



The Board of Directors of CWG HOLDINGS BERHAD is pleased to announce the consolidated results for the first quarter ended 30 September 2024. The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30/09/2024 RM'000	Preceding Year Corresponding Quarter Ended 30/09/2023 RM'000	Current Year To Date 30/09/2024 RM'000	Preceding Year Corresponding Period 30/09/2023 RM'000
Revenue	18,266	16,517	18,266	16,517
Operating expenses	(19,665)	(16,548)	(19,665)	(16,548)
Other operating income	499	390	499	390
Finance costs	(147)	(92)	(147)	(92)
(Loss)/Profit before tax	(1,047)	267	(1,047)	267
Taxation	156	(96)	156	(96)
(Loss)/Profit for the period	(891)	171	(891)	171
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss)/income, net of tax for the year	(891)	171	(891)	171
(Loss)/Profit attributable to owners of parent	(891)	171	(891)	171
Total comprehensive (loss)/income attributable to owners of the parent	(891)	171	(891)	171
(Loss)/Earnings per share (sen)				
- Basic	(0.54)	0.11	(0.54)	0.11
- Diluted	(0.54)	0.11	(0.54)	0.11

The condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At End Of Current Year 30/09/2024 RM'000	Audited As At Preceding Financial Year Ended 30/06/2024 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	24,927	25,040
Right-of-use assets	9,343	9,544
	<u>34,270</u>	<u>34,584</u>
Current Assets		
Inventories	68,181	68,237
Trade and other receivables	11,921	13,701
Current tax assets	606	692
Cash and cash equivalents	15,584	15,738
	<u>96,292</u>	<u>98,368</u>
TOTAL ASSETS	<u>130,562</u>	<u>132,952</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	78,351	78,351
Treasury shares	(141)	(141)
Reserves	23,435	24,326
TOTAL EQUITY	<u>101,645</u>	<u>102,536</u>
LIABILITIES		
Non-Current Liabilities		
Borrowings	473	552
Lease liabilities	782	1,125
Retirement benefit obligations	721	703
Deferred tax liabilities	1,201	1,451
	<u>3,177</u>	<u>3,831</u>
Current Liabilities		
Trade and other payables	13,798	16,350
Contract liabilities	1,450	1,968
Borrowings	9,044	6,810
Lease liabilities	1,412	1,425
Retirement benefit obligations	20	20
Current tax liabilities	16	12
	<u>25,740</u>	<u>26,585</u>
TOTAL LIABILITIES	<u>28,917</u>	<u>30,416</u>
TOTAL EQUITY AND LIABILITIES	<u>130,562</u>	<u>132,952</u>
Net Assets per Share (sen)	62	63

The condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-distributable			Distributable	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Capital reserve RM'000	Retained earnings RM'000	
For the three months ended 30 September 2024 - unaudited					
Balance as at 01/07/2023	78,351	(485)	164	26,629	104,659
Profit (representing total comprehensive income) for the period	-	-	-	171	171
Total transactions with owners	-	-	-	-	-
Balance as at 30/09/2023	<u>78,351</u>	<u>(485)</u>	<u>164</u>	<u>26,800</u>	<u>104,830</u>
Balance as at 01/07/2024	78,351	(141)	164	24,162	102,536
Loss (representing total comprehensive loss) for the period	-	-	-	(891)	(891)
Total transactions with owners	-	-	-	-	-
Balance as at 30/09/2024	<u>78,351</u>	<u>(141)</u>	<u>164</u>	<u>23,271</u>	<u>101,645</u>

The condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year 3 Months Ended 30/09/2024 RM'000	Preceding Year Corresponding 3 Months Ended 30/09/2023 RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before tax	(1,047)	267
Adjustments for:		
Depreciation of property, plant and equipment	522	543
Depreciation of right-of-use assets	198	143
Gain on disposal of property, plant and equipment	-	(2)
Interest expense	147	92
Interest income	(16)	(15)
Inventories (written back)/written down	(39)	101
Provision for retirement benefits	18	17
Reversal of impairment losses on trade receivables	(255)	(18)
Unrealised loss/(gain) on foreign exchange	617	(161)
Operating profit before changes in working capital	145	967
Changes in working capital:-		
Inventories	95	2,591
Trade and other receivables	1,660	1,366
Trade and other payables	(2,555)	(2,440)
Contract liabilities	(518)	(415)
Retirement benefits paid	-	(102)
Cash (used in)/generated from operations	(1,173)	1,967
Tax paid	(180)	(407)
Tax refunded	175	392
Net cash (used in)/from operating activities	(1,178)	1,952
Cash Flows From Investing Activities		
Interest received	17	15
Net placement of fixed deposit with maturity period equal to/more than 3 months	(80)	-
Purchase of property, plant and equipment	(409)	(233)
Refund of right-of-use assets	3	-
Proceeds from disposal of property, plant and equipment	-	6
Net cash used in investing activities	(469)	(212)
Cash Flows From Financing Activities		
Interest paid	(37)	(1)
Net increase/(decrease) in short-term borrowings	1,244	(5,205)
Repayment of lease liabilities	(93)	(68)
Repayment of HP Payables	(299)	(117)
Repayment of term loans	(89)	(145)
Net cash from/(used in) financing activities	726	(5,536)
Net decrease in cash and cash equivalents	(921)	(3,796)
Cash and cash equivalents at beginning of the period	13,793	21,162
Effects of exchange rate changes on cash and cash equivalents	(209)	31
Cash and cash equivalents at end of the period	<u>12,663</u>	<u>17,397</u>
Cash and cash equivalents at end of the period consist of:		
Deposits with licensed bank	1,340	80
Short-term funds placed with financial institutions	5,222	9,371
Cash and bank balances	8,942	7,946
Bank overdrafts	(2,841)	-
	<u>12,663</u>	<u>17,397</u>

The condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

PART A : REQUIREMENTS OF MFRS 134: INTERIM FINANCIAL REPORTING

A1 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 issued by Malaysian Accounting Standard Board ("MASB") and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Condensed Consolidated Interim Financial Statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2024. The explanatory notes attached to the Condensed Consolidated Interim Financial Statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2024.

A2 Accounting Policies

The accounting policies and methods of computation adopted in the preparation of the Condensed Consolidated Interim Financial Statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2024.

The Group has adopted the MFRSs, Amendments to MFRSs and IC interpretations effective for the financial period beginning on or after 1 July 2024 where applicable to the Group. The initial adoption of these applicable MFRSs, amendments and interpretations do not have any material impact on the financial statements of the Group.

The Group has not adopted the new standards, amendments to published standards and interpretations that have been issued but not yet effective. These new standards, amendments to published standards and interpretations are not expected to have any significant impacts on the financial statements of the Group upon their initial application.

A3 Seasonal Or Cyclical Factors

Based on the nature of its products and the market demand, the Group's revenue usually is lower in the second half as compared to the first half of the financial year.

A4 Unusual Items

There were no items affecting the current financial quarter's assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A5 Changes In Estimates

There were no major changes in estimates from those of the prior financial year which have a material effect for the current financial quarter.

A6 Issuance, Repurchases And Repayments Of Debt And Equity Securities

There were no issuance, repurchase, cancellation, resale and repayment of debt and equity securities during the current financial quarter under review except for the following:-

Warrants 2022/2027 ("Warrants A")

- (i) The Company had on 03 March 2022 issued a total of 81,826,910 Warrants which were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad with effect from 10 March 2022. The Stock Short Name, Stock Number and ISIN Code of Warrants A are "CWG-WA", "9423WA" and "MYL9423WA733" respectively. Each Warrant entitled the shareholders of the Company to subscribe for one (1) new ordinary share each in the Company at an exercise price of RM0.36 per share on or before 02 March 2027 ("Maturity Date").

On 08 October 2024, the Company announced that 98,220,965 Rights Shares and 17,499,191 Additional Warrants issued pursuant to the Rights Issue were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad with effect from 9.00 a.m. on 8 October 2024, which marks the completion of the Rights Issue. The number of warrants after adjustments is 99,326,101 at RM0.30 per share.

There was no exercise of Warrants during the current financial quarter.

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A7 Dividends Paid

No dividend was paid during the current financial quarter.

A8 Segment Information

Based on revenue derived from products and services, the Group is generally organised into three reportable segments:

- (i) Manufacturing and sale of stationery and printing materials;
- (ii) Property Development; and
- (iii) Investment Holding

For the financial period ended 30 September 2024	Manufacturing RM'000	Property Development RM'000	Investment Holding RM'000	Group RM'000
Total Revenue	17,146	1,120	46	18,312
Inter-segment revenue	-	-	(46)	(46)
External revenue	<u>17,146</u>	<u>1,120</u>	<u>-</u>	<u>18,266</u>
Segment (loss)/profit before interest and tax	(553)	8	(355)	(900)
Finance costs	(147)	-	-	(147)
(Loss)/Gain before tax	(700)	8	(355)	(1,047)
Taxation	179	(8)	(15)	156
Loss for the period	(521)	-	(370)	(891)
Loss attributable to owners of the parent	<u>(521)</u>	<u>-</u>	<u>(370)</u>	<u>(891)</u>
Segment assets	<u>97,135</u>	<u>23,357</u>	<u>10,070</u>	<u>130,562</u>
Segment liabilities	<u>17,775</u>	<u>11,024</u>	<u>118</u>	<u>28,917</u>
For the financial period ended 30 September 2023	Manufacturing RM'000	Property Development RM'000	Investment Holding RM'000	Group RM'000
Total Revenue	16,517	-	39	16,556
Inter-segment revenue	-	-	(39)	(39)
External revenue	<u>16,517</u>	<u>-</u>	<u>-</u>	<u>16,517</u>
Segment profit before interest and tax	618	(41)	(218)	359
Finance costs	(92)	-	-	(92)
Profit/(Loss) before tax	526	(41)	(218)	267
Tax expense	(95)	-	(1)	(96)
Profit/(Loss) for the period	431	(41)	(219)	171
Profit attributable to owners of the parent	<u>431</u>	<u>(41)</u>	<u>(219)</u>	<u>171</u>
Segment assets	<u>104,071</u>	<u>4,209</u>	<u>10,284</u>	<u>118,564</u>
Segment liabilities	<u>13,585</u>	<u>-</u>	<u>148</u>	<u>13,733</u>

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A8 Segment Information (Continued)

The Group also organised its business segments based on revenue derived from geographical areas of customers.

The principal activities of the Group are mainly investment holdings, manufacturing and sale of stationery and printing materials, property development and real estate activities. The activities are predominantly carried out in Malaysia. Apart from revenue from external customers by geographical areas of customers which are shown below, the required segment information has already been disclosed in the interim financial statements:

	Current Year Quarter <u>RM'000</u>	Current Year To Date <u>RM'000</u>
Malaysia	5,587	5,587
Asia (exclude Malaysia)	5,953	5,953
Oceania	2,049	2,049
Europe	2,158	2,158
America	<u>2,519</u>	<u>2,519</u>
	<u>18,266</u>	<u>18,266</u>

The directors are of the opinion that all inter-segment transfers have been entered into the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. Those transfers are eliminated on consolidation.

A9 Events After The Interim Period

There were no material events subsequent to the end of the current financial quarter that have not been reflected in the interim financial report.

A10 Changes In The Composition Of The Group

On 21 October 2024, Chee Wah Corporation Berhad, a wholly-owned subsidiary of the Company, further increased its investment in Camel Paper Products Sdn. Bhd. from RM90,003 to RM140,003 through the subscriptions of additional 50,000 ordinary shares for a cash consideration of RM50,000.

On 28 October 2024, the Company acquired 2,049,400 ordinary shares representing 100% of the equity interest in Unigenus Holding Sdn. Bhd. ("UHSB") (Company No.202201012609 (1458306-A)) for a purchase consideration of RM33 million in which RM18 million via cash and RM15 million via issuance of redeemable preference shares. The UHSB is an investment holding company and has two wholly owned subsidiaries namely Unigenus Print Sdn. Bhd. ("UISB") (Company No.200001006123 (508728-H)) and Inbox Packaging Sdn. Bhd. ("IPSB") (Company No. 200701027192 (785213-D)). The principal activity of both UISB and IPSB are in the business of printing and engaged as printers' agent and retailers in printed papers and printing of packaging materials in particular, the printing of stickers and labels for food and beverages industry.

Except for the above, there were no changes in the composition of the Group during the current financial quarter under review.

A11 Contingent Liabilities Or Assets

There were no contingent liabilities or contingent assets since last financial year ended 30 June 2024.

A12 Material Related Parties Transactions

There were no material transactions entered by the Group with any related parties.

A13 Capital Commitment

The group has the following capital commitment in respect of property, plant and equipment as at 30 September 2024:

	<u>RM'000</u>
Contracted but not provided for	<u>222</u>

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

PART B : REQUIREMENTS OF APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENTS

B1 Review Of Performance

The Group's revenue for the current financial quarter ended 30 September 2024 is RM18.266 million, an increase from RM16.517 million in the same financial quarter of the previous year. This increase was primarily due to increased revenue in the manufacturing & property development segments. The Group recorded a loss before tax of RM1.047 million, in contrast to a profit before tax of RM0.267 million in the corresponding quarter of the previous year. The performance of each business segment for the current financial quarter and year-to-date, compared to the corresponding quarter and financial period of the previous year, is summarised as follows:-

(a) Manufacturing

For the three month months ended 30 September 2024, this segment generated revenue of RM17.146 million, an increase from RM16.517 million in the same financial quarter of the previous year. The RM0.629 million, or 4%, rise in revenue was primarily driven by increased demand in the domestic and export markets. This segment recorded a loss before tax of RM0.700 million, compared to a profit before tax of RM0.526 million in the corresponding quarter last year, making a RM1.266 million, or 241%, drop in profit before tax. This decline was mainly due to unfavourable foreign exchange rates, which resulted in foreign exchange losses of RM1.468 million, compared to losses of RM0.051 million in the previous year's corresponding quarter.

(b) Property development

For the three month months ended 30 September 2024, this segment generated revenue of RM1.120 million. This segment recorded a profit before tax of RM0.008 million. No comparable figures from the same financial quarter of the previous year are available, as the Group's involvement in this segment began in conjunction with its proposed diversification into property development, which was approved by shareholders on 03 October 2023. The loss before tax of RM0.041 million for the previous financial quarter was mainly due to administrative costs.

B2 Comparison With Immediate Preceding Quarter's Results

	Individual Quarter Ended		Variance	
	30/09/2024 RM'000	30/06/2024 RM'000	RM'000	%
Revenue	18,266	15,183	3,083	20%
Loss before tax	(1,047)	(2,052)	1,005	-49%

The Group's revenue generated in the current financial quarter was RM18.266 million as compared to RM15.183 million in the immediate preceding quarter. The increase in revenue of 20% was mainly due to higher demand from domestic and export markets. Although the revenue increased, the Group recorded loss before tax of RM1.047 million or decrease in loss before tax of 49% in the current financial quarter as compared to loss before tax of RM2.052 million in the immediate preceding quarter.

B3 Prospects

The global economy remains challenging, with uncertainties affecting various industries. Fluctuations in demand, supply chain disruptions, and rising production costs could negatively impact our manufacturing business. However, by focusing on niche markets, driving strategic innovation and enforcing strict cost controls, the Board believes that the Group is well-equipped to adapt and thrive despite these economic headwinds.

Additionally, with a positive outlook on Malaysian property market, the property development segment is expected to significantly contribute to the Group's earnings in the coming year.

B4 Profit Forecast/Profit Guarantee

Not applicable as there were no profit forecasts published.



EXPLANATORY NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

B5 Tax Expense

Breakdown of tax expense for the quarter ended 30 September 2024 is as follows:

	Current Year Quarter RM'000	Current Year To Date RM'000
Income tax:		
Current year	95	95
Deferred tax:		
Current year	(251)	(251)
	<u>(156)</u>	<u>(156)</u>

Reversal of tax expense incurred for the current financial quarter was mainly due to loss position of the Group.

B6 Status Of Corporate Proposal

On 17 January 2024, UOB Kay Hian Securities (M) Sdn. Bhd. ("UOBKH") had, on behalf of the Board of Directors of CWG Holdings Berhad ("Board") to announce that the Company proposes to undertake the following:

- i) a renounceable rights issue of up to 147,317,119 new ordinary shares in CWG ("CWG Shares(s) or Share(s)") ("Rights Share(s)") on the basis of 3 Rights Shares for every 5 existing CWG Shares held, on an entitlement date to be determined and announced later ("Proposed Rights Issue");
- ii) an acquisition of 2,049,402 ordinary shares in Unigenius Holding Sdn Bhd ("UHSB") from Boo Yin Kwan, Chan Lai Yee, Lam Chun Wai, Low Yaw Shim and Loo Zi Kai, representing 100.00% of the equity interest in UHSB for a purchase consideration of RM33.00 million, to be satisfied via a combination of cash payment of RM18.00 million and the issuance of 15,000,000 new redeemable non-convertible preference shares in CWG ("RPS" or "Consideration RPS") at an issue price of RM1.00 per Consideration RPS ("Proposed Acquisition"); and
- iii) proposed amendment to the Constitution of CWG to facilitate the issuance of Consideration RPS under the Proposed Acquisition ("Proposed Amendment").

On 07 March 2024, UOBKH referred to the earlier announcement dated 17 January 2024 in relation to the Proposals, had on behalf of the Board to announce that the listing application in relation to the Proposals has been submitted to Bursa Malaysia Securities Berhad on 7 March 2024.

On 14 June 2024, UOBKH referred to the earlier announcements dated 17 January 2024 and 7 March 2024 in relation to the Proposals, had on behalf of the Board to announce that Bursa Securities had, vide its letter dated 14 June 2024, resolved to approve the following:-

- i) listing and quotation of up to 147,317,119 Rights Shares to be issued pursuant to the Proposed Rights Issue;
- ii) listing and quotation of up to 17,500,000 Additional Warrants to be issued pursuant to the adjustment arising from the Proposed Rights Issue; and
- iii) listing and quotation of up to 17,500,000 new Shares to be issued pursuant to the exercise of the Additional Warrants.

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

B6 Status Of Corporate Proposal (Continued)

The approval granted by Bursa Securities for the Proposed Rights Issue is subject to the following conditions:-

- i) CWG and UOBKH must fully comply with the relevant provisions under the Listing Requirements at all times pertaining to the implementation of the Proposed Rights Issue;
- ii) CWG and UOBKH are required to inform Bursa Securities upon the completion of the Proposed Rights Issue;
- iii) CWG is required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Rights Issue is completed;
- iv) CWG is required to furnish Bursa Securities with a certified true copy of the resolution passed by the shareholders of the Company approving the Proposals; and
- v) CWG is required to furnish Bursa Securities on a quarterly basis a summary of the total number of Shares listed pursuant to the exercise of the Additional Warrants as at the end of each quarter together with a detailed computation of listing fees payable.

On 04 July 2024, the Company announced the notice of Extraordinary General Meeting (EGM) to seek the approval of shareholders for the Proposed Rights Issue, Proposed Acquisition and Proposed Amendment at the EGM. On 05 July 2024, the circular on this matter together with the notice of EGM were dispatched to the shareholders.

On 09 July 2024, UOBKH referred to the earlier announcements dated 17 January 2024, 7 March 2024, 14 June 2024 and 5 July 2024 in relation to the Proposals, had on behalf of the Board to announce that CWG and the Vendors (the "Parties") had on 9 July 2024, mutually agreed to extend the Sale Shares Conditions Period of the SSA until 16 October 2024 in order to grant the Parties additional time to fulfill the conditions precedent in the SSA pursuant to the Proposed Acquisition.

Save for the above, all other terms of the SSA shall remain unchanged and in full force, and continue to take effect and be binding on the Parties to the SSA.

On 16 August 2024, the Company announced that all the resolutions as set out in the Notice of Extraordinary General Meeting ("EGM") dated 5 July 2024 were duly passed at the virtual EGM of the Company held on 16 August 2024.

All the resolutions were voted by poll and the results were validated by Scrutineer Solutions Sdn. Bhd., the independent scrutineers appointed by the Company.

On 19 August 2024, UOBKH referred to the earlier announcements dated 17 January 2024, 7 March 2024, 14 June 2024, 5 July 2024 and 9 July 2024 in relation to the Corporate Exercises, had on behalf of the Board to announce that CWG had on 19 August 2024 executed a supplementary letter ("Supplementary Letter") with the Vendors to waive Ambank (M) Berhad ("AmBank")'s consent as a condition precedent pursuant to Clause 3.1(g) of the SSA pertaining to the obligation to obtain the consent and/ or approval from the existing financier of UHSB and its subsidiaries (where applicable).

Further to the above, all the conditions precedent to the SSA has been fulfilled and/ or waived and accordingly, the SSA has become unconditional on the date of this announcement.

On 26 August 2024, the Company announced the entitlement of renounceable right issue of up to 147,317,119 new ordinary shares at the issue price of RM0.18 per rights share on the basis of 3 rights shares for every 5 existing shares held by the entitled shareholders on 9 September 2024.

On 27 August 2024, the Company announced the notice of rights entitlement with the following:-

- 1) The Right commence of trading : 10 Sep 2024
- 2) The Date of Despatch of the Prospectus and Provisional Allotment Letter of Offer : 11 Sep 2024
- 3) The last day and time for Acceptance, Renunciation and Payment : 26 Sep 2024
- 4) The Rights cessation quotation : 19 Sep 2024



EXPLANATORY NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

B6 Status Of Corporate Proposal (Continued)

On 06 September 2024, UOBKH referred to the earlier announcements dated 17 January 2024, 7 March 2024, 14 June 2024, 5 July 2024, 9 July 2024 and 19 August 2024 in relation to the Corporate Exercises, had on behalf of the Board to announce that the abridged prospectus in relation to the Rights Issue has been duly registered by Securities Commission Malaysia and lodged with the Registrar of Companies.

On 09 September 2024, the abridged prospectus, together with the Notice of Provisional Allotment and the Rights Subscription Form relating to the Rights Issue (collectively referred to as the "Documents") were despatched to the shareholders of the Company whose names appear in the Company's record of depositors as at 5.00 p.m. on Monday, 9 September 2024 ("Entitlement Date") ("Entitled Shareholders") at their registered address in Malaysia.

On 19 September 2024, the Company announced that the Notice to holders of the warrants in relation to the adjustments to the exercise price and the number of the outstanding warrants in accordance with the provisions of the Deed Poll dated 14 February 2022 pursuant to the renounceable rights issue of up to 147,317,119 new ordinary shares in CWG Holdings Berhad ("CWG" or the "Company") ("CWG Share(s)" or "Share(s)") ("Rights Share(s)") at the issue price of RM0.18 per Rights Share, on the basis of 3 Rights Shares for every 5 existing CWG Shares held as at 5.00 p.m. on Monday, 9 September 2024

On 02 October 2024, UOBKH referred to the earlier announcements dated 17 January 2024, 7 March 2024, 14 June 2024, 5 July 2024, 9 July 2024, 19 August 2024, 6 September 2024 and 9 September 2024 in relation to the Corporate Exercises, had on behalf of the Board to announce that as at the close of acceptance, excess application and payment for the Rights Issue as at 5.00 p.m. on Thursday, 26 September 2024, the total acceptances and excess applications for the Rights Issue were 114,820,617 Rights Shares, which represents an over-subscription of 16.90% over the total number of 98,220,965 Rights Shares available for subscription under the Rights Issue, the details of which are set out below:-

	No. of Rights Shares	%
Acceptances	85,210,989	86.75
Excess applications	29,609,628	30.15
Total acceptances and excess applications	114,820,617	116.90
Total Rights Shares available for subscription	98,220,965	100.00
Over-subscription	16,599,652	16.90

It is the intention of the Board to allot the Excess Rights Shares on a fair and equitable basis. The Board has applied the following basis and priority in allocating the Excess Rights Shares, in accordance with the Abridged Prospectus dated 9 September 2024:-

- i) Firstly, to minimise the incidence of odd lots;
- ii) Secondly, for allocation to Entitled Shareholders who have applied for the Excess Rights Shares, on a pro-rata basis and in board lot, calculated based on their respective shareholdings in the Company as at the Entitlement Date;
- iii) Thirdly, for allocation to Entitled Shareholders who have applied for the Excess Rights Shares, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares applied for; and
- iv) Fourthly, for allocation to renouces and/ or transferees (if applicable) who have applied for the Excess Rights Shares, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares applied for.

In the event there is any remaining balance of the Excess Rights Shares applied for by the Entitled Shareholders and/ or their renounce(s) and/ or transferee(s) (if applicable) who have applied for the Excess Rights Shares after carrying out steps (i) to (iv) as set out above, steps (ii) to (iv) will be repeated again in the same sequence to allocate the remaining balance of the Excess Rights Shares to the Entitled Shareholders and/ or their renounce(s) and/ or transferee(s) (if applicable) who have applied for the Excess Rights Shares until such balance is fully allocated.

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

B6 Status Of Corporate Proposal (Continued)

Nevertheless, the Board reserves the right to allot any Excess Rights Shares applied for in such manner as the Board deems fit and expedient in the best interest of the Company subject always to such allocation being made on a fair and equitable basis, and that the intention of the Board as set out in steps (i)-(iv) above are achieved. The Board also reserves the rights at its absolute discretion to accept in full or in part any application for the Excess Rights Shares without assigning any reason thereof.

The Rights Shares are expected to be listed on the Main Market of Bursa Securities on 8 October 2024.

On 07 October 2024, the Company announced that the number of shares issued under rights issue was 98,220,965 at RM0.18 per share for total consideration received of RM17,679,773.70. The number of ordinary shares capital after the rights issue is 262,369,088 amounting to RM96,031,033.20.

On 08 October 2024, UOBKH referred to the earlier announcements dated 17 January 2024, 7 March 2024, 14 June 2024, 5 July 2024, 9 July 2024, 19 August 2024, 6 September 2024, 9 September 2024, 2 October 2024 and 7 October 2024 in relation to the Corporate Exercises, had on behalf of the Board to announce that 98,220,965 Rights Shares and 17,499,191 Additional Warrants issued pursuant to the Rights Issue were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad with effect from 9.00 a.m. on 8 October 2024, which marks the completion of the Rights Issue.

On 30 October 2024, UOBKH referred to the earlier announcements dated 17 January 2024, 7 March 2024, 14 June 2024, 5 July 2024, 9 July 2024, 19 August 2024, 6 September 2024, 9 September 2024, 2 October 2024, 7 October 2024 and 8 October 2024 in relation to the Corporate Exercises, had on behalf of the Board to announce that all conditions for completion as set out in the SSA have been fulfilled on 30 October 2024, which marks the completion of the Acquisition.

Save for the above, there was no other corporate proposal announced and not completed as at 22 November 2024.

B7 Status of utilisation of proceeds raised from Rights Issue

On 07 October 2024, the Company completed the Renounceable Rights Issue of 98,220,965 at RM0.18 per share on the Main Market of Bursa Malaysia Securities Berhad. The total proceeds raised from the Rights Issue were amounted to RM17,679,773.70. The status of utilisation of proceeds have been fully utilised as at 22 November 2024 and are summarised as follows:

Details of Utilisation	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Balance to be Utilised	
	RM'000	RM'000		RM'000	%
Partial payment for the Proposed Acquisition	16,880	16,880	Within 6 months	-	0.00
Estimated expenses	800	800	Upon completion	-	0.00
	<u>17,680</u>	<u>17,680</u>			

B8 Group Borrowings And Debt Securities

Group borrowings as at 30 September 2024 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
a) <u>Non-current liability</u>			
Term loans	<u>473</u>	<u>-</u>	<u>473</u>
b) <u>Current liabilities</u>			
Bank overdrafts	-	2,841	2,841
Bankers' acceptances	-	5,388	5,388
Revolving credit	-	500	500
Term loans	<u>315</u>	<u>-</u>	<u>315</u>
	<u>315</u>	<u>8,729</u>	<u>9,044</u>

c) The Group borrowings are denominated in Ringgit Malaysia.

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

B9 Changes In Material Litigation

The Group is not engaged in any material litigation as at 27 November 2024.

B10 Proposed Dividends

There was no dividend proposed in the current financial quarter and previous corresponding quarter.

B11 (Loss)/Earnings Per Share

11.1 Basic (loss)/earnings per share

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30/09/2024 RM '000	Preceding Year Corresponding Quarter Ended 30/09/2023 RM '000	Current Year To Date 30/09/2024 RM '000	Preceding Year Corresponding Period 30/09/2023 RM '000
(Loss)/Profit attributable to owners of the parent	(891)	171	(891)	171
	No. of Shares '000	No. of Shares '000	No. of Shares '000	No. of Shares '000
Weighted average number of ordinary shares	163,702	162,602	163,702	162,602
Basic (loss)/earnings per share (sen)	(0.54)	0.11	(0.54)	0.11

11.2 Diluted (loss)/earnings per share

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30/09/2024 RM '000	Preceding Year Corresponding Quarter Ended 30/09/2023 RM '000	Current Year To Date 30/09/2024 RM '000	Preceding Year Corresponding Period 30/09/2023 RM '000
(Loss)/Profit attributable to owners of the parent	(891)	171	(891)	171
	No. of Shares '000	No. of Shares '000	No. of Shares '000	No. of Shares '000
Weighted average number of ordinary shares	163,702	162,602	163,702	162,602
Adjusted for:				
Assume shares issued from the conversion of - Warrants 2022/2027	-	-	-	-
Adjusted weighted average number of ordinary shares	163,702	162,602	163,702	162,602
Diluted (loss)/earnings per share (sen)*	(0.54)	0.11	(0.54)	0.11

*The diluted (loss)/earnings per share for the financial period is equal to the basic earnings per share as the conversion of potential ordinary shares would increase earnings per share from continuing operation. Thus, the potential effect of the conversion of warrants would be anti-dilutive.



EXPLANATORY NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

B12 Auditors' Report On Preceding Annual Financial Statements

The latest audited financial statements for the financial year ended 30 June 2024 were not subject to any qualification.

B13 Notes To The Condensed Consolidated Statement Of Comprehensive Income

	Current Year Quarter RM'000	Current Year To Date RM'000
Profit for the period is arrived at after crediting/(charging):		
- Depreciation of property, plant and equipment	(522)	(522)
- Depreciation of right-of-use assets	(198)	(198)
- Reversal of impairment losses on trade receivables	255	255
- Interest expense	(147)	(147)
- Interest income	16	16
- Loss on foreign exchange	(1,468)	(1,468)
- Inventories written back	39	39

B14 Derivatives

There were no derivatives entered into by the Group as at 30 September 2024.

B15 Gains/Losses Arising From Fair Value Changes Of Financial Liabilities

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

B16 Authorisation For Issue

The Condensed Consolidated Interim Financial Statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors passed on 27 November 2024.