

Unaudited Quarterly Results for the 4th Quarter Ended 31 December 2023
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-Dec-23 RM'000	PRECEDING YEAR QUARTER 31-Dec-22 RM'000	CURRENT YEAR TO DATE 31-Dec-23 RM'000	PRECEDING YEAR TO DATE 31-Dec-22 RM'000
Revenue	27,286	-	110,696	-
Cost of sales	(28,203)	-	(111,064)	-
Gross Profit/Loss	(917)	-	(368)	-
Gross Margin percentage	-3.4%		-0.3%	
Other income	1,722	-	6,851	-
Administrative expenses	(2,140)	-	(11,239)	-
Other operating expenses	(9,093)	-	(25,411)	-
	(10,428)	-	(30,167)	-
Finance cost	(424)	-	(1,269)	-
Loss before tax	(10,852)	-	(31,436)	-
Tax expense	217	-	58	-
Loss for the financial period	(10,635)	-	(31,378)	-
Other Comprehensive Income:				
<i>Items that will be subsequently reclassified to profit or loss</i>				
Exchange differences on translation of foreign operations	(956)	-	(172)	-
Total Comprehensive Loss for the financial period	(11,591)	-	(31,550)	-
Loss for the financial period attributable to :				
Owners of the company	(10,549)	-	(31,616)	-
Non-controlling interest	(86)	-	238	-
	(10,635)	-	(31,378)	-
Total comprehensive loss attributable to :				
Owners of the company	(11,643)	-	(31,788)	-
Non-controlling interest	52	-	238	-
	(11,591)	-	(31,550)	-
Basic and diluted loss per share (sen)	(0.55)	-	(1.97)	-

Notes:

1. There are no comparative financial information available as the Group changed its financial year end to 31 December in 2022.
2. The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 December 2022.

Unaudited Quarterly Results for the 4th Quarter Ended 31 December 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2023**

	As at 31-Dec-23 (Unaudited) RM'000	As at 31-Dec-22 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	84,265	91,507
Right-of-use assets	2,569	3,328
Intangible assets	6,618	-
Goodwill	2,925	2,925
Other investments	1,379	11,234
Total non-current assets	<u>97,756</u>	<u>108,994</u>
Current assets		
Inventories	9,136	15,608
Trade receivables	14,708	21,837
Other receivables	4,288	23,375
Current tax assets	4,292	2,020
Short-term deposits	121,061	19,105
Cash and bank balances	5,383	11,502
Total current assets	<u>158,868</u>	<u>93,447</u>
Total assets	<u><u>256,624</u></u>	<u><u>202,441</u></u>
Equity and liabilities		
Equity		
Share capital	156,248	75,608
Treasury shares	(459)	(459)
Reserves	38,084	59,535
Equity attributable to owners of the company	<u>193,873</u>	<u>134,684</u>
Non-controlling interests	2,291	2,713
Total equity	<u>196,164</u>	<u>137,397</u>
Non-current liabilities		
Term loans	2,624	4,714
Hire purchase liabilities	1,728	1,470
Lease liabilities	517	2,298
Deferred tax liabilities	5,519	5,788
Total non-current liabilities	<u>10,388</u>	<u>14,270</u>

Unaudited Quarterly Results for the 4th Quarter Ended 31 December 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2023 (continued)

	As at 31-Dec-23 (Unaudited) RM'000	As at 31-Dec-22 (Audited) RM'000
Current liabilities		
Trade payables	15,742	20,547
Other payables	3,873	6,462
Provision	11,195	11,332
Hire purchase liabilities	1,338	1,047
Lease liabilities	2,437	1,111
Bank borrowings	12,906	1,720
Term loans	1,926	8,232
Current tax liabilities	655	323
Total current liabilities	50,072	50,774
Total liabilities	60,460	65,044
Total equity and liabilities	256,624	202,441
Net assets per share (RM) attributable to owners of the company	0.10	0.49

Notes:

1. There are no comparative financial information available as the Group changed its financial year end to 31 December in 2022.
2. The Unaudited Condensed Consolidated Statements Of Financial Position should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 December 2022.

BSL CORPORATION BERHAD (Registration No. 200401012615 (651118-K))

Unaudited Quarterly Results For The 4th Quarter Ended 31 December 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

	<i>Non-distributable</i>					<i>Distributable</i>		Attributable to Owners of the Company RM'000	Non-controlling Interest RM'000	Total RM'000
	Share Capital RM'000	Warrants Reserve RM'000	Foreign Currency Translation Reserve RM'000	Revaluation Reserve RM'000	Fair Value Reserve RM'000	Treasury Shares RM'000	Retained Profit RM'000			
At 1 January 2023	75,608	-	(977)	35,149	(3,152)	(459)	28,515	134,684	2,713	137,397
Warrant Reserve	(10,338)	10,338	-	-	-	-	-	-	-	-
Reversal	-	-	-	(242)	-	-	242	-	-	-
Loss for the period	-	-	-	-	-	-	(31,617)	(31,617)	239	(31,378)
<u>Other comprehensive income for the period:</u>										
Foreign currency translation differences	-	-	(172)	-	-	-	-	(172)	-	(172)
Total comprehensive loss for the period	-	-	(172)	-	-	-	(31,617)	(31,789)	239	(31,550)
<u>Transactions with owners:</u>										
Issuance of share in pursuant to:										
- Right issue exercise	90,978	-	-	-	-	-	-	90,978	-	90,978
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(661)	(661)
At 31 December 2023	156,248	10,338	(1,149)	34,907	(3,152)	(459)	(2,860)	193,873	2,291	196,164

Note:

1. There are no comparative financial information available as the Group changed its financial year end to 31 December in 2022.

2. The Unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 December 2022.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
FOURTH QUARTER ENDED 31 DECEMBER 2023**

	Cumulative Current Year To Date 31-Dec-23 RM'000	Cumulative Preceding Year To Date 31-Dec-22 RM'000
Cash flows from operating activities		
Loss before tax	(31,213)	-
Adjustments for:		
Depreciation of property, plant and equipment	4,047	-
Depreciation of right-of-use assets	1,721	-
Loss on disposal of other investment (unquoted shares)	975	-
Loss on disposal of a subsidiary company	2,564	-
Gain on disposal of property, plant and equipment	(280)	-
Loss on disposal of other investment (quoted shares)	5,689	-
Fair value loss on other investment (quoted shares)	270	-
Impairment loss on fixed deposits investments	6,237	-
Impairment loss on trade and other receivables	2,671	-
Unrealised (gain)/loss on foreign exchange - net	127	-
Interest income from short term deposit	(2,922)	-
Operating loss before working capital changes	<u>(10,115)</u>	<u>-</u>
Change in working capital:		
Inventories	6,472	-
Receivables	9,779	-
Payables	3,367	-
Cash generated from operations	<u>9,504</u>	<u>-</u>
Interest expense	1,269	-
Income tax paid	(2,121)	-
Net cash generated from operating activities	<u>8,652</u>	<u>-</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(10,065)	-
Purchase intangible assets	(2,618)	-
Purchase of other investment (quoted shares)	(9,940)	-
Proceed from disposal of other investment (quoted shares)	9,352	-
Proceeds from disposal of other investment (unquoted shares)	4,122	-
Proceeds from disposal subsidiary	3,514	-
Interest received	2,922	-
Net cash generated from investing activities	<u>(2,713)</u>	<u>-</u>

Unaudited Quarterly Results for the 4th Quarter Ended 31 December 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (cont.)

	Cumulative Current Year To Date 31-Dec-23 RM'000	Cumulative Preceding Year To Date 31-Dec-22 RM'000
Cash flows from financing activities		
Drawdown of hire purchase liabilities	2,844	-
Repayment of hire purchase liabilities	(2,295)	-
Drawdown of term loans	2,326	-
Repayment of term loans	(10,723)	-
Change in short-term deposits pledged with licensed bank	576	-
Drawdown of bank borrowings	25,466	-
Repayment of bank borrowings	(14,279)	-
Issuance of new shares	90,979	-
Payment of lease liabilities	(633)	-
Dividend paid to non-controlling interest	(661)	-
Interest paid	(1,269)	-
Net cash generated from financing activities	<u>92,331</u>	<u>-</u>
Net increase in cash and cash equivalents	98,270	-
Effect of exchange translation differences on cash and cash equivalents	(1,857)	-
Cash and cash equivalents at beginning of financial period	30,031	-
Cash and cash equivalents at end of financial period *	<u>126,444</u>	<u>-</u>
* Cash and cash equivalents at end of quarter comprise:		
Cash and bank balances	5,383	-
Short-term deposits	<u>121,061</u>	<u>-</u>
	<u>126,444</u>	<u>-</u>

Notes:

1. There are no comparative financial information available as the Group changed its financial year end to 31 December in 2022.
2. The Unaudited Condensed Consolidated Statements Of Cash Flows should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 December 2022.

PART A: NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial period ended 31 December 2022 and the accompanying explanatory notes. The explanatory notes attached to the interim financial statements provides 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 period ended 31 December 2022.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial period ended 31 December 2022. The adoption of the new/amended MFRS and its amendments does not give rise to any adjustment to the opening balances of retained profit of prior period and current period or changes in comparatives.

A2. Qualification of Annual Financial Statements

There were no audit qualifications on the financial statements for the financial period ended 31 December 2022.

A3. Seasonal and Cyclical Factors

The Group’s business operation results were not materially affected by any major seasonal or cyclical factors.

A4. Nature and Amounts of Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review.

A5. Material Changes in Estimates

There were no material changes in estimates of amounts reported in the current quarter under review.

A6. Dividend Paid

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

A7. Issuance of Debt & Equity Securities

There were no issuance, cancellations, or repayments of debts and equity securities, share buy backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review. The total number of treasury shares held was 2,728,226 ordinary shares as at 31 December 2023.

The total shares issued at the end of current financial period was 1,932,812,532, after taking into account treasury shares held.

A8. Segmental Reporting

Segmental information from continuing operations is presented in respect of the Group's business segments for the year to date ended 31 December 2023 as below:

4th quarter ended 31 December 2023

	Investment Holding RM'000	Precision Stamping and Tooling RM'000	PCB assembly RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
External sales	-	25,905	1,381	-	-	27,286
Inter-segment sales	-	129	(329)	-	201	-
Total revenue	-	26,033	1,052	-	201	27,286
Segment results	(393)	(1,354)	(827)	1,372	(10,104)	(11,304)
Loss from operations						(11,304)
Finance cost						(423)
Finance income						875
Loss before tax						(10,852)
Income tax expense						217
Loss for the period						(10,635)

A8. Segmental Reporting (continue.)

Cumulative 4th quarter ended 31 December 2023

	Investment Holding	Precision Stamping and Tooling	PCB assembly	Others	Eliminattions	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External sales	-	105,312	5,125	260	-	110,696
Inter-segment sales	-	496	(172)	-	(324)	-
	-	105,808	4,953	260	(324)	110,696
Segment results	(7,129)	(10,927)	(2,303)	(2,524)	(10,372)	(33,253)
Loss from operations						(33,253)
Finance cost						(1,269)
Finance income						3,086
Loss before tax						(31,436)
Tax reversal						58
Loss for the financial period						(31,378)
Attributable to:						
Owners of the Company						(31,616)
Minority interest						238
						(31,378)

Assets and liabilities as at 31 December 2023

	Investment Holding	Precision Stamping and Tooling	PCB assembly	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	175,268	150,792	4,341	6,176	(79,952)	256,624
Segment liabilities	13,387	46,725	15,871	135	(15,658)	60,460

A9. Valuation of property, plant and equipment

There was no valuation of property, and plant and equipment carried out during the quarter under review.

A10. Material events subsequent to the end of the interim period

Judicial Review Against Bills of Demand issued by Royal Malaysian Customs Selangor

On 19 December 2014, BSL Electronics & Technologies Sdn. Bhd. [formerly known as Crestronics (M) Sdn. Bhd. (“BSLET”) (a wholly-owned subsidiary of the Company)] had received bills of demand from the Royal Malaysian Customs Selangor, being the relevant authority, demanding payment of sales tax and import duties amounting to RM11.1 million for the period from December 2011 to July 2014 of which BSLET disputed. The Directors have obtained advice from a consultant, and based on the advice received, the Directors are of the view that BSLET should only be liable for up to RM0.2 million.

On 30 December 2014, BSLET appealed to the relevant authority. Subsequently, on 15 September 2015, the authority rejected the appeal with no specific reason mentioned.

On 5 November 2015, BSLET appealed to the relevant authority again. However, on 28 June 2017, BSLET received a letter from the relevant authority that the appeal against bills of demand has been rejected and further appeal will not be considered. Thereafter, the Directors engaged another consultant to look into this matter to appeal to Minister of Finance.

On 30 January 2018, BSLET submitted remission application to the Ministry of Finance. Subsequently, on 10 April 2018, the Ministry of Finance rejected the application with no specific reason mentioned.

On 5 July 2018, BSLET, through its appointed solicitor filed in an application for judicial review to the High Court.

On 6 January 2020, the High Court dismissed BSLET’s judicial review application, BSLET proceeded to file a notice of appeal on 14 January 2020 (“Appeal”) to the Court of Appeal in relation to the High Court’s decision to dismiss BSLET’s judicial review application. The High Court had on 17 February 2020 granted BSLET a stay of execution in respect of the bills of demand until the disposal of the Appeal at the Court of Appeal.

Panasonic Manufacturing Malaysia Berhad (“PMMA”) had submitted a notice of motion (“Motion”) for, amongst others, PMMA to be granted leave to intervene to be heard in the Appeal filed by BSLET and the hearing and determination of the Appeal be stayed pending disposal of the Motion.

PMMA claimed, amongst others, that:-

- (a) The subject matter of the Appeal which essentially concerns the dispute on the sales tax and import duties imposed by the Director General of Customs on BSLET in respect of the transactions arising from the sale and purchase agreement between BSLET and PMMA, is similar to the subject matter of the BSLET’s originating summons filed against PMMA. (as set out in Section A10 (ii) below);
- (b) As PMMA has a direct interest in the subject matter of the Appeal, the presence of PMMA in the Appeal is necessary and crucial to ensure that all matters in dispute are heard and adjudicated fairly, effectually and completely; and

- (c) One of the main grounds in BSLET's judicial review application was that the PMMA has represented to BSLET that the PMMA has a Licensed Manufacturing Warehouse ("LMW") status, which should and can only be properly answered by PMMA.

At a case management on 11 August 2021, the Court of Appeal instructed that the Appeal hearing initially scheduled on 17 August 2021 to be vacated and the hearing for the Motion to intervene is fixed on 1 November 2021.

On 1 November 2021, the Court of Appeal had allowed PMMA's Motion to intervene BSLET's Appeal proceedings at the Court of Appeal. On 30 November 2021, BSLET had filed an application for leave to appeal to the Federal Court against the Court of Appeal's decision on 1 November 2021 to allow PMMA's application to intervene.

On 24 May 2022, the Federal Court had allowed PMMA to intervene. On 29 June 2022, the Court of Appeal fixed the hearing date of the appeal on 10 May 2023.

On 10 May 2023, the Court of Appeal had fixed 12 October 2023 for the hearing of BSLET's appeal in relation to the challenge against the bills of demand dated 19 December 2014 raised by the Royal Malaysian Customs Department for import duties and sales tax.

On 12 October 2023, the Court of Appeal had adjourned the hearing for a further one month and the new date has yet to be fixed as the case management is still in the process.

The solicitor of BSLET opines that BSLET has an arguable case to contend that there is no legal or factual basis for the 1st respondent (Ministry of Finance) to disallow BSLET's claim for remission of import duties and sales tax and for the 2nd respondent (Royal Malaysian Customs Department) to raise the disputed bills of demand.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter or period under review save for the following;

- i) Matahari Suria Sdn Bhd has ceased to be a subsidiary company due to completion of the disposal on 25 July 2023;
- ii) Hongze Yiyang Steel Tube Co., Ltd has ceased to be an associate of the Group due to completion of the disposal on 17 July 2023.

A12. Changes in contingent liabilities

For the quarter ended 31 December 2023, corporate guarantees amounting to RM37.5 million were given by the Company to financial institutions for credit facilities granted to subsidiary companies.

A13. Capital commitments

Capital commitments of the Group in respect of property, plant and equipment as at 31 December 2023 are as follows:-

Property, plant and equipment:-	RM'000
- Approved and contracted for	1,613
- Authorized but not contracted for	-

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

B1. Current and Cumulative Quarter's Performance Review

The Group changed its financial year end to 31 December in 2022. As such there are no comparatives available for current quarter and year in review.

	Current Year Quarter 31-Dec-23 RM'000	Cumulative Quarter 31-Dec-23 RM'000
Revenue	27,286	110,696
Gross Loss	(917)	(368)
Loss Before Tax	(10,852)	(31,436)
Loss After Tax	(10,635)	(31,378)
Loss Attributable to Owners of the Company	(10,549)	(31,616)

The Group registered revenue of RM27.3 million and RM110.7 million for current quarter and the cumulative period twelve months ended 31 December 2023 respectively. The Group's revenue was principally derived from the electrical and electronic segment, contributing approximately 45% and 51% of the total revenue for the current quarter and cumulative quarter respectively.

The Group recorded pre-tax loss of RM10.9 million in the current quarter and RM31.4 million for the twelve months period ended 31 December 2023. The pre-tax loss reported are mainly attributed to unfavourable sales performance due to softer demand and losses incurred from corporate exercises, investment and impairments totalling to RM6.7 million and RM19.3 million for the current and cumulative quarter respectively.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Year Quarter 31-Dec-23 RM'000	Immediate Preceding Quarter 31-Dec-23 RM'000	Difference %
Revenue	27,286	26,006	4.9%
Gross Loss	(917)	(715)	28.2%
Loss Before Tax	(10,852)	(7,925)	-36.9%
Loss After Tax	(10,635)	(7,941)	-33.9%
Loss Attributable to Owners of the Company	(10,549)	(8,079)	-30.6%

The Group's revenue of RM27.3 million for the current quarter increased by RM1.2 million or about 4.9% compared with the immediate preceding quarter.

The Group however recorded higher pre-tax loss of RM10.9 million compared with RM7.9 million in the preceding quarter whereby the current quarter results were impacted mainly by impairments losses for its investments and receivables totalling to RM6.7 million.

B3. Commentary on Prospects

The Group is mindful of the challenges ahead with the headwinds remain and have been compounded by continued rising prices, higher interest rates, fluctuation in customer demand, geopolitical uncertainties and intense competition locally and globally. The Group will be actively monitoring and assessing the economic impact arising from these downside risks so as to mitigate any adverse impact on its business operation.

In light of these challenges, the Group remains cautiously optimistic on the business prospects and has taken the opportunity to strategize and refocus operations to its core competency in Metal and PCB Assembly. The acquisition of a Singapore based company, BSL Unify Pte.Ltd, which supplies components and services to Automated Test Equipment (ATE) manufactures is also part of its expansion strategy which is expected to contribute positively towards the Group's financial performance.

The Group also continues to increase the depth and breadth of the customer base and focusing towards optimizing the manufacturing cost structure via implementing a Manufacturing and Control Solution System. Various measures have also been undertaken in its transformation program to enhance operational efficiency and effective cost management in order to improve the financial performance of the Group.

B4. Variance of Actual and Forecast Profit

The Group has not provided any profit forecast.

B5. Loss before Tax

Loss before tax is arrived after charging/(crediting):

	Current Quarter 31-Dec-23 RM'000	Cumulative Quarter 31-Dec-23 RM'000
Depreciation of property, plant & equipment	1,035	4,047
Depreciation of right-of-use assets	797	1,721
Gain on disposal of property, plant and equipment	(18)	(280)
Net loss / (gain) on foreign exchange	(22)	(85)
Loss on disposal of investment (quoted shares)	-	975
Loss on disposal of other investment (unquoted shares)	-	2,770
Fair value loss on quoted investment	-	5,689
Impairment loss on fixed deposits investments	6,237	6,237
Impairment loss on trade and other receivables	528	528
Interest expense	424	1,269
Interest income	(876)	(2,922)

B6. Tax Expense

	Current Quarter 31-Dec-23 RM'000	Cumulative Quarter 31-Dec-23 RM'000
Income tax expense	683	524
Deferred tax expense/(reversal)	(466)	(466)
Total tax expense	<u>217</u>	<u>58</u>

B7. Unquoted Investments and/or Properties

The Group has not acquired or disposed any investments in any unquoted investments and/or properties during the financial quarter under review save for the disposal of 25% interest in Hongze Yiyang Steel Tube Co., Ltd by BSL (HK) Limited that has been completed in July 2023.

B8. Quoted and Marketable Investments

During the quarter the following quoted and marketable investments were acquired/(sold).

- (a) The net sale of investments in quoted securities by the Group for the current financial quarter and financial year-to-date under review are set out as follows:

	Current Quarter 31-Dec-23 RM'000	Cumulative Quarter 31-Dec-23 RM'000
	-	<u>3,273</u>

- (b) The details of investments in quoted securities by the Group as at the end of the current financial quarter and financial year-to-date under review are set out as follows:

	Current Quarter 31-Dec-23 RM'000	Cumulative Quarter 31-Dec-23 RM'000
Total investment at market value bought forward	1,109	6,633
Total net purchase/(sale) of investments in quoted securities	-	(3,273)
Loss on disposal of quoted securities	-	(1,667)
Fair value loss on investment in quoted securities recognised in profit or loss	270	(314)
Total investment at market value carried forward	<u>1,379</u>	<u>1,379</u>

B9. Status of Corporate Developments

There is no corporate development currently on-going.

B10. Utilization of Proceeds

(i) Private Placement

Following is the status utilization of the proceeds Private Placement exercise which was completed on 28 March 2022:

Purpose of Utilization	Timeframe for Utilization	Approved Utilization RM'000	Actual Utilization RM'000	Balance Unutilised RM'000
Manufacturing Expansion	Within 24 months	10,598	6,709	3,889
Expenses for Corporate Exercises	Immediate	2,111	643	1,468
Total		12,709	7,352	5,357

(ii) Rights Issue

Following is the status utilization of the proceeds from the Rights Issue exercise which was completed on 15 March 2023:

Purpose of Utilisation	Timeline for Utilization	Approved Utilisation RM'000	Actual Utilization RM'000	Balance Unutilized RM'000
Manufacturing Expansion	Within 24 months	26,000	638	25,362
Upgrading of Existing Facilities and Technologies		17,500	7,840	9,660
Funding for Raw Materials		14,500	4,871	9,629
Repayment of Borrowings		3,000	3,000	-
Working Capital		29,129	11,803	17,326
Expenses For the Rights Issue with Warrants	Immediate	850	753	97
Total		90,979	28,905	62,074

B11. Group Borrowings

The Group's total borrowings as at 31 December 2023 stood at RM23.5 million, representing a gearing ratio of 0.12 to shareholders equity.

	As at 31 December 2023		
	Long Term RM'000	Short term RM'000	Total borrowings RM'000
<u>Secured borrowings</u>			
Overdraft	-	1,452	1,452
Bankers' acceptance	-	11,454	11,454
Term loans	2,624	1,926	4,550
Hire purchase loans	1,728	1,338	3,066
Sub-Total	4,352	16,170	20,522
<u>Un-Secured borrowings</u>			
Lease liabilities	517	2,437	2,954
Sub-Total	517	2,437	2,954
Total	4,869	18,607	23,476

B12. Off-Balance Sheet Financial Instrument

There are no financial instruments with off-balance sheet risk since the end of the last audited financial period ended 31 December 2022 up to the date of this announcement.

B13. Changes in Material Litigation

Save as disclosed in Note A10 above, the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or any of its subsidiary companies.

B14. Dividend Payable

The Board of Directors did not propose any dividend for the current quarter under review.

B15. Loss per share

The loss per share for the quarter and cumulative year to date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31-Dec-23 RM'000	Preceding Year Quarter 31-Dec-22 RM'000	Current Period To Date 31-Dec-23 RM'000	Preceding Year to Date 31-Dec-22 RM'000
Loss attributable to owners of the Company	(10,549)	-	(31,616)	-
Weighted average number of ordinary share in issue ('mil)	1,933	-	1,601	-
Basic Loss Per Share (sen)	(0.55)	-	(1.97)	-
Diluted Loss Per Share (sen)	(0.55)	-	(1.97)	-

The diluted loss per share has been calculated based on the adjusted consolidated loss for the financial period attributable to the equity holders of the Company and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares.

B16. Authorisation for Issue

This quarterly report has been authorised for issue by the Board of Directors.