



**CN ASIA CORPORATION BHD**

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

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE FOURTH FINANCIAL QUARTER ENDED 31 MARCH 2024**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FOURTH FINANCIAL QUARTER ENDED 31 MARCH 2024**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 Months Ended 31.03.2024 RM'000	3 Months Ended 31.03.2023 RM'000	12 Months Ended 31.03.2024 RM'000	12 Months Ended 31.03.2023 ** RM'000
Revenue	6,137	1,947	19,552	-
Cost of sales	(5,343)	(1,960)	(14,852)	-
Gross profit/(loss)	794	(13)	4,700	-
Selling and distribution expenses	(7)	(6)	(35)	-
Administrative expenses	(1,665)	(931)	(4,518)	-
Other operating expenses	(10,098)	(18,385)	(10,105)	-
Other income	80	76	332	-
Loss from operations before interest and tax	(10,896)	(19,259)	(9,626)	-
Finance costs	(92)	(102)	(365)	-
Loss before tax	(10,988)	(19,361)	(9,991)	-
Tax expense	(25)	(52)	(197)	-
Loss after tax for the period/year	(11,013)	(19,413)	(10,188)	-
Other comprehensive expense, net of tax that may be reclassified subsequently to profit and loss	-	-	-	-
Total comprehensive expense for the period/year	(11,013)	(19,413)	(10,188)	-
Net loss for the period/year attributable to: -				
Owners of the Company	(11,013)	(19,413)	(10,188)	-
Non-controlling interests	-	-	-	-
	(11,013)	(19,413)	(10,188)	-
Total comprehensive expense for the period/year attributable to: -				
Owners of the Company	(11,013)	(19,413)	(10,188)	-
Non-controlling interests	-	-	-	-
	(11,013)	(19,413)	(10,188)	-
Loss per share (sen)				
- Basic	(4.50)	(10.03)	(4.16)	-
- Diluted	(4.49)	(8.65)	(4.15)	-

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

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 12 months financial year ended 31 March 2024.*

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

	<b>As At Current Financial Year Ended 31.03.2024 RM'000</b>	<b>As At Preceding Financial Period Ended 31.03.2023 RM'000</b>
<b>ASSETS</b>		
Non-current Assets		
<i>Property, plant and equipment</i>	11,204	14,828
<i>Right-of-use asset</i>	265	618
<i>Intangible asset</i>	-	88
	<u>11,469</u>	<u>15,534</u>
Current Assets		
<i>Inventories</i>	3,653	3,869
<i>Trade and other receivables</i>	17,190	17,098
<i>Contract assets</i>	427	188
<i>Current tax asset</i>	93	239
<i>Cash and cash equivalents</i>	11,503	15,676
	<u>32,866</u>	<u>37,070</u>
<b>TOTAL ASSETS</b>	<u><u>44,335</u></u>	<u><u>52,604</u></u>
<b>EQUITY AND LIABILITIES</b>		
Equity		
<i>Share capital</i>	75,046	75,046
<i>Share options reserve</i>	162	162
<i>Accumulated losses</i>	(43,253)	(33,065)
Shareholders' Equity	<u>31,955</u>	<u>42,143</u>
Liabilities		
Non-current Liability		
<i>Lease liabilities</i>	-	292
<i>Term loan</i>	3,021	3,120
	<u>3,021</u>	<u>3,412</u>
Current Liabilities		
<i>Trade and other payables</i>	2,516	935
<i>Contract liabilities</i>	1,322	1,170
<i>Short-term borrowings</i>	5,229	4,571
<i>Lease liabilities</i>	292	373
	<u>9,359</u>	<u>7,049</u>
<b>TOTAL LIABILITIES</b>	<u>12,380</u>	<u>10,461</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>44,335</u></u>	<u><u>52,604</u></u>
Net Assets Per Share (RM)	<u><u>0.13</u></u>	<u><u>0.17</u></u>

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH FINANCIAL QUARTER ENDED 31 MARCH 2024**

	← Financial Year Ended →	
	31.03.2024 RM'000	31.03.2023 ** RM'000
<b>Cash Flows From Operating Activities</b>		
Loss Before Tax	(9,991)	-
Adjustments For:-		
Allowance for impairment of receivables	7,356	-
Allowance for impairment of intangible asset	56	-
Allowance for impairment of capital work in progress	2,679	-
Amortisation of intangible asset	32	-
Amortisation of leasehold land	45	-
Depreciation of property, plant and equipment	1,283	-
Depreciation of right-of-use asset	353	-
Gain on foreign exchange - Unrealised	(22)	-
Interest expenses	365	-
Interest income	(298)	-
	11,849	-
Operating Profit Before Working Capital Changes	1,858	-
Changes In Working Capital		
Inventories	(23)	-
Receivables	(7,426)	-
Payables	1,733	-
Cash Used In Operations	(3,858)	-
Interest paid	(365)	-
Net tax paid	(51)	-
Net Cash Used In Operating Activities	(4,274)	-
<b>Cash Flows From Investing Activities</b>		
Interest received	298	-
Capital work-in-progress incurred	(92)	-
Purchase of property, plant and equipment	(292)	-
Net Cash Used In Investing Activities	(86)	-
<b>Cash Flows From Financing Activities</b>		
Placement of pledged fixed deposit	(296)	-
Net drawdown of bankers' acceptance	1,909	-
Net repayments of lease liabilities	(373)	-
Net repayments of term loan	(88)	-
Net Cash Generated From Financing Activities	1,152	-
Net Decrease In Cash And Cash Equivalents	(3,208)	-
Cash And Cash Equivalents At Beginning Of The Financial Year	1,654	-
Cash And Cash Equivalents At End Of The Financial Year	(1,554)	-
Cash and cash equivalents at end of the financial Year comprise:		
Cash and cash equivalents	11,503	-
Bank overdrafts	(1,746)	-
	9,757	-
Less: Deposits pledged as security for banking facilities	(11,311)	-
	(1,554)	-

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

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 12 months financial year ended 31 March 2024.*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FOURTH FINANCIAL QUARTER ENDED 31 MARCH 2024**

	-----Attributable to owners of the Company-----			
	Non-distributable	Distributable		
	SHARE CAPITAL RM'000	SHARE OPTIONS RESERVE RM'000	ACCUMULATED LOSSES RM'000	TOTAL EQUITY RM'000
<b>Current financial year ended 31 March 2024</b>				
At 1 April 2023	75,046	162	(33,065)	42,143
<u>Transaction with owners:</u>	-	-	-	-
Loss for the year	-	-	(10,188)	(10,188)
At 31 March 2024	<u>75,046</u>	<u>162</u>	<u>(43,253)</u>	<u>31,955</u>

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

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 12 months financial year ended 31 March 2024.*

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Fourth Financial Quarter Ended 31 March 2024**

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

**A1. Corporate information**

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

**A2. Basis of preparation**

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

**Change in Accounting Standards**

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

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

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

**Change in Financial Year End**

The current financial period under review covers twelve (12) months period from 1 April 2023 to 31 March 2024, representing the fourth financial quarter subsequent to the change of the Group’s financial year end from 31 December to 31 March. Accordingly, no comparative cumulative results, cash flow and changes in equity are presented.

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

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

**A4. Seasonal and cyclical factors**

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

**A5. Items of an unusual nature**

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

**A6. Material changes in estimates**

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

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Fourth Financial Quarter Ended 31 March 2024 (Cont'd)**

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

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

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

**A8. Dividend paid**

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

**A9. Operating Segments**

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

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

<b><u>Business segments</u></b>	<b>Manufacturing RM'000</b>	<b>Financial Services RM'000</b>	<b>Energy Management RM'000</b>	<b>Investment RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>						
External revenue	18,326	1,226	-	-	-	19,552
Inter-segment revenue	-	-	-	458	(458)	-
<b>Total revenue</b>	<b>18,326</b>	<b>1,226</b>	<b>-</b>	<b>458</b>	<b>(458)</b>	<b>19,552</b>
<b>Results</b>						
Segment results	(3,128)	(6,235)	(99)	(462)	-	(9,924)
Finance costs	(365)	(396)	-	-	396	(365)
Interest income	296	-	-	2	-	298
Loss before tax	(3,197)	(6,631)	(99)	(460)	396	(9,991)
Tax expense	(53)	(145)	-	1	-	(197)
<b>Loss after tax</b>	<b>(3,250)</b>	<b>(6,776)</b>	<b>(99)</b>	<b>(459)</b>	<b>396</b>	<b>(10,188)</b>
<b>Assets</b>						
Segment assets	29,919	11,439	288	2,717	(28)	44,335
<b>Liabilities</b>						
Segment liabilities	11,643	42	-	723	(28)	12,380
<b>Included in the measure of segment assets</b>						
Capital expenditure	384	-	-	-	-	384
Depreciation and amortisation	1,685	-	-	28	-	1,713

**Geographical information** – Not Applicable.

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Fourth Financial Quarter Ended 31 March 2024 (Cont'd)**

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

**A10. Trade and other receivables**

	<b>Financial Year Ended 31.03.2024 RM'000</b>	<b>Financial Period Ended 31.03.2023 RM'000</b>
Trade receivables		
Non-related parties	5,065	2,338
Less: Allowance for impairment of receivables	(1,776)	(580)
	<u>3,289</u>	<u>1,758</u>
Loan Receivables – related party	7,000	7,000
Loan Receivables – non-related parties	16,000	12,000
	<u>23,000</u>	<u>19,000</u>
Less: Allowance for impairment on loan receivables -non-related parties	(12,000)	(5,840)
	<u>11,000</u>	<u>13,160</u>
	<u>14,289</u>	<u>14,918</u>
Other receivables, deposits and prepayments	2,901	2,180
Total trade and other receivables	<u>17,190</u>	<u>17,098</u>

The trade receivables of the Group, net of allowance for impairment, as at the end of the current quarter amounting to RM14.3 million (2023: RM14.9 million), consist of loan receivables of RM11.0 million (2023: RM13.1 million), manufacturing receivables and interest receivables of RM3.3 million (2023: RM1.8 million). The loan receivables are due upon the loan maturity ranging from September 2024 to April 2025 with an additional amount of RM6.2 million (2023: RM5.8 million) provided as expected credit losses for the current financial year ended 31 March 2024. The manufacturing and interest receivables are analysed as follows: -

	----- Credit Period -----				
	----- Within Not past due, not impaired	----- 1 to 30 days past due, not impaired	----- 31 to 60 days past due, not impaired	----- Exceeding > 60 days past due, not impaired	
Manufacturing and interest receivables (RM'000)	2,227	422	151	489	3,289
% of total manufacturing and interest receivables (%)	68	13	4	15	100

The Group's normal trade credit term granted to its customers ranges from 30 to 90 days. The manufacturing and interest receivables, net of allowance for impairment, that are past due for more than 60 days amounted to RM0.5 million mainly consist of interest receivables of the Group. These receivables are creditworthy receivables and the Group maintains good business relationship with on-going business transactions with these customers. Given the credit exposure of the Group's portfolio of these receivables, an additional allowance for impairment of approximately RM1.2 million has been made in the current financial quarter. As at the date of this report, RM2.1 million or 63% of these receivables has been collected.



**Notes To The Condensed Consolidated Interim Financial Statements  
For The Fourth Financial Quarter Ended 31 March 2024 (Cont'd)**

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

**A11. Material subsequent events**

There were no material event subsequent to the end of the current quarter reported, to 17 May 2024, being the latest practicable date (“LPD”), which is not earlier than seven (7) days from the date of issuance of this quarterly report, that has not been reflected in the financial statements for the period, except as disclosed in Note B6 of this report.

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

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

**A13. Changes in contingent liabilities**

	<b>Financial Year Ended 31.03.2024 RM'000</b>	<b>Financial Period Ended 31.03.2023 RM'000</b>
<u>Secured</u>		
Bankers’ guarantee issued in favour of third parties	86	215

**A14. Capital commitments**

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

**A15. Significant related party transactions**

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

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

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

The total number of options granted, exercised and outstanding under the SIS as at the financial year ended 31 March 2024 are set out below: -

<b>Description</b>	<b>All Eligible Employees (‘000)</b>		
	<b>Directors</b>	<b>Eligible Employees</b>	<b>Total</b>
Total options granted At 1 April 2023 / 31 March 2024	-	600	600

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Fourth Financial Quarter Ended 31 March 2024 (Cont'd)**

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

**B1. Performance review**

	Individual Quarter				Cumulative Quarter			
	3 Months	3 Months	Variance		12 Months	12 Months	Variance	
	Ended	Ended	Amount	%	Ended	Ended	Amount	%
	31.03.2024	31.03.2023	RM'000		31.03.2024	31.03.2023	RM'000	
	RM'000	RM'000	RM'000	%	RM'000	RM'000**	RM'000	%
Revenue	6,137	1,947	4,190	215	19,552	-	19,552	100
Loss before interest and tax	(10,896)	(19,259)	8,363	43	(9,626)	-	(9,626)	100
Loss before tax	(10,988)	(19,361)	8,373	43	(9,991)	-	(9,991)	100
Loss after tax	(11,013)	(19,413)	8,400	43	(10,188)	-	(10,188)	100
Loss attributable to owners of the Company	(11,013)	(19,413)	8,400	43	(10,188)	-	(10,188)	100

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information for the cumulative 12 months financial year ended 31 March 2024.*

The Group recorded a revenue of RM6.1 million for the current quarter, representing an increase of RM4.2 million or 215% against the corresponding quarter ended 31 March 2023. Revenue from manufacturing and financial services segment recorded an increase of 250% and 11% compared to the corresponding period respectively. The higher revenue reported was mainly attributable to the increase revenue from storage tanks, pressure vessels and road tankers in the manufacturing segment and the increase in principal loan extended in the financial services segment.

For the current quarter under review, the Group reported an improved result with a lower loss before tax ("LBT") of RM11.0 million compared to LBT of RM19.4 million in the preceding year corresponding quarter. The LBT for the current quarter was mainly caused by a provision for expected credit losses on receivables and an allowance for impairment on capital work in progress of RM7.4 million and RM2.7 million respectively coupled with the increased administrative expenses resulted from the adjustment on remuneration package in the current financial quarter. In addition, the lower LBT for the current quarter was due to the presence of the following items in the preceding year corresponding quarter:-

- (i) provision for credit losses on loan receivables amounting to RM5.8 million;
- (ii) writing off of development cost due to flood occurred on the project site amounting to RM12.0 million;
- and
- (iii) writing off of property, plant and equipment amounting to RM0.5 million.

For the current financial year-to-date, the Group reported revenue of RM19.6 million with a LBT of RM10.0 million.

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Fourth Financial Quarter Ended 31 March 2024 (Cont'd)**

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

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

	<b>3 Months Current Quarter 31.03.2024 RM'000</b>	<b>3 Months Preceding Quarter 31.12.2023 RM'000</b>	<b>Variance</b>	
			<b>Amount RM'000</b>	<b>%</b>
Revenue	6,137	5,559	578	10
(Loss)/Profit before interest and tax	(10,896)	445	-11,341	-2,549
(Loss)/Profit before tax	(10,988)	345	-11,333	-3,285
(Loss)/Profit after tax	(11,013)	313	-11,326	-3,619
(Loss)/Profit attributable to owners of the Company	(11,013)	313	-11,326	-3,619

The Group reported revenue of RM6.1 million for the current quarter, representing an increase of 10% against the revenue of RM5.6 million for the immediate preceding quarter. The increase was attributable to the overall increase in revenue of RM0.5 million and RM0.1 million from the manufacturing segment and the financial services segment respectively.

Notwithstanding a higher revenue reported in the current quarter, the Group reported a LBT of RM11.0 million mainly due to decrease in production activities particularly during the festive season and the following items occurred during the quarter under review: -

- (a) increase in administrative expense by RM0.7 million resulted from the adjustment on remuneration packages based on the annual appraisers;
- (b) a provision for expected credit losses on loan receivables of RM7.4 million; and
- (c) an allowance for impairment of capital work in progress of RM2.7 million

**B3. Commentary of prospects**

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

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

Barring further unforeseen circumstances, the Group expects its overall performance for the financial year ending 31 March 2025 to remain challenging.

**B4. Profit forecast or profit guarantee**

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

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Fourth Financial Quarter Ended 31 March 2024 (Cont'd)**

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

**B5. Tax expense**

	Individual Quarter		Cumulative Quarter	
	3 Months Ended 31.03.2024 RM'000	3 Months Ended 31.03.2023 RM'000	12 Months Ended 31.03.2024 RM'000	12 Months Ended 31.03.2023 RM'000 **
Income tax				
- Current year	25	52	223	-
- Overprovision in prior year	-	-	(26)	-
	<u>25</u>	<u>52</u>	<u>197</u>	<u>-</u>

\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 12 months financial year ended 31 March 2024.

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

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

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

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

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

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

(Collectively, the "Proposed Gas Processing")

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

- Proposed private placement of 73,397,000 new ordinary shares in CN Asia ("CNASIA Shares", "Shares" or "Placement Shares"), representing approximately 30.0% of the total existing number of Shares in CNASIA ("Proposed Private Placement");
- proposed renounceable rights issue of up to 4,535,126,440 CNASIA Shares ("Rights Shares") together with up to 907,025,288 free detachable warrants ("Warrants-B") on the basis of thirteen (13) Rights Shares for every one (1) existing Share held together with one (1) Warrants-B for every five (5) Rights Shares subscribed ("Proposed Rights Issue with Warrants-B");
- proposed issuance of 1,205,263,158 CNASIA Shares to MELL at an issue price of RM0.19 per share pursuant to the Proposed Gas Processing ("Proposed Issuance of Shares");

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Fourth Financial Quarter Ended 31 March 2024 (Cont'd)**

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

*Status of corporate proposals and utilisation of proceeds (Cont'd)*

- proposed issuance of 1,205,263,158 redeemable convertible preference shares in CNASIA (“RCPS”) to MELL at an issue price of RM0.19 per RCPS (“Proposed Issuance of RCPS”);
- proposed diversification of the business of CNASIA and its subsidiaries (“CNASIA Group” or “Group”) into the downstream oil and gas industry which include the production of LPG and condensate (“Proposed Diversification”); and
- proposed amendments to the Constitution of the Company to facilitate the Proposed Issuance of RCPS (“Proposed Amendments”).

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

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

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

Further announcement will be made in due course.

**B7. Group borrowings**

	<b>Financial Year Ended 31.03.2024 RM'000</b>	<b>Financial Period Ended 31.03.2023 RM'000</b>
<u>SECURED</u>		
Short term		
Bank overdraft	1,746	3,008
Bankers' acceptance	3,377	1,468
Term Loan	106	95
	5,229	4,571
Lease liabilities	292	373
	5,521	4,944
Long term		
Lease liabilities	-	292
Term loan	3,021	3,120
	3,021	3,412
Total Borrowings	8,542	8,356

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

**B8. Material litigation**

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

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Fourth Financial Quarter Ended 31 March 2024 (Cont'd)**

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

**B9. Dividend**

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

**B10. Loss per share**

(a) Basic loss per share

	Individual Quarter		Cumulative Quarter	
	3 Months Ended 31.03.2024 RM'000	3 Months Ended 31.03.2023 RM'000	12 Months Ended 31.03.2024 RM'000	12 Months Ended 31.03.2023 RM'000 **
Loss after tax for the period/year	(11,013)	(19,413)	(10,188)	-
Weighted average number of ordinary shares in issue ('000)	244,657	193,541	244,657	-
Basic loss per share (sen)	(4.50)	(10.03)	(4.16)	-

(b) Diluted loss per share

Loss after tax for the period/year	(11,013)	(19,413)	(10,188)	-
Weighted average number of ordinary shares in issue ('000)	244,657	193,541	244,657	-
Effect of potential exercise of share options ('000)	600	600	600	-
Effect of potential exercise of Warrants ('000)	-*	30,202	-*	-
	245,257	224,343	245,257	-
Diluted loss per share (sen)	(4.49)	(8.65)	(4.15)	-

\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 12 months financial year ended 31 March 2024.

\* The Warrants will be expiring on 7 June 2024 and the effect on the assumed exercise of the Warrants is anti-dilutive.

**Notes To The Condensed Consolidated Interim Financial Statements  
For The Fourth Financial Quarter Ended 31 March 2024 (Cont'd)**

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

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

	Individual Quarter		Cumulative Quarter	
	3 Months Ended 31.03.2024 RM'000	3 Months Ended 31.03.2023 RM'000	12 Months Ended 31.03.2024 RM'000	12 Months Ended 31.03.2023 RM'000 **
Loss before tax is derived after charging/(crediting) the following: -				
Allowance for impairment of receivables	7,356	5,840	7,356	-
Allowance for impairment of intangible asset	56	-	56	-
Allowance for impairment of capital work in progress	2,679	-	2,679	-
Amortisation of intangible assets	8	8	32	-
Amortisation of leasehold land	11	10	45	-
Depreciation of property, plant and equipment	313	422	1,283	-
Depreciation of right-of-use asset	88	89	353	-
Development cost written off	-	12,020	-	-
Interest expenses	92	102	365	-
Interest income	(74)	(81)	(298)	-
Property, plant and equipment written off	-	523	-	-
(Gain)/Loss on foreign exchange				
- Unrealised	(5)	(4)	(22)	-
- Realised	4	10	(1)	-

*\*\* In view of the change in financial year end from 31 December 2022 to 31 March 2023, there was no comparative financial information available for the 12 months financial year ended 31 March 2024.*

**B.12 Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 May 2024.

**BY ORDER OF THE BOARD**

**CHIEW LIYAH (MAICSA 7040924) (SSM PC No. 201908003992)**  
Company Secretary  
Selangor, 30 May 2024