



SAMAIDEN GROUP BERHAD

*(Registration No.: 201901037874 (1347204-V))
(Incorporated in Malaysia under the Companies Act 2016)*

**INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER
2022**

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UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2022⁽¹⁾

	Individual Quarter		Cumulative 6 months	
	Current Quarter 31.12.22 RM'000	Preceding Year Quarter 31.12.21 RM'000	Current Year To Date 31.12.22 RM'000	Preceding Year To Date 31.12.21 RM'000
Revenue	40,233	29,517	80,999	53,242
Cost of sales	(34,046)	(24,200)	(69,158)	(43,688)
Gross profit	6,187	5,317	11,841	9,554
Other income	433	157	769	320
Administrative expenses	(2,796)	(1,987)	(5,177)	(3,521)
Operating profit	3,824	3,487	7,433	6,353
Finance costs	(348)	(235)	(674)	(387)
Impairment of impairment losses on financial assets	-	(99)	-	(75)
Profit before taxation	3,476	3,153	6,759	5,891
Income tax expense	(883)	(898)	(1,724)	(1,567)
Profit after taxation	2,593	2,255	5,035	4,324
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial period	2,593	2,255	5,035	4,324
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-				
Owners of the Company	2,596	2,256	5,039	4,326
Non-controlling interests	(3)	(1)	(4)	(2)
	<u>2,593</u>	<u>2,255</u>	<u>5,035</u>	<u>4,324</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
Owners of the Company	2,596	2,256	5,039	4,326
Non-controlling interests	(3)	(1)	(4)	(2)
	<u>2,593</u>	<u>2,255</u>	<u>5,035</u>	<u>4,324</u>
Earnings per share attributable to owners of the Company:-				
- Basic/Diluted (Sen) (Note B11)	<u>0.67</u>	<u>1.07</u>	<u>1.31</u>	<u>2.05</u>

Note:-

- (1) The basis of preparation of the Unaudited Consolidated Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022⁽¹⁾

	Unaudited As at 31.12.22 RM'000	Audited As at 30.06.22 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	2,975	1,816
Right-of-use asset	3,324	3,404
Deferred tax assets	143	143
Total non-current assets	6,442	5,363
Current Assets		
Inventories	334	692
Trade receivables	31,818	32,171
Other receivables, deposits and prepayments	9,449	3,657
Contract assets	36,308	46,968
Tax recoverable	-	41
Short-term investments	42,318	52,091
Fixed deposit with licensed banks	6,785	6,288
Cash and bank balances	25,208	21,833
Total current assets	152,220	163,741
TOTAL ASSETS	158,662	169,104
EQUITY AND LIABILITIES		
Equity		
Share capital	60,895	60,895
Foreign currency translation reserve	1	1
Merger deficit	(6,412)	(6,412)
Retained profits	36,552	31,513
Equity attributable to owners of the Company	91,036	85,997
Non-controlling interests	164	168
TOTAL EQUITY	91,200	86,165
Non-Current Liabilities		
Lease liabilities	2,696	2,871
Borrowings	907	913
Total Non-Current Liabilities	3,603	3,784
Current Liabilities		
Trade payables	37,255	61,438
Contract liabilities	8,570	2,722
Other payables and accruals	2,979	1,086
Lease liabilities	629	617
Borrowings	12,514	10,941
Current tax liabilities	1,912	2,351
Total Current Liabilities	63,859	79,155
TOTAL LIABILITIES	67,462	82,939
TOTAL EQUITY AND LIABILITIES	158,662	169,104

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022⁽¹⁾ (CONT'D)

	Unaudited As at 31.12.22 RM'000	Audited As at 30.06.22 RM'000
Number of issued shares ('000)	385,005	385,005
Net assets per ordinary share attributable to owners of the Company (Sen)	<u>23.65</u>	<u>22.34</u>

Note:-

- (1) The basis of preparation of the Unaudited Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR-TO-DATE ENDED 31 DECEMBER 2022⁽¹⁾

	<----- Non-Distributable ----->			Distributable		Non-controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Foreign Currency Translation RM'000	Merger Deficit RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000		
At 01.07.22	60,895	1	(6,412)	31,513	85,997	168	86,165
Profit after taxation for the financial period	-	-	-	5,039	5,039	(4)	5,035
Other comprehensive income for the financial period	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	5,039	5,039	(4)	5,035
At 31.12.22	60,895	1	(6,412)	36,552	91,036	164	91,200

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR-TO-DATE ENDED 31 DECEMBER 2022⁽¹⁾ (CONT'D)

	Share Capital RM'000	Non-Distributable Merger Deficit RM'000	Distributable Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non- controlling interests RM'000	Total Equity RM'000
At 01.07.21	35,585	(6,412)	19,582	48,755	(10)	48,745
Profit after taxation for the financial period	-	-	4,326	4,326	2	4,328
Other comprehensive income for the financial period	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	4,326	4,326	2	4,328
Transactions with owners:-						
- Subscription of shares in a subsidiary by non-controlling interests	-	-	-	-	181	181
- Proceeds from issue of new shares	3,973	-	-	3,973	-	3,973
At 31.12.21	39,558	(6,412)	23,908	57,054	173	57,227

Note:-

- (1) The basis of preparation of the Unaudited Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR-TO-DATE ENDED
31 DECEMBER 2022⁽¹⁾**

	Current Year To Date 31.12.22 RM'000	Preceding Year To Date 31.12.21 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	6,759	5,891
Adjustments for:-		
Depreciation of property, plant and equipment	125	121
Amortisation of right-of-use asset	340	-
Impairment of impairment losses on trade receivables	-	75
Interest expense	674	387
Interest income	(566)	(430)
Fair value (gain)/loss on short-term investments	(202)	111
Operating profit before working capital changes	<u>7,130</u>	<u>6,155</u>
Decrease in inventories	358	191
Increase in trade and other receivables	(1,474)	(36,410)
Decrease/(Increase) in contract assets	10,660	(1,172)
Decrease in contract cost assets	-	1,000
(Decrease)/Increase in trade and other payables	(22,290)	3,552
Increase in contract liabilities	5,848	10,937
CASH FROM/(USED IN) OPERATIONS	<u>232</u>	<u>(15,747)</u>
Income tax paid	(2,122)	(658)
NET CASH USED IN OPERATING ACTIVITIES	<u>(1,890)</u>	<u>(16,405)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	566	430
Fair value gain/(loss) on short-term investments	202	(111)
Acquisition of property, plant and equipment	(1,284)	(137)
Acquisition of right-of-use asset	(57)	-
Increase in short-term investments	(4,108)	(31)
Decrease/(Increase) in fixed deposit pledged with licensed banks	466	(2,516)
NET CASH USED IN INVESTING ACTIVITIES	<u>(4,215)</u>	<u>(2,365)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from issuance of new shares	-	3,973
Increase in share capital in a subsidiary by non-controlling shareholder	-	181
Repayment of lease liabilities	(366)	(37)
Repayment of term loan	(21)	(19)
Net (repayment)/drawdown of bankers acceptance	(6,742)	12,314
Net drawdown in invoice financing	8,330	-
Interest paid	(674)	(387)
NET CASH FROM FINANCING ACTIVITIES	<u>527</u>	<u>16,025</u>

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR-TO-DATE ENDED 31 DECEMBER 2022⁽¹⁾ (CONT'D)

	Current Year To Date 31.12.22 RM'000	Preceding Year To Date 31.12.21 RM'000
Net Decrease In Cash and Cash Equivalents	(5,578)	(2,745)
Cash and Cash Equivalents at the Beginning of the Financial Period	69,008	32,830
Cash and Cash Equivalents at the End of the Financial Period	<u>63,430</u>	<u>30,085</u>
<u>Cash and Cash Equivalents comprises:-</u>		
Fixed deposit with licensed banks	6,785	4,142
Cash and bank balances	25,208	12,464
Money market funds, at fair value	<u>37,259</u>	<u>17,621</u>
	69,252	34,227
Less : Fixed deposit pledged to licensed banks	<u>(5,822)</u>	<u>(4,142)</u>
	<u>63,430</u>	<u>30,085</u>

Note:-

- (1) The basis of preparation of the Unaudited Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2022

A1. Basis of Preparation

The interim financial report of Samaiden Group Berhad and its subsidiaries (the “Group”) is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting, International Financial Reporting Standards (“IFRS”) 34, Interim Financial Reporting and Rule 9.22 of the ACE Market Listing Requirements (“Listing Requirements”).

This interim financial report should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those as disclosed in the audited financial statements of the Company for the financial year ended 30 June 2022. The Group has adopted the following standards, amendments and interpretations that have become effective in current financial period:-

MFRSs and/or IC Interpretations (including the Consequential Amendments)

- Amendments to MFRS 3: Reference to the Conceptual Framework
- Amendments to MFRS 116: Property, Plant and Equipment- Proceeds before Intended Use
- Amendments to MFRS 137: Onerous Contracts- Cost of Fulfilling a Contract
- Annual Improvements to MFRS Standards 2018 - 2020

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial performance and position of the Group upon their initial application.

The Group has not applied in advance the following Malaysian Financial Reporting Standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 : Insurance Contracts	1 January 2023
Amendments to MFRS 17 : Insurance Contracts	1 January 2023
Amendments to MFRS 17 : Initial Application of MFRS 17 & MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2022 (CONT'D)

A2. Changes in Accounting Policies (cont'd)

The Group has not applied in advance the following Malaysian Financial Reporting Standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial period:- (cont'd)

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 101: Classification of liabilities as current or non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) is not expected to have a material impact on the financial statements of the Group upon their initial application.

A3. Auditors’ Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Group for the financial year ended 30 June 2022.

A4. Seasonal or Cyclical Factors

The business operations of the Group during the current financial quarter under review were not materially affected by any seasonal or cyclical factors.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items for the current financial quarter under review.

A6. Changes in Estimates

There were no material changes in estimates for the current financial quarter under review.

A7. Debt and Equity Securities

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

A8. Dividends Paid

There was no dividend paid by the Company during the current financial quarter under review.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2022 (CONT'D)**A9. Operating Segments**

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely the provision of services related to renewable energy and environmental sector in Malaysia.

A10. Significant Events Subsequent to the End of the Interim Financial Period

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

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial period under review, except for the followings:-

- (i) On 4 August 2022, PT Sam Anergi Indonesia, a 50%-owned subsidiary of the Group was incorporated in Indonesia. It intends to provide engineering, procurement, construction & commissioning ("EPCC") of solar photovoltaic ("PV") systems and power plants, provision of renewable energy ("RE") and environmental consulting services, operations and maintenance services and build, own, operate and transfer RE facilities.
- (ii) On 21 October 2022, Samaiden Chudenko Renewables Sdn Bhd, a 51% owned subsidiary of the Group was incorporated in Malaysia. It intends to undertake investment in RE assets and/or RE business.
- (iii) On 19 December 2022, Samaiden Energy (Cambodia) Co., Ltd., a wholly owned subsidiary of Samaiden Sdn Bhd, was incorporated in Cambodia. It intends to provide solar system installation service.
- (iv) On 20 December 2022, Samaiden SG Pte Ltd, a wholly owned subsidiary of the Group was incorporated in Singapore. It intends to provide engineering design and consultancy services in energy management and clean energy systems.

A12. Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current financial quarter under review.

A13. Capital Commitments

The Group does not have any material capital commitments during the current financial period under review.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2022 (CONT'D)

A14. Contingent Assets and Contingent Liabilities

Contingent Assets

The Group has no contingent assets as at the date of this report.

Contingent Liabilities

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	31.12.22 RM'000
(i) Performance guarantee for contracts in favour of existing customers	21,850
(ii) Guarantees for letter of credits issued in favour of existing suppliers	1,126
	1,126

A15. Related Party Transactions

There are no transactions entered with related parties of the Group during the current financial period under review.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group Performance

The Group recorded revenue of RM81.00 million for current financial period, of which EPCC services contributed approximately 99.45% of the Group's total revenue. The Group's profit before taxation ("PBT") for the current financial period under review was RM6.76 million. This represents an increase of 52.14% and 14.77% respectively as compared to revenue and PBT achieved of RM53.24 million and RM5.89 million respectively in the previous corresponding financial period. This is mainly attributed to increase in number of projects and their contract sum for the current financial period. The increase in administrative expenses during the financial period were mainly due to the increase in staff cost amounting to RM0.96 million incurred during the financial period to cater for the continued expansion of the Group's business.

B2. Comparison with Immediate Preceding Quarter Results

	Current Quarter 31.12.22 RM'000	Preceding Quarter 31.09.22 RM'000
Revenue	40,233	40,766
PBT	3,476	3,283

Despite lower revenue recorded for the current quarter, the PBT for the current quarter increased marginally as compared to immediate preceding quarter due to higher gross profit which were contributed by progressive EPCC services of projects with higher gross profit margin.

B3. Prospects

The government of Malaysia ("Government") is working towards increasing the use of RE resources, including mini-hydro, biomass, biogas and solar as an initiative to reduce carbon dioxide ("CO₂") emission. Variety of national initiatives has been undertaken to reduce greenhouse gases by 45% by 2030 and achieve net-zero by 2050. This includes the new feed-in tariff ("FIT") quota which up to 187 megawatts (MW) including 30MW each for biogas and biomass sources, and 127MW for small hydropower sources which was opened for bidding applications started in August 2022. On top of that, the Government had in September 2022 launched The National Energy Policy, 2022-2040 ("DTN") which strategically charts the way forward and outlines key priorities for the energy sector in the coming years. The DTN will position the energy sector as a catalyst for socioeconomic development.

Subsequently, on 31 October 2022, the Ministry of Energy and Natural Resources had announced the opening for a 600MW quota application from 7 November 2022 for Corporate Green Power Programme ("CGPP"), through the virtual power purchase agreement ("VPPA") to sell RE to corporate clients based on mutually agreed pricing. The outlook of renewable energy industry remains optimistic with the support and commitments from the Government.

Apart from that, Environmental, Social and Governance ("ESG") drive is being actively endorsed by the Government to ensure sustainable development in Malaysia. This has led to a growing interest in green energy with its two-pronged approach of cost saving and sustainability. We observed there is an increasing number of companies in private sector to install green energy systems as part of their efforts towards ESG commitment.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B3. Prospects (cont'd)

In addition, tariff hike in January 2023 might lead to demand boost for green energy. Users that include medium voltage and high voltage consisting of Commercial Tariffs and Industrial are subjected to an Imbalance Cost Pass-Through ("ICPT") surcharge at a rate of 20 sen/kWh which will cause their operating cost spike. Meanwhile, the Government has announced Green Energy Tariff ("GET") quota increased of up to 6,600 gigawatt-hours ("GWh") compared to 4,500GWh in year 2022. The quota was offered at the existing premium rate of 3.7 sen/kWh along with the exemption of ICPT charges for a period of six months to encourage all users to obtain green electricity.

We believe these will drive the affected categories to opt for green energy considering the operating cost and market trends. These initiatives provide us with opportunities to provide EPCC services for solar PV systems and both solar and non-solar power plants. We will continue to leverage on our core competency and experience in providing end-to-end services for potential solar PV and other non-solar projects.

The Group's total outstanding orderbook stood at RM269.54 million as at 31 December 2022 and is expected to contribute positively to the Group's revenue and profit over the next three years.

Barring any unforeseen circumstances, the Board is cautiously optimistic that the Group's performance will remain satisfactory for the remaining period to the end of the financial year ending 30 June 2023.

B4. Profit Forecast and Profit Guarantee

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

B5. Income Tax Expense

The breakdown of income tax expense are as follows:-

	Individual Quarter		Cumulative 6 months	
	Current Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31.12.22	31.12.21	31.12.22	31.12.21
	RM'000	RM'000	RM'000	RM'000
Income tax :-				
- Current year	883	898	1,724	1,567
- Prior year	-	-	-	-
Deferred tax	-	-	-	-
	<u>883</u>	<u>898</u>	<u>1,724</u>	<u>1,567</u>
Effective tax rate ⁽¹⁾	<u>25.4%</u>	<u>28.5%</u>	<u>25.5%</u>	<u>26.6%</u>

Note:-

(1) The Group's effective tax rate for the current quarter and financial period under review is higher than the statutory tax rate of 24.0% mainly due to non-tax deductible expenses.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B6. Status of Corporate Proposals**

Save as disclosed below, there were no corporate proposals announced but not completed as at the date of this report.

On 28 October 2022, the Company announced that it proposed to undertake the following:

- (i) Proposed transfer of the listing of and quotation for the entire issued share capital and the outstanding warrants of the Company from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Proposed Transfer**"); and
- (ii) Proposed amendments to the Constitution of the Company to facilitate the implementation of the Proposed Transfer ("**Proposed Amendments**")

The Proposed Amendments had been approved by the shareholders at the Third Annual General Meeting held on 9 December 2022. The revised Constitution will be adopted with effect from the date the Company is transferred from the ACE Market to Main Market of Bursa Malaysia Securities Berhad pursuant to the Proposed Transfer.

As of the date of this report, the Proposed Transfer is pending the approvals from relevant authorities.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of Proceeds Raised from IPO

The Company completed its IPO exercise on 15 October 2020 which raised gross proceeds of RM29.35 million. The status of the utilisation of the IPO proceeds as at 31 December 2022 are as follows:-

No.	Details of utilisation	IPO	Re-	Amount	Balance to	Original	Revised	Deviation from	
		proceeds raised	allocation	utilised	be utilised	timeframe for utilisation (from the listing date on 15 October 2020)	timeframe for utilisation (from the listing date on 15 October 2020)	proposed utilisation	
		RM'000	RM'000	RM'000	RM'000			RM'000	%
1.	Purchase of corporate office	7,000	(7,000)	-	-	Within 24 months	-	N/A	N/A
2.	Business expansion and marketing activities	2,540	-	(325)	2,215	Within 24 months	Within 48 months	N/A	N/A
3.	Capital expenditure	1,168	-	(212)	956	Within 24 months	Within 48 months	N/A	N/A
4.	Working capital	15,446	7,000	(15,749)	6,697	Within 30 months	Within 48 months	N/A	N/A
5.	Estimated listing expenses	3,200	-	(3,200)	-	Within 3 months	-	-	-
Total		29,354	-	(19,486)	9,868				

The utilisation of proceeds and their re-allocation and revised timeframe for utilisation as disclosed above should be read in conjunction with the Prospectus of the Company dated 28 September 2020 and the Company's announcement dated 30 August 2022 pertaining to the variation and extension of time of the utilisation of IPO proceeds.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of Proceeds Raised from the Private Placement

The status of the utilisation of proceeds raised from the private placement as at 31 December 2022 are as follows:-

No.	Purpose	Proposed utilisation	Amount utilised	Balance to be utilised	Intended timeframe for utilisation (from the listing date on 25 February 2022 of placement shares)	Deviation from proposed utilisation	
		RM'000	RM'000	RM'000		RM'000	%
1.	Finance/Part finance investment in RE assets	24,805	(1,152)	23,563	Within 30 months	N/A	N/A
2.	Estimated expenses in relation to the Private Placement	500	(500)	-	Within 3 months	N/A	N/A
Total		25,305	(1,652)	23,563			

The utilisation of the proceeds as disclosed above should be read together with the announcement made by the Company dated 25 October 2021 in relation to the Private Placement, as well as Company's announcement dated 25 February 2022 pertaining to the completion of the Private Placement.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. Group Borrowings and Debt Securities

The Group's borrowings as at 31 December 2022 are as follows:-

	< ----- As at 31.12.22 ----- >		
	Payable within 12 months RM'000	Payable after 12 months RM'000	Total RM'000
Lease Liabilities	629	2,696	3,325
Bankers Acceptances	3,144	-	3,144
Invoice Financing	8,330	-	8,330
Revolving Credit	1,000	-	1,000
Term Loans	40	907	947
Total	13,143	3,603	16,746

Included in lease liabilities is an amount of RM2,933,639 which is recognised pursuant to MFRS 16 Leases in relation to rented premises and hence it is unsecured. All the other borrowings are secured and denominated in Ringgit Malaysia.

B9. Material Litigation

As at the date of this report, save as disclosed below, the Group is not engaged in any material litigation:-

**1. In the High Court of Kuala Lumpur
Summons No. WA-22C-74-10/2021
Q Horizon Sdn Bhd v Samaiden Sdn Bhd**

Q Horizon Sdn Bhd (**'the Plaintiff'**) and Samaiden Sdn Bhd (**'the Defendant'**) had entered into a Contract dated 3.5.2021, whereby the Defendant had appointed the Plaintiff as the sub-contractor for the Project known as *"The development of a 100MWAC large scale solar photovoltaic plant over the land held under PN257319, Lot 9089, Mukim Beriah, Daerah Kerian, Negeri Perak"* (**'said Project'**) for the works *"Appointment of Sub-Contractor works for Part WP3 – Piling, Mechanical & Photovoltaic (PV) Installation Works"*.

The Plaintiff filed a Statement of Claim at the High Court on 18.10.2021. The Plaintiff's claim against the Defendant is in relation to the purported final claim sum of RM1,224,131.04 for the said Project.

The Defendant filed a counter claim against the Plaintiff on 26.10.2021 in the total sum of RM944,222.08 which essentially includes the following:

- (i) advance payment made on behalf of the Plaintiff in the execution of the said Project;
- (ii) payment to the third-party contractor subsequent to the termination of the service of the Plaintiff to rectify the outstanding defective works for the Project; and
- (iii) damage of equipment charges.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B9. Material Litigation (cont'd)****1. In the High Court of Kuala Lumpur
Summons No. WA-22C-74-10/2021
Q Horizon Sdn Bhd v Samaiden Sdn Bhd (cont'd)**

The Parties went through mediation to settle the matter out of court but to no avail. During case management on 9 September 2022, the Court has scheduled the trial dates on 2, 3, 10, 23, 24 February 2023. The Court has further scheduled a case management on 31 January 2023.

On 31 January 2023, Court had vacated trial dates set for 2 February 2023 and 3 February 2023 and first day of trial is fixed on 10 February 2023. The Court had further scheduled additional trial dates on 10 July 2023, 31 July 2023 and 1 August 2023.

Our solicitors are of the opinion that the Defendant has a good defence inter-alia in qualified privilege, to the claim made by the sub-contractor.

B9. Material Litigation (cont'd)

2. Payment Claim Pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2021 (hereinafter referred to as “CIPAA”) from Samaiden Sdn Bhd (“SSB”) against Ditrolic Sdn Bhd (“Ditrolic”) and Notices of Arbitration served by Ditrolic against SSB

By the following (hereinafter referred to as the “**Sub-Contract**”), Ditrolic appointed SSB as its sub-contractor for Work Packages No.3 (“WP3”) and Work Packages No.4 (“WP4”) in relation to the Project known as “*The development of a 100MWAC large scale solar photovoltaic plant over the land held under PN257319, Lot 9089, Mukim Beriah, Daerah Kerian, Negeri Perak*” (**‘said Project’**).

SSB had on 10 June 2022, 15 July 2022, 8 September 2022 and 30 November 2022 initiated 4 separate adjudication proceedings pursuant to CIPAA to Ditrolic to claim for outstanding certified and uncertified payments premised on works carried out by SSB. SSB had on 8 February 2023 received 2 Notices of Arbitration from Ditrolic in connection with WP3 and WP4 for the said Project, the details of which are as follow:

Adjudication (CIPAA Claims)			Arbitration
Work Package	Amount of unpaid claim (excluding costs and interest)	Present Status of CIPAA	Claims by Ditrolic against SSB
WP3	RM2,539,141	On 19 December 2022, the adjudicator had decided for a sum of RM2,677,990 together with late payment interests, adjudication and legal costs (less back charges of RM4,825 claimed by Ditrolic) to be paid by Ditrolic to SSB. Subsequent to the adjudication decision, no payment had been received from Ditrolic.	On 8 February 2023, SSB received a Notice of Arbitration - WP3 from Ditrolic for an estimated claim of RM8,119,482 for the entire WP3, which entails the payment made on behalf of SSB and demand of liquidated damages for the WP3. SSB is in the midst of nominating an arbitrator.
WP3	RM2,130,942	The parties are in the midst of appointing an adjudicator.	

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material Litigation (cont'd)

2. Payment Claim Pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2021 (hereinafter referred to as “CIPAA”) from Samaiden Sdn Bhd (“SSB”) against Ditrolic Sdn Bhd (“Ditrolic”) and Notices of Arbitration served by Ditrolic against SSB (cont'd)

Adjudication (CIPAA Claims)			Arbitration
Work Package	Amount of unpaid claim (excluding costs and interest)	Present Status	Claims by Ditrolic against SSB
WP4	RM5,179,382	On 12 December 2022, the adjudicator had decided for RM1,457,353 ⁽ⁱ⁾ together with legal costs to be paid by Ditrolic to SSB. Subsequent to the adjudication decision, no payment had been received from Ditrolic.	On 8 February 2023, SSB received a Notice of Arbitration - WP4 from Ditrolic for an estimated claim of RM4,091,514 for the entire WP4, which entails the payment made on behalf of SSB for WP4. SSB is in the midst of nominating an arbitrator.
WP4	RM2,002,565	Both Ditrolic and SSB have filed their adjudication response on 11 January 2023 and 19 January 2023 respectively. The decision is pending from the adjudicator which will be made known on or before 27 March 2023.	

Note:

- (i) The adjudicator had awarded SSB the outstanding payment sums of RM5,103,165 and legal and adjudication costs of RM98,430. However, the adjudicator had also allowed the liquidated and ascertained damages (“LAD”) claimed by Ditrolic during the CIPAA adjudications of RM3,697,853 and other back charges of RM46,389, for which the final sum of RM1,457,353 was arrived.

The material litigation with Ditrolic should be read together with the announcement made by the Company dated 14 February 2023.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B10. Dividend

No dividend has been declared or recommended for payment by the Company during the current financial quarter under review.

B11. Earnings per Share

The basic and diluted earnings per share for the current financial quarter and year-to-date are computed as follows:-

	Individual Quarter		Cumulative 6 months	
	Current Quarter 31.12.22 RM'000	Preceding Year Quarter 31.12.21 RM'000	Current Year To Date 31.12.22 RM'000	Preceding Year To Date 31.12.21 RM'000
Profit after taxation attributable to owners of the Company (RM'000)	2,596	2,256	5,039	4,326
Weighted average number of shares in issue ('000)	385,005	210,415	385,005	210,415
Basic and diluted earnings per share ⁽¹⁾ (sen)	0.67	1.07	1.31	2.05

Note:-

- (1) The basic earnings per share is computed based on profit after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares. No diluted earnings per share is computed as the Company does not have dilutive potential ordinary shares as at the end of the financial period.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B12. Notes to the Statements of Profit or Loss and Other Comprehensive Income

Profit before taxation is arrived at after charging/(crediting):-

	Individual Quarter		Cumulative 6 months	
	Current Quarter 31.12.22 RM'000	Preceding Year Quarter 31.12.21 RM'000	Current Year To Date 31.12.22 RM'000	Preceding Year To Date 31.12.21 RM'000
Interest income	(280)	(216)	(566)	(430)
Fair value (gain)/loss on short-term investments	(152)	60	(202)	111
Interest expense	348	235	674	387
Depreciation of property, plant and equipment	63	62	125	121
Amortisation of right-of-use asset	174	-	340	-
Realised loss/(gain) on foreign exchange	217	(118)	354	41

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements are not applicable.

B13. Derivatives

The Group did not enter into any derivatives during the current quarter under review.

B14. Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors on 21 February 2023.