSSES RM'000	TOTAL EQUITY RM'000
<b>Current financial period ended 31 December 2023</b>				
At 1 April 2023	75,046	162	(33,065)	42,143
<u>Transaction with owners:</u>	-	-	-	-
Profit for the period	-	-	825	825
At 31 December 2023	75,046	162	(32,240)	42,968

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.*

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 9 months financial period ended 31 December 2023.*

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Third Financial Quarter Ended 31 December 2023**

**Part A: Explanatory Notes Pursuant To MFRS 134**

**A1. Corporate information**

CN ASIA CORPORATION BHD is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”).

**A2. Basis of preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting* and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Securities. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 March 2023.

**Change in Accounting Standards**

The significant accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with the audited financial statements of the Group for the financial period ended 31 March 2023 except for the adoption of the following MFRSs and Amendments to MFRSs that are applicable to the Group effective on or after 1 April 2023: -

- Amendments to MFRS 101, MFRS 17, MFRS 108, MFRS 112, MFRS 16, MFRS 10 and MFRS 128.

The adoption of the above MFRSs, Amendments to MFRSs and IC Interpretations are not expected to have any material impact to the Group’s financial statements in the period of application.

**Change in Financial Year End**

The current financial period under review covers nine (9) months period from 1 April 2023 to 31 December 2023, representing the third financial quarter subsequent to the change of the Group’s financial year end from 31 December to 31 March. Accordingly, no comparative cumulative results, cash flow and changes in equity are presented.

**Review of consolidated interim financial statements**

The consolidated interim financial statements for the period ended 31 December 2023 had been reviewed by the external auditors.

**A3. Auditors’ report on preceding annual financial statements**

The auditor’s report of the Group’s annual audited financial statements of the preceding financial period was not subject to any qualification.

**A4. Seasonal and cyclical factors**

The business operations of the Group were not significantly affected by any seasonal and cyclical factors in the current quarter and financial year-to-date.

**A5. Items of an unusual nature**

There were no item affecting assets, liabilities, equity, net income, or cash flows that are unusual due to their nature, size or incidence.

**A6. Material changes in estimates**

There were no changes in estimates reported in prior interim periods of the current financial year or prior financial year, which have a material effect in the current interim period.

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Third Financial Quarter Ended 31 December 2023 (Cont'd)**

**Part A: Explanatory Notes Pursuant To MFRS 134 (Cont'd)**

**A7. Changes in debts and equity securities**

There were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities for the current financial year-to-date up to the date of this report.

As at 31 December 2023, 30,201,970 Warrant A, which will be maturing on 7 June 2024, have not been exercised.

**A8. Dividend paid**

There was no dividend paid during the financial year-to-date.

**A9. Operating Segments**

Operating segments are prepared in a manner consistent with the internal reporting provided to the Executive Directors as the chief operating decision makers in order to allocate resources to segments and to assess performance of the Group. For management purposes, the Group is organised into business units based on their products and services provided, and has the following main business segments: -

- (a) Manufacturing - Manufacture tanks and related products, engineering and fabrication works.
- (b) Financial services - Providing moneylending services.
- (c) Energy Management - The business of energy management focused on nano technology lighting and urban farming.
- (d) Investment - Investment holdings comprise of companies providing management services.

<b><u>Business segments</u></b>	<b>Manufacturing RM'000</b>	<b>Financial Services RM'000</b>	<b>Energy Management RM'000</b>	<b>Investment RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>						
External revenue	12,501	914	-	-	-	13,415
Inter-segment revenue	-	-	-	344	(344)	-
Total revenue	<u>12,501</u>	<u>914</u>	<u>-</u>	<u>344</u>	<u>(344)</u>	<u>13,415</u>
<b>Results</b>						
Segment results	515	899	(77)	(291)	-	1,046
Finance costs	(273)	(297)	-	-	297	(273)
Interest income	222	-	-	2	-	224
Profit / (loss) before tax	<u>464</u>	<u>602</u>	<u>(77)</u>	<u>(289)</u>	<u>297</u>	<u>997</u>
Tax expense	(53)	(135)	-	16	-	(172)
Profit / (loss) after tax	<u>411</u>	<u>467</u>	<u>(77)</u>	<u>(273)</u>	<u>297</u>	<u>825</u>
<b>Assets</b>						
Segment assets	<u>34,632</u>	<u>18,477</u>	<u>291</u>	<u>2,902</u>	<u>(64)</u>	<u>56,238</u>
<b>Liabilities</b>						
Segment liabilities	<u>12,542</u>	<u>70</u>	<u>-</u>	<u>722</u>	<u>(64)</u>	<u>13,270</u>
<b>Included in the measure of segment assets</b>						
Capital expenditure	346	-	-	-	-	346
Depreciation and amortisation	<u>1,271</u>	<u>-</u>	<u>-</u>	<u>21</u>	<u>-</u>	<u>1,292</u>

**Geographical information** – Not Applicable.

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Third Financial Quarter Ended 31 December 2023 (Cont'd)**

**Part A: Explanatory Notes Pursuant To MFRS 134 (Cont'd)**

**A10. Trade and other receivables**

	<b>Financial Quarter Ended 31.12.2023 RM'000</b>	<b>Financial Period Ended 31.03.2023 RM'000</b>
Trade receivables		
Non-related parties	2,948	2,338
Less: Allowance for impairment of receivables	(580)	(580)
	2,368	1,758
Loan Receivables – related party	7,000	7,000
Loan Receivables – non-related parties	16,000	12,000
	23,000	19,000
Less: Allowance for impairment on loan receivables -non-related parties	(5,840)	(5,840)
	17,160	13,160
	19,528	14,918
Other receivables, deposits and prepayments	3,601	2,180
Total trade and other receivables	23,129	17,098

The trade receivables of the Group, net of allowance for impairment, as at the end of the current quarter amounting to RM19.5 million (2023: RM14.9 million), consist of loan receivables of RM17.1 million (2023: RM13.1 million), manufacturing receivables and interest receivables of RM2.4 million (2023: RM1.8 million). The loan receivables are due upon the loan maturity ranging from February 2024 to September 2025 and the amount of RM5.8 million provided as expected credit losses in the preceding financial year ended 31 March 2023 was deemed sufficiently provided. The manufacturing and interest receivables are analysed as follows: -

	----- Credit Period -----				Total
	----- Within Not past due, not impaired	----- 1 to 30 days past due, not impaired	----- Exceeding 31 to 60 days past due, not impaired	----- > 60 days past due, not impaired	
Manufacturing and interest receivables (RM'000)	1,008	238	138	984	2,368
% of total manufacturing and interest receivables (%)	42	10	6	42	100

The Group's normal trade credit term granted to its customers ranges from 30 to 90 days. The manufacturing and interest receivables, net of allowance for impairment, that are past due for more than 60 days amounted to RM1.0 million mainly consist of interest receivables of the Group. These receivables are creditworthy receivables and the Group maintains good business relationship with on-going business transactions with these customers. Given the credit exposure of the Group's portfolio of these receivables, the allowance for impairment of approximately RM0.6 million made in the prior year was deemed sufficient. As at the date of this report, RM0.9 million or 37% of these receivables has been collected.



**Notes To The Condensed Consolidated Interim Financial Statements  
For The Third Financial Quarter Ended 31 December 2023 (Cont'd)**

**Part A: Explanatory Notes Pursuant To MFRS 134 (Cont'd)**

**A11. Material subsequent events**

There were no material event subsequent to the end of the current quarter reported, to 15 February 2024, being the latest practicable date (“LPD”), which is not earlier than seven (7) days from the date of issuance of this quarterly report, that has not been reflected in the financial statements for the period, except as disclosed in Note B6 of this report.

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

There were no changes in the composition of the Group for the current quarter and financial year-to-date.

**A13. Changes in contingent liabilities**

	<b>Financial Quarter Ended 31.12.2023 RM'000</b>	<b>Financial Period Ended 31.03.2023 RM'000</b>
<u>Secured</u>		
Bankers’ guarantee issued in favour of third parties	86	215

**A14. Capital commitments**

There were no capital expenditure approved and contracted for in the current quarter and the financial year-to-date.

**A15. Significant related party transactions**

There were no significant transactions entered into between the Group and other related parties during the current quarter under review.

**A16. Share Issuance Scheme (“SIS”)**

The Company has implemented a SIS scheme to attract and retain qualified and experienced employees. The scheme was approved by the shareholders at the Annual General Meeting held on 11 May 2021 and came into effect on 15 June 2021. The SIS shall be in force for a period of five (5) years until 14 June 2026.

The total number of options granted, exercised and outstanding under the SIS as at the financial period ended 31 December 2023 are set out below: -

<b>Description</b>	<b>All Eligible Employees (‘000)</b>		
	<b>Directors</b>	<b>Eligible Employees</b>	<b>Total</b>
Total options granted			
At 1 April 2023 / 31 December 2023	-	600	600

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Third Financial Quarter Ended 31 December 2023 (Cont'd)**

**Part B: Explanatory Notes Pursuant To Main Market Listing Requirements of Bursa Securities**

**B1. Performance review**

	Individual Quarter				Cumulative Quarter			
	3 Months	3 Months	Variance		9 Months	9 Months	Variance	
	Ended	Ended			Ended	Ended		
	31.12.2023	31.12.2022	Amount	%	31.12.2023	31.12.2022	Amount	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000**	RM'000	%
Revenue	5,559	2,253	3,306	147	13,415	-	13,415	100
Profit before interest and tax	445	685	-240	-35	1,270	-	1,270	100
Profit before tax	345	586	-241	-41	997	-	997	100
Profit after tax	313	582	-269	-46	825	-	825	100
Profit attributable to owners of the Company	313	582	-269	-46	825	-	825	100

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information for the cumulative 9 months ended 31 December 2023.*

The Group recorded a revenue of RM5.6 million for the current quarter, representing an increase of RM3.3 million or 147% against the corresponding quarter ended 31 December 2022. Revenue from manufacturing and financial services segment recorded an increase of 157% and 24% compared to the corresponding period respectively. The higher revenue reported was mainly attributable to the increase revenue from storage tanks and pressure vessels in the manufacturing segment and the increase in principal loan extended in the financial services segment.

Despite an increased revenue recorded in the current quarter, the Group reported a lower profit before tax ("PBT") of RM0.4 million compared to RM0.6 million in the preceding year corresponding quarter. This was mainly caused by the presence of a net reversal of allowance for impairment of investment amounting to RM1.4 million resulted from the disposal of the investment occurred during the preceding year corresponding quarter.

For the current financial year-to-date, the Group's revenue reported at RM13.4 million with a PBT of RM1.0 million.

**B2. Comments on results against the immediate preceding quarter**

	3 Months	3 Months	Variance	
	Current	Preceding		
	Quarter	Quarter	Amount	%
	31.12.2023	30.09.2023	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	5,559	4,771	788	17
Profit before interest and tax	445	424	21	5
Profit before tax	345	339	6	2
Profit after tax	313	271	42	15
Profit attributable to owners of the Company	313	271	42	15

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Third Financial Quarter Ended 31 December 2023 (Cont'd)**

**Part B: Explanatory Notes Pursuant To Main Market Listing Requirements of Bursa Securities (Cont'd)**

*Comments on results against the immediate preceding quarter (Cont'd)*

The Group reported revenue of RM5.6 million for the current quarter, representing an increase of 17% against the revenue of RM4.8 million for the immediate preceding quarter. The increase was attributable to the overall increase in revenue of RM1.0 million from the manufacturing segment and offset with a decline in revenue from the financial services segment of RM0.2 million.

Notwithstanding a higher revenue reported in the current quarter, the Group reported a marginal increase in PBT as a result of higher finance cost and lower other operating income as compared to the preceding quarter.

**B3. Commentary of prospects**

The Board is of the view that the business environment remains challenging and competitive in view of the rising inflation rate and the worldwide geographical conflict. Moving forward, the group's performance may be affected by the fluctuations in foreign currency exchange rates.

Amidst the uncertainties and unpredictable business environment, the Group will continue to remain cautious and continuously monitor the developments of the global economic growth situation by taking appropriate measures to pursue more projects to expand its revenue base to sustain the Group's business and improve the Group's performance.

Barring further unforeseen circumstances, the Group expects its overall performance for the financial year ending 31 March 2024 to remain challenging.

**B4. Profit forecast or profit guarantee**

Not applicable as no profit forecast was announced or disclosed in any public document.

**B5. Tax expense**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended 31.12.2023 RM'000	3 Months Ended 31.12.2022 RM'000	9 Months Ended 31.12.2023 RM'000	9 Months Ended 31.12.2022 RM'000 **
Income tax				
- Current year	58	4	198	-
- Overprovision in prior year	(26)	-	(26)	-
	<u>32</u>	<u>4</u>	<u>172</u>	<u>-</u>

\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 9 months financial period ended 31 December 2023.

The tax for the current quarter was in respect of tax provided on profits generated from the moneylending business and interest earned from placement of fixed deposits. The Group's effective tax rate for the quarter was lower than the statutory tax rate mainly due to utilisation of unabsorbed losses brought forward.

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Third Financial Quarter Ended 31 December 2023 (Cont'd)**

**Part B: Explanatory Notes Pursuant To Main Market Listing Requirements of Bursa Securities (Cont'd)**

**B6. Status of corporate proposals and utilisation of proceeds**

Save for the following disclosures, there were no other corporate proposals that has been announced by the Company that remained incomplete as at the LPD.

- (a) Heads of Agreement (“HOA”), Framework Agreement (“FA”) and Central Processing Complex Agreement (“CPC”)

Further to the HOA and FA entered between CN Asia and Markmore Energy (Labuan) Limited (“MELL”) and CaspiOil Gas LLP (“COG”) (collectively “Parties”) on 28 February 2022 and 11 April 2022 respectively, M&A Securities Sdn Bhd announced on behalf of the Board that the Company had on 16 June 2023 entered into a CPC Agreement with MELL and COG for the following:-

- the establishment of the proposed CPC Plant and First Pipeline (as defined in the announcement) at the Rakushechnoye Oil and Gas Field in the Republic of Kazakhstan (“Kazakhstan”) to process the natural gas to produce liquefied petroleum gas (“LPG”) and condensate; and
- the processing and production of natural gas extracted from the Rakushechnoye Oil and Gas Field in Kazakhstan (“Gas” or “Natural Gas”).

(Collectively, the “Proposed Gas Processing”)

In conjunction with the Proposed Gas Processing, the Board proposes to undertake the following proposals: -

- Proposed private placement of 73,397,000 new ordinary shares in CN Asia (“CNASIA Shares”, “Shares” or “Placement Shares”), representing approximately 30.0% of the total existing number of Shares in CNASIA (“Proposed Private Placement”);
- proposed renounceable rights issue of up to 4,535,126,440 CNASIA Shares (“Rights Shares”) together with up to 907,025,288 free detachable warrants (“Warrants-B”) on the basis of thirteen (13) Rights Shares for every one (1) existing Share held together with one (1) Warrants-B for every five (5) Rights Shares subscribed (“Proposed Rights Issue with Warrants-B”);
- proposed issuance of 1,205,263,158 CNASIA Shares to MELL at an issue price of RM0.19 per share pursuant to the Proposed Gas Processing (“Proposed Issuance of Shares”);
- proposed issuance of 1,205,263,158 redeemable convertible preference shares in CNASIA (“RCPS”) to MELL at an issue price of RM0.19 per RCPS (“Proposed Issuance of RCPS”);
- proposed diversification of the business of CNASIA and its subsidiaries (“CNASIA Group” or “Group”) into the downstream oil and gas industry which include the production of LPG and condensate (“Proposed Diversification”); and
- proposed amendments to the Constitution of the Company to facilitate the Proposed Issuance of RCPS (“Proposed Amendments”).

(The Proposed Gas Processing together with the above proposals are collectively known as the “Proposals”)

The Proposals are subject to and conditional upon approvals from the following:-

- Bursa Securities for the listing of and quotation of the Shares;
- shareholders of the Company at an extraordinary general meeting to be held for the Proposals;
- Bank Negara Malaysia for the investment abroad;
- the procurement from the Government Authority for the Right of Way and execution of the Land Lease Agreement;
- approval of the Government Authority for the construction of the CPC and First Pipeline; and any other relevant parties/authorities, if required.

Further announcement will be made in due course.

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Third Financial Quarter Ended 31 December 2023 (Cont'd)**

**Part B: Explanatory Notes Pursuant To Main Market Listing Requirements of Bursa Securities (Cont'd)**

**B7. Group borrowings**

	<b>Financial Period Ended 31.12.2023 RM'000</b>	<b>Financial Period Ended 31.03.2023 RM'000</b>
<u>SECURED</u>		
Short term		
Bank overdraft	508	3,008
Bankers' acceptance	3,521	1,468
Term Loan	98	95
	4,127	4,571
Lease liabilities	387	373
	4,514	4,944
Long term		
Lease liabilities	-	292
Term loan	3,047	3,120
	3,047	3,412
Total Borrowings	7,561	8,356

There were no foreign currency borrowings included in the above balances.

**B8. Material litigation**

There was no pending material litigation against the Group at the date of this report.

**B9. Dividend**

There was no interim dividend declared during the current quarter and financial year-to-date.

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Third Financial Quarter Ended 31 December 2023 (Cont'd)**

**Part B: Explanatory Notes Pursuant To Main Market Listing Requirements of Bursa Securities (Cont'd)**

**B10. Earnings per share**

(a) Basic earnings per share

	Individual Quarter		Cumulative Quarter	
	3 Months Ended 31.12.2023 RM'000	3 Months Ended 31.12.2022 RM'000	9 Months Ended 31.12.2023 RM'000	9 Months Ended 31.12.2022 RM'000 **
Profit after tax for the period	313	582	825	-
Weighted average number of ordinary shares in issue ('000)	237,994	183,720	237,994	-
Basic earnings per share (sen)	0.13	0.32	0.35	-

(b) Diluted earnings/(loss) per share

Profit after tax for the period	313	582	825	-
Weighted average number of ordinary shares in issue ('000)	237,994	183,720	237,994	-
Effect of potential exercise of share options ('000)	600	600	600	-
Effect of potential exercise of Warrants ('000)	30,202	30,202	30,202	-
	268,796	214,522	268,796	-
Diluted earnings per share (sen)	0.12	0.27	0.31	-

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 9 months financial period ended 31 December 2023.*

**B11. Additional disclosure on profit before tax**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended 31.12.2023 RM'000	3 Months Ended 31.12.2022 RM'000	9 Months Ended 31.12.2023 RM'000	9 Months Ended 31.12.2022 RM'000 **
Profit before tax is derived after charging/(crediting) the following: -				
Amortisation of intangible assets	8	8	24	-
Amortisation of leasehold land	11	11	34	-
Depreciation of property, plant and equipment	314	422	970	-
Depreciation of right-of-use asset	88	88	265	-
Interest expenses	100	99	273	-
Interest income	(74)	(66)	(224)	-
Loss on disposal of investment	-	4,044	-	-
Loss/(Gain) on foreign exchange				
- Unrealised	(7)	-	(17)	-
- Realised	2	(9)	(5)	-

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 9 months financial period ended 31 December 2023.*

**CN ASIA CORPORATION BHD** (Registration No: 199601027090 (399442-A))  
(Incorporated in Malaysia)

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Third Financial Quarter Ended 31 December 2023 (Cont'd)**

**Part B: Explanatory Notes Pursuant To Main Market Listing Requirements of Bursa Securities (Cont'd)**

**B.12 Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 22 February 2024.

**BY ORDER OF THE BOARD**

**CHIEW LIYAH (MAICSA 7040924) (SSM PC No. 201908003992)**  
**Company Secretary**  
**Selangor, 22 February 2024**