



OB HOLDINGS BERHAD

*(Registration No. 202301020810 (1514732-P))
(Incorporated in Malaysia under the Companies Act 2016)*

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 AUGUST 2024

OB HOLDINGS BERHAD

(Registration No. 202301020810 (1514732-P))

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2024 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2023 ⁽²⁾ UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2023 ⁽²⁾ UNAUDITED RM'000
Revenue	12,022	N/A	12,022	N/A
Cost of sales	(6,632)	N/A	(6,632)	N/A
Gross profit	5,390	N/A	5,390	N/A
Other income	247	N/A	247	N/A
Selling and distribution expenses	(1,402)	N/A	(1,402)	N/A
Administrative expenses	(2,075)	N/A	(2,075)	N/A
Operating profits	2,160	N/A	2,160	N/A
Finance income	2	N/A	2	N/A
Finance costs	(157)	N/A	(157)	N/A
Profit before tax	2,005	N/A	2,005	N/A
Tax expenses	(563)	N/A	(563)	N/A
Profit after tax/ Total comprehensive income for the financial periods	1,442	N/A	1,442	N/A
Basic and diluted earnings per share (sen) ⁽³⁾ ⁽⁴⁾	2.69	N/A	2.69	N/A

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(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 27 September 2024 and the accompanying explanatory notes attached in the interim financial report.
 - (2) This is the interim financial report for the first quarter ended 31 August 2024 being announced in compliance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). There are no comparative figures for the preceding corresponding quarter and period as there is no interim financial report prepared for the comparative period concerned.
 - (3) Computed based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue as at the end of the financial period.
 - (4) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the financial period.
- N/A Not applicable.

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OB HOLDINGS BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	UNAUDITED 31.08.2024 RM'000	AUDITED 31.05.2024 RM'000
ASSETS		
Non-current Assets		
Property, plant, and equipment	10,040	10,178
Right-of-use assets	16,697	16,747
Investment properties	217	218
Intangible assets	*	*
Other receivables	10	10
Total non-current assets	26,964	27,153
Current Assets		
Inventories	12,101	11,618
Trade receivables	6,793	8,535
Other receivables	1,655	1,472
Tax recoverable	20	133
Deposits with licensed banks	281	390
Cash and bank balances	3,796	3,173
Total current assets	24,646	25,321
TOTAL ASSETS	51,610	52,474
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to owners of the Company		
Share capital	27,164	1,401
Merger reserves	(25,763)	-
Retained earnings	32,346	30,904
TOTAL EQUITY	33,747	32,305
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	686	713
Borrowings	10,984	11,226
Total non-current liabilities	11,670	11,939
Current Liabilities		
Trade payables	2,289	2,965
Other payables	2,007	2,460
Borrowings	1,897	2,735
Tax payables	-	70
Total current liabilities	6,193	8,230
TOTAL LIABILITIES	17,863	20,169
TOTAL EQUITY AND LIABILITIES	51,610	52,474
Net assets per share (RM) ⁽²⁾	0.12	0.12

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

Notes:

- * Amount is less than RM1,000.
- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 27 September 2024 and the accompanying explanatory notes attached in the interim financial report.
- (2) Computed based on total equity attributable to owners of the Company divided by the number of ordinary shares of 271,627,000 before the Initial Public Offering ("IPO").

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ^{(1) (2)}

	SHARE CAPITAL RM'000	MERGER RESERVES RM'000	RETAINED EARNINGS RM'000	TOTAL RM'000
Balance as at 1 June 2024	1	-	(855)	(854)
Total comprehensive income for the financial period	-	-	1,442	1,442
<u>Transactions with owners:</u>				
Consideration for acquisition of subsidiaries	27,163	(25,763)	31,759	33,159
Balance as at 31 August 2024 (Unaudited)	27,164	(25,763)	32,346	33,747

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 27 September 2024 and the accompanying explanatory notes attached in the interim financial report.
- (2) This is the interim financial report for the first quarter ended 31 August 2024 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and period as there is no interim financial report prepared for the comparative period concerned.

OB HOLDINGS BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	CURRENT YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2023 ⁽²⁾ UNAUDITED RM'000
OPERATING ACTIVITIES		
Profit before tax	2,005	N/A
Adjustments for:		
Depreciation of property, plant and equipment	535	N/A
Depreciation of right-of-use assets	51	N/A
Depreciation of investment properties	1	N/A
Interest expenses	157	N/A
Interest income	(2)	N/A
Operating profit before working capital changes	2,747	N/A
Changes in working capital:		
Inventories	(484)	N/A
Receivables	1,560	N/A
Payables	(1,130)	N/A
Cash generated from operations	2,693	N/A
Income tax paid	(547)	N/A
Interest received	2	N/A
Interest paid	(2)	N/A
Net cash from operating activities	2,146	N/A
INVESTING ACTIVITY		
Purchase of property, plant and equipment	(396)	N/A
Net cash used in investing activities	(396)	N/A
FINANCING ACTIVITIES		
Interest paid	(155)	N/A
Increased in deposits pledged	(1)	N/A
Drawdown/(Repayment) of bankers' acceptance	(706)	N/A
Repayment of term loans	(374)	N/A
Net cash from financing activities	(1,236)	N/A

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	CURRENT YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2023 ⁽²⁾ UNAUDITED RM'000
CASH AND CASH EQUIVALENTS		
Net changes	514	N/A
Brought forward	3,414	N/A
Carried forward	3,928	N/A
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISES:		
Cash and bank balances	3,796	N/A
Fixed deposits with licensed banks	281	N/A
	4,077	N/A
Less: Fixed deposits pledged with licensed banks	(149)	N/A
	3,928	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 27 August 2024 and the accompanying explanatory notes attached in the interim financial report.
- (2) This is the interim financial report for the first quarter ended 31 August 2024 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding year-to-date as there is no interim financial report prepared for the comparative period concerned.

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A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A1 Basis of preparation

The interim financial statements of OB Holdings Berhad (“**OB Holdings**” or the “**Company**”) and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the requirements of the MFRS 134 “Interim Financial Reporting” and Appendix 9B of the Listing Requirements.

This is the first interim financial report on the Group’s unaudited condensed consolidated interim financial statements for the first quarter ended 31 August 2024 being announced by the Group in compliance with the Listing Requirements. As such, there are no comparative figures for the preceding corresponding period.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus of the Company dated 27 September 2024 and the accompanying explanatory notes attached to this interim financial report.

A2 Significant Accounting Policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the Accountants’ Report as disclosed in the Prospectus dated 27 September 2024, save for the following:

MFRS and Amendments to MFRSs in issue but not yet effective

The Group has not adopted the following Standards and Amendments to MFRS effective for annual periods beginning on or after 1 January 2025:

Effective for the financial period beginning on or after 1 January 2025

- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rate Lack of Exchangeability

Effective for the financial period beginning on or after 1 January 2026

- Amendments to MFRS 9 and MFRS 7, Financial Instruments and Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments

Effective for the financial period beginning on or after 1 January 2027

- MFRS 18, Presentation and Disclosure in Financial Statements
- MFRS 19, Subsidiaries without Public Accountability: Disclosures

Deferred to a date to be determined by Malaysian Accounting Standards Board

- Amendments to MFRS 10 and MFRS 128, Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect on the financial statements of the Group upon their initial application.

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

A3 Auditors' report on preceding annual financial statements

The Company was incorporated on 1 June 2023 as a private limited company and was subsequently converted into a public limited company on 21 August 2023. The audited financial statements of the Group for the financial year ended 31 May 2024 were not subject to any qualification.

A4 Seasonal or cyclical factors

The Group's business operations do not experience any material seasonality effects in the business as the demand for the product and services are not subject to seasonal fluctuations.

A5 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows of the Group, that are unusual by reason of their nature, size or incidence for the financial quarter under review.

A6 Material changes in estimates

There were no material changes in estimates which have a material effect on the results for the financial quarter under review.

A7 Debt and equity securities

Save as disclosed in Note B6 below, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial quarter under review.

A8 Dividend paid

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

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

A9 Segment information

The segmental analysis of Group's revenue is set out as follows:

	Provision of manufacturing services	House brand products	Trading and others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	6,321	4,184	1,517	-	12,022
Inter-segment revenue	-	2,011	272	(2,283)	-
Total revenue	6,321	6,195	1,789	(2,283)	12,022

Results

Finance income	2
Finance costs	(157)
Depreciation of property, plant and equipment	(535)
Depreciation of investment properties	(51)
Tax expense	(563)
Segment profit	1,287

Revenue by geographical locations:

	Total
	RM'000
Malaysia	10,780
Overseas	1,242
Total revenue	12,022

This is the interim financial report for the first quarter ended 31 August 2024 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding year-to-date as there is no interim financial report prepared for the comparative period concerned.

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

A10 Valuation of property, plant and equipment, and investment properties

There was no valuation of property, plant and equipment, and investment properties undertaken during the current financial quarter under review.

A11 Significant events subsequent to the end of the interim financial period

Save as disclosed in Note B6 below, there were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

A12 Changes in the composition of the Group

Save as disclosed in Note B6 below, there were no changes in the composition of the Group during the current financial quarter under review.

A13 Fair value of financial instruments

There were no gain or loss arising from fair value changes of financial assets and liabilities for the current financial quarter under review.

A14 Capital commitments

Save as disclosed below, there were no other material capital commitments of the Group as at the end of the current financial quarter under review.

	UNAUDITED	AUDITED
	31.08.2024	31.05.2024
	RM'000	RM'000
Capital expenditure		
<u>Approved and contracted for:</u>		
Construction of factory	<u>13,701</u>	<u>13,921</u>

A15 Contingent assets and contingent liabilities

There were no material contingent assets or contingent liabilities of the Group as at the end of the current financial quarter under review.

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

A16 Significant related party transactions

The related party transactions of the Group have been entered into in the normal course of business. Listed below are the significant transactions with related parties of the Group during the current financial quarter under review:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2024 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2023 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2023 UNAUDITED RM'000
Companies in which certain Directors have interests:				
Sales	1,064	N/A	1,064	N/A
Purchase	72	N/A	72	N/A
Directors:				
Rental expenses	9	N/A	9	N/A

This is the interim financial report for the first quarter ended 31 August 2024 being announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding year-to-date as there is no interim financial report prepared for the comparative period concerned.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1 Review of performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2024 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2023 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2023 UNAUDITED RM'000
Revenue	12,022	N/A	12,022	N/A
Profit Before Tax ("PBT")	2,005	N/A	2,005	N/A
Profit After Tax ("PAT")	1,442	N/A	1,442	N/A
Adjusted PBT ⁽¹⁾	2,102	N/A	2,102	N/A
Adjusted PAT ⁽¹⁾	1,539	N/A	1,539	N/A

Note:

N/A – Not Applicable

- (1) After adjusting for the expenses included for the listing of OB Holdings Berhad on the ACE Market of Bursa Securities ("**Listing**") of RM0.10 million for the first quarter ended 31 March 2024.

There are no comparative figures for the preceding corresponding quarter and year-to-date results as this is the first interim financial report announced in compliance with the Listing Requirements.

The Group recorded revenue of RM12.02 million for the current financial quarter ended 31 August 2024 mainly derived from the provision of manufacturing services and sales of house brands products which contributed to RM6.32 million or 52.58% and RM4.18 million or 34.78% of the total revenue, respectively.

The Group registered a PBT and PBT margin of RM2.00 million and 16.67% respectively in the current financial quarter. The Group also registered a PAT and PAT margin of RM1.44 million and 12.00% respectively in the current financial quarter.

For the first quarter ended 31 August 2024, if the expenses incurred for the Listing of RM0.10 million were excluded, the Group would have recorded an adjusted PBT of RM2.10 million and an adjusted PBT margin of 17.48%. Correspondingly, the Group also recorded an adjusted PAT of RM1.54 million and an adjusted PAT margin of 12.81%.

B2 Comparison with immediate preceding quarter's results

There are no comparative figures for the immediate preceding quarter as this is the first interim financial report on the combined results being announced by the Company in compliance with the Listing Requirements.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B3 Prospects

Malaysia's economy is forecast to expand between 4.8% and 5.3% in 2024. Growth will be propelled by robust domestic demand and recovery in exports. Consumer spending is expected to remain resilient, supported by improvements in labour market conditions and vibrant tourism-related activities. The growth in 2025 is projected between 4.5% and 5.5%, supported by a resilient external sector. Additionally, robust domestic demand, fuelled by strong private sector expenditure, will support the expansion, through continued implementation of key national master plans and ongoing initiatives. A pertinent initiative which is Government-linked Enterprises Activation and Reform Programme (GEAR-uP), will synergise efforts across government-linked entities to catalyse growth in high growth sectors, encompassing energy transition, advanced manufacturing, food security, healthcare, Islamic finance and biopharmaceuticals. *(Source: Economic Outlook 2025)*

Based on the independent market research report dated 3 September 2024, as set out in the Prospectus of the Company dated 27 September 2024, the number of Malaysians living with non-communicable diseases ("**NCDs**"), also known as chronic diseases, have been increasing over the years. As a result of the growing trend of NCDs and increased intention to adopt healthier lifestyles, Malaysians may be more likely to resort to increasing their intake of dietary supplements and fortified food and beverages ("**F&B**") to supplement their nutritional intake. In addition, economic growth and increasing disposable income of population which translates to improving standards of living and increase in the number of affluent individuals with greater purchasing power signifies growth potential for fortified F&B and dietary supplements. Furthermore, the urbanisation and ageing population is believed to drive the demand for fortified F&B and dietary supplements while the awareness on the benefits of fortified F&B and dietary supplement is expected to be supported by the prevalence of social media marketing.

As disclosed in Section 7.14 of the Prospectus dated 27 September 2024, the Group intends to construct a new factory in Serendah ("**New Serendah Factory**") which is expected to improve manufacturing efficiency, as well as to cater for future business expansion. With the construction of the New Serendah Factory, the Group will purchase new machines to cater for the Group's planned expansion of manufacturing capacity. The Group will also set up a new laboratory for product development in the New Serendah Factory to expand the product development activities as well as to expand the in-house culturing of probiotics strains.

Premised the above, the Group's prospects remain positive taking into consideration the Group's competitive advantages, business strategies and favourable market conditions in the fortified F&B and dietary supplement industry.

B4 Profit forecast

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

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B5 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2024 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2023 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2023 AUDITED RM'000
In respect of the current period:				
Income tax expense	(590)	N/A	(590)	N/A
Deferred tax	27	N/A	27	N/A
Total taxation	(563)	N/A	(563)	N/A
Effective tax rate (%)	28.08	N/A	28.08	N/A

The effective tax rate for the current financial quarter ended 31 August 2024 was higher than the statutory tax rate of 24% due to high non-deductible expenses which comprise mainly depreciation of property, plant and equipment, right-of-use assets, investment properties and restriction on tax deductible interest expenses.

There are no comparative figures for the preceding corresponding quarter and year-to-date as this is the interim financial report for the first quarter ended 31 August 2024 being announced in compliance with the Listing Requirements.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B6 Status of corporate proposals

Saved as disclosed below, there are no other corporate proposals announced but not yet completed as at the date of this interim financial report.

(i) Acquisitions

The Company had entered into 3 conditional share sale agreements dated 18 August 2023 and 3 supplemental letter agreements dated 17 May 2024 for the following:

- (a) The acquisition of Bonlife (M) Sdn Bhd ("**Bonlife**") entails the acquisition by OB Holdings of the entire issued share capital of Bonlife of RM100,000 comprising 100,000 ordinary shares from Teoh Eng Sia and Wong Chung Theng for a purchase consideration of RM1,816,100.00. The said purchase consideration was entirely satisfied via the issuance of 18,161,000 new Shares in aggregate to Teoh Eng Sia and Wong Chung Theng at an issue price of RM0.10 per Share. The acquisition of Bonlife was completed on 21 June 2024.
- (b) The acquisition of Orient Biotech entails the acquisition by OB Holdings of the entire issued share capital of Orient Biotech Sdn Bhd ("**Orient Biotech**") of RM1,000,000 comprising 1,000,000 ordinary shares from Teoh Eng Sia and Wong Chung Theng for a purchase consideration of RM19,589,200.00. The said purchase consideration was entirely satisfied via the issuance of 195,892,000 new Shares in aggregate to Teoh Eng Sia and Wong Chung Theng at an issue price of RM0.10 per Share. The acquisition of Orient Biotech was completed on 21 June 2024.
- (c) The acquisition of Orient Laboratories Sdn Bhd ("**Orient Laboratories**") entails the acquisition by OB Holdings of the entire issued share capital of Orient Laboratories of RM300,000 comprising 300,000 ordinary shares from Teoh Eng Sia and Wong Chung Theng for a purchase consideration of RM5,757,300.00. The said purchase consideration was entirely satisfied via the issuance of 57,573,000 new Shares in aggregate to Teoh Eng Sia and Wong Chung Theng at an issue price of RM0.10 per Share. The acquisition of Orient Laboratories was completed on 21 June 2024.

Following the completion of the Acquisitions, Bonlife, Orient Biotech and Orient Laboratories became the wholly-owned subsidiaries of the Company.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B6 Status of corporate proposals (Cont'd)

(ii) Public Issue

Public issue of 120,000,000 new shares in the Company in the following manner:

- (a) 19,582,000 new shares made available for application by the Malaysian public;
- (b) 7,833,000 new shares made available for application by the eligible Directors, employees and persons who have contributed to the success of the Group;
- (c) 43,632,000 new shares made available by way of private placement to selected investors; and
- (d) 48,953,000 new shares made available by way of private placement to identified Bumiputera investors approved by the Ministry of Investment, Trade and Industry of Malaysia.

(iii) Transfer shares to Goodone Holding Sdn Bhd ("Goodone")

Transfer by Teoh Eng Sia and Wong Chung Theng (the specified shareholders, promoters and substantial shareholders of OB Holdings) of an aggregate of 117,488,100 shares to Goodone, an investment holding company held by them during the prescription period.

(iv) Listing

The admission of the Company to the Official List of Bursa Securities and the listing of and quotation for the entire enlarged issued share capital of the Company of RM55,963,600 comprising 391,627,000 shares on the ACE Market of Bursa Securities.

The Company will be listed on the ACE Market of Bursa Securities on 29 October 2024.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B7 Utilisation of proceeds raised from public issue

In conjunction with the IPO, the Company will raise gross proceeds from the public issue amounting to RM28.80 million.

The gross proceeds is intended to be utilised in the following manner:

Purposes	RM'000	%	Estimated time frame for use (from the date of Listing)
(a) Business expansion			
- Repayment of bank borrowings	14,900	51.74	Within 36 months
- Purchase of machines	5,000	17.36	Within 36 months
- Product development expenditure	900	3.12	Within 36 months
(b) Marketing and advertisement	1,000	3.47	Within 24 months
(c) Working capital	3,000	10.42	Within 24 months
(d) Estimated Listing expenses	4,000	13.89	Within 3 months
Total	28,800	100.00	

There is no minimum subscription to be raised from the IPO.

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 27 September 2024. The IPO is pending completion as at the current financial quarter under review. The Company will be listed on the ACE Market of Bursa Securities on 29 October 2024.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B8 Loans and borrowings

The Group's borrowings are as follows:

	UNAUDITED 31.08.2024 RM'000	AUDITED 31.05.2024 RM'000
<u>Non-current</u>		
Secured:		
Term loans	10,984	11,115
Unsecured:		
Term loans	-	111
	<u>10,984</u>	<u>11,226</u>
<u>Current</u>		
Secured:		
Banker's acceptances	708	1,414
Term loans	952	794
Unsecured:		
Term loans	<u>237</u>	<u>527</u>
	<u>1,897</u>	<u>2,735</u>
Total borrowings	<u>12,881</u>	<u>13,961</u>

The bank borrowings are denoted in local currency.

OB HOLDINGS BERHAD

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B9 Material litigations

As at the date of this report, the Group is not engaged in any material litigation.

B10 Proposed dividend

There was no dividend that has been declared or recommended for payment by the Board during the financial period under review.

B11 Basic and diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2024 UNAUDITED	PRECEDING CORRESPONDING QUARTER 31.08.2023 UNAUDITED	CURRENT YEAR TO-DATE 31.08.2024 UNAUDITED	PRECEDING YEAR-TO-DATE 31.08.2023 UNAUDITED
Net profit for the period attributable to ordinary equity holders of the company (RM'000)	<u>1,442</u>	<u>N/A</u>	<u>1,442</u>	<u>N/A</u>
Weighted average number of shares in issue ('000)	<u>53,581</u>	<u>N/A</u>	<u>53,581</u>	<u>N/A</u>
Basic and diluted earnings per share (sen) ⁽¹⁾ ⁽²⁾	<u>2.69</u>	<u>N/A</u>	<u>2.69</u>	<u>N/A</u>

Notes:

- (1) Computed based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue as at the end of the financial period.
- (2) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

N/A – Not Applicable

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B12 Notes to the statement of comprehensive income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.08.2024 UNAUDITED RM'000	PRECEDING CORRESPONDING QUARTER 31.08.2023 UNAUDITED RM'000	CURRENT YEAR-TO-DATE 31.08.2024 UNAUDITED RM'000	PRECEDING YEAR-TO-DATE 31.08.2023 UNAUDITED RM'000
The following amounts have been included in arriving at profit before tax:				
Directors' fees	81	N/A	81	N/A
Depreciation of property, plant and equipment	535	N/A	535	N/A
Depreciation of right-of-use assets	51	N/A	51	N/A
Depreciation of investment properties	1	N/A	1	N/A
Realised gain on foreign exchange	(68)	N/A	(68)	N/A
Finance cost:				
- Bankers' acceptance	11	N/A	11	N/A
- Bank overdraft	2	N/A	2	N/A
- Term loan	144	N/A	144	N/A

By Order of the Boards

Date: 23 October 2024