

24 April 2024



AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST FINANCIAL QUARTER ENDED
29 FEBRUARY 2024**

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2024 (The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT PERIOD QUARTER 29-02-2024	PRECEDING YEAR CORRESPONDING QUARTER 28-02-2023	CURRENT PERIOD 29-02-2024	PRECEDING YEAR CORRESPONDING PERIOD 28-02-2023
	RM'000	RM'000	RM'000	RM'000
Revenue	17,601	17,686	17,601	17,686
Operating expenses	(15,832)	(15,887)	(15,832)	(15,887)
Other operating income	263	103	263	103
Profit from operations	2,032	1,902	2,032	1,902
Finance costs	(13)	(17)	(13)	(17)
Share of results of associates	(6)	82	(6)	82
Profit before tax	2,013	1,967	2,013	1,967
Income tax expense	(513)	(561)	(513)	(561)
Profit for the financial period	1,500	1,406	1,500	1,406
Other comprehensive income, net of tax				
<i>Items that may be reclassified subsequently to Profit or Loss:</i>				
Foreign currency translation	-	1	-	1
Total comprehensive income for the financial period	1,500	1,407	1,500	1,407
<u>Profit for the financial period attributable to:-</u>				
Owners of the Company	1,506	1,406	1,506	1,406
Non-controlling Interests	(6)	-	(6)	-
	1,500	1,406	1,500	1,406
<u>Total comprehensive income attributable to:-</u>				
Owners of the Company	1,506	1,407	1,506	1,407
Non-controlling Interests	(6)	-	(6)	-
	1,500	1,407	1,500	1,407
Earnings Per Share:-				
Basic (sen)	1.58	1.47	1.58	1.47
Diluted (sen)	1.58	1.31	1.58	1.31

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2023 and the accompanying explanatory notes attached to the interim financial report.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 29 FEBRUARY 2024

(The figures have not been audited)

	<u>UNAUDITED</u> AS AT CURRENT FINANCIAL PERIOD ENDED 29/02/2024 RM'000	<u>AUDITED</u> AS AT PRECEDING FINANCIAL YEAR ENDED 30/11/2023 RM'000
Note		
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	27,089	27,306
Investment Properties	4,082	4,083
Investments in Associates	873	882
Other Investments	250	250
Intangible Assets	1,600	-
Deferred Tax Assets	1,003	1,003
	<u>34,897</u>	<u>33,524</u>
Current Assets		
Inventories	6,318	5,793
Trade & Other Receivables, Deposits and Prepayments	10,089	9,991
Contract Assets	4,668	3,848
Other Investments	10,857	10,740
Cash Deposits with Licensed Banks	3,958	3,934
Cash and Bank Balances	21,054	21,436
	<u>56,944</u>	<u>55,742</u>
TOTAL ASSETS	<u>91,841</u>	<u>89,266</u>
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share Capital	(1) 40,537	40,537
Treasury Shares	(1,858)	(1,858)
Reserves	34,519	33,013
Equity Attributable to Owners of the Parent	73,198	71,692
Non-controlling Interests ("NCI")	794	-
Total Equity	<u>73,992</u>	<u>71,692</u>
Non-Current Liabilities		
Lease Liabilities	181	167
Deferred Tax Liabilities	24	24
	<u>205</u>	<u>191</u>
Current Liabilities		
Trade & Other Payables and Accruals	14,508	14,383
Contract Liabilities	1,301	880
Short Term Borrowings	651	870
Tax Liabilities	1,169	1,208
Lease Liabilities	15	42
	<u>17,644</u>	<u>17,383</u>
Total Liabilities	<u>17,849</u>	<u>17,574</u>
TOTAL EQUITY AND LIABILITIES	<u>91,841</u>	<u>89,266</u>
Net Assets Per Share (RM)	(2) 0.7681	0.7523

Notes:

(1) Kindly refer to Paragraph 8(1) of Page 6 of Notes to this interim financial report.

(2) The net asset per share of the Company is calculated based on the net assets at the end of the reporting period of RM73.20 million (30.11.2023: RM71.69 million) divided by the number of shares in issue at the end of the reporting period of 95,298,532 (30.11.2023: 95,298,532), after deducting the treasury shares of 2.852 million.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2023 and the accompanying explanatory notes attached to the interim financial report.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2024 (The figures have not been audited)

<----- Attributable to Owners of the Company ----->								
	Share Capital RM'000	Treasury Shares RM'000	Fair Value Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Earnings RM'000	Sub-total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
3 months ended 29 February 2024								
At 1 December 2023	40,537	(1,858)	159	-	32,854	71,692	-	71,692
Transactions with owner:								
Subscription of shares by NCI in a subsidiary	-	-	-	-	-	-	800	800
Total transactions with owner	-	-	-	-	-	-	800	800
Comprehensive Income:								
Profit/(Loss) for the financial period	-	-	-	-	1,506	1,506	(6)	1,500
Total comprehensive income for the financial period	-	-	-	-	1,506	1,506	(6)	1,500
At 29 February 2024	40,537	(1,858)	159	-	34,360	73,198	794	73,992
3 months ended 28 February 2023								
At 1 December 2022	40,149	(1,305)	159	54	27,234	66,291	-	66,291
Transactions with owner:								
Issuance of shares pursuant to exercise of warrants	45	-	-	-	-	45	-	45
Total transactions with owner	45	-	-	-	-	45	-	45
Comprehensive Income:								
Profit for the financial period	-	-	-	-	1,406	1,406	-	1,406
Total comprehensive income for the financial period	-	-	-	-	1,406	1,406	-	1,406
At 28 February 2023	40,194	(1,305)	159	54	28,640	67,742	-	67,742

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2023 and the accompanying explanatory notes attached to the interim financial report.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2024

(The figures have not been audited)

	CURRENT FINANCIAL PERIOD ENDED 29/02/2024 RM'000	PRECEDING FINANCIAL PERIOD ENDED 28/02/2023 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	2,013	1,967
Adjustments for:-		
Non-cash items	291	716
Non-operating items	(232)	(190)
Share of results of associates	6	(82)
Operating profit before changes in working capital	2,078	2,411
Changes in working capital:-		
Inventories	(525)	(1,447)
Net changes in contract assets and liabilities	(399)	(1,035)
Net changes in current assets	(133)	3,051
Net changes in current liabilities	(24)	312
Cash generated from operations	997	3,292
Interest received	40	42
Dividend received	3	7
Interest paid	(13)	(17)
Net income tax paid	(403)	(303)
Net cash from operating activities	624	3,021
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(98)	(241)
Proceeds from disposal of property, plant and equipment	18	-
Placement of fixed income funds	-	(2,809)
Changes in pledged cash & cash equivalent under lien	-	1,047
Distribution income from income funds	84	51
Additions to investment properties	(13)	-
Additions to intangible assets	(1,600)	-
Net advances to associates	35	(25)
Net cash used in investing activities	(1,574)	(1,977)
CASH FLOW FROM FINANCING ACTIVITIES		
Net payments of finance lease	(13)	(39)
Proceeds from issuance of new shares	-	45
Subscription of new shares by NCI in a subsidiary	800	-
Net cash from financing activities	787	6
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(163)	1,050
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	20,566	7,776
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	20,403	8,826
Cash and cash equivalents at end of the financial period comprise of:-		
Cash at banks and in hand	21,054	9,696
Cash deposits with licensed banks	3,958	5,262
Bank overdrafts	(651)	(870)
	24,361	14,088
Less: Cash deposits with licensed banks under lien	(3,958)	(5,262)
	20,403	8,826

Note:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2023 and the accompanying explanatory notes attached to the interim financial report.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 29 FEBRUARY 2024

NOTES TO THE INTERIM FINANCIAL REPORT

PART (A): EXPLANATORY NOTES PURSUANT TO MFRS 134: *INTERIM FINANCIAL REPORTING*

1. Basis of Preparation

This interim financial report of Amtel Holdings Berhad group of companies ("AMTEL Group/the Group") are unaudited and has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards ("MFRS") 134: *Interim Financial Reporting* and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed consolidated interim financial report should be read in conjunction with the latest audited financial statements of AMTEL Group for the financial year ended 30 November 2023 and the accompanying explanatory notes attached to this interim financial report. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 November 2023 ("FY 2023").

2. Significant Accounting Policies

The accounting policies and methods of computation adopted by the Group in the preparation of this interim financial report are consistent with those used in the preparation of the Group's audited financial statements for FY 2023.

Our Group has not early adopted any new standards, amendments/improvements to MFRSs which are applicable to the Group that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group's current financial period. Nevertheless, the Group and the Company expects that the initial application of the accounting standards, amendments or interpretations are not expected to have significant impact to the current period and prior period financial statements of the Group and the Company.

3. Audit Qualification

The audit report on the Group's financial statements for FY 2023 did not contain any qualification.

4. Seasonal or cyclical Factors

The Group's operations are not affected by seasonal or cyclical factors during the financial quarter under review.

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5. Unusual Items

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

6. Material Changes in Estimates of Amounts Reported

There were no changes in estimates of amounts reported in the prior financial year or changes in estimates of amount reported in prior financial periods that have a material effect in the current financial quarter ended 29 February 2024 (Q1 FY 2024”).

7. Dividends Paid

There was no dividend paid during the first financial quarter ended 29 February 2024.

8. Debt and Equity Securities

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

(1) Share Capital

The movement in the Company’s issued and paid up share capital during the financial period is as follows:-

	Number of ordinary shares		<----- Amount ----->	
	Q1 FY 2024 Units	FY 2023 Units	Q1 FY 2024 RM	FY 2023 RM
At beginning of the financial period/year	98,151,432	97,553,682	40,537,176	40,148,639
Issuance of shares pursuant to exercise of warrants during the financial period/year	-	597,750	-	388,537
At end of the financial period/year	<u>98,151,432</u>	<u>98,151,432</u>	<u>40,537,176</u>	<u>40,537,176</u>

(2) Treasury Shares

As at the current financial period ended 29 February 2024, the Company held 2,852,900 (2023: 2,852,900) treasury shares out of its 98,151,432 (2023: 98,151,432) issued and paid-up ordinary shares. Such treasury shares are held at a carrying amount of RM1,857,975 (2023: RM1,857,975).

No treasury shares were sold during the current financial quarter.

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8. Debt and Equity Securities (Cont'd)

(3) Warrants

The movement in the Company's warrants during the financial period ended 29 February 2024 is as follows:-

	<----- Number of warrants (Units) ----->	
	Q1 FY 2024	FY 2023
At beginning of the financial period/year	48,178,580	48,776,330
Conversion during the financial period/year	-	(597,750)
At end of the financial period/year	<u>48,178,580</u>	<u>48,178,580</u>

The proceeds from the conversion of warrants are to be utilized for the Group's working capital requirements and partial repayment of bank borrowings.

Subsequent to the financial period ended 29 February 2024, a total of 134,325 new ordinary shares were issued pursuant to the exercise of 134,325 warrants at the exercise price of RM0.65 per share. These shares were listed and quoted on the Bursa Securities on 5 March 2024 and 18 March 2024 respectively. Please refer to our announcements to Bursa Securities on these dates for further details of the above conversions.

The warrants expired on 18 March 2024.

9. Changes in the Composition of the Group

There was no change in the composition of the Group during the current financial quarter other than as mentioned below:-

- (1) On 17 January 2024, Amtel Cellular Sdn Bhd, a wholly owned subsidiary of the Company, acquired 100 ordinary shares representing 100% equity interest in AIT Tech Sdn Bhd for a total cash consideration of RM100.
- (2) On 30 January 2024, Amtel Digital Sdn Bhd ("ADSB"), the wholly owned subsidiary of the Company, increased its issued and fully paid-up share capital from 100 ordinary shares to 2.0 million ordinary shares whereby the Company subscribed for 1,199,900 ordinary shares amounting RM1,199,900. The remaining 800,000 ordinary shares amounting RM800,000 were subscribed by CS & Lock Sdn Bhd representing 40% of the enlarged issued and paid-up share capital of ADSB. As a result, the Company's equity interest in ADSB has been reduced from 100% to 60%.

10. Capital and Other Commitments

The Group has made commitment for the following:-

Group	As At 29/2/2024 RM'000
Approved and contracted for:-	
- Purchase and development of software applications	<u>1,600</u>

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11. Related Party Transactions

There is no related party transaction entered into by the Company and/or its subsidiaries during the financial quarter.

12. Segmental Reporting

The Group's segment information for the financial quarter ended 29 February 2024 is as follows:-

(i) Major Business Segments

The basis of segmentation and measurement of segment performance is consistent with the basis adopted in the last audited annual financial statements.

3 months ended 29 February 2024

GROUP	Information & Communication Technology ("ICT")	Telecommunications, Infrastructure & Services ("TIS")	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
SEGMENT REVENUE					
External revenue	13,957	3,594	50	-	17,601
Inter-segment revenue	245	-	508	(753)	-
Total revenue	14,202	3,594	558	(753)	17,601
SEGMENT RESULTS	ICT	TIS	Others	Consolidated	
	RM'000	RM'000	RM'000	RM'000	
Profit/(Loss) from operations	1,338	805	(111)	2,032	
Finance costs	(3)	(10)	-	(13)	
Share of results of associates	(9)	3	-	(6)	
Profit/(Loss) before tax	1,326	798	(111)	2,013	
Income tax expense	(322)	(191)	-	(513)	
Profit/(Loss) for the year	1,004	607	(111)	1,500	
FINANCIAL POSITION	ICT	TIS	Others	Consolidated	
As at 29 February 2024	RM'000	RM'000	RM'000	RM'000	
Total segment assets	39,000	12,167	40,674	91,841	
Total segment liabilities	12,069	5,297	483	17,849	
<u>Other segment information</u>	ICT	TIS	Others	Consolidated	
	RM'000	RM'000	RM'000	RM'000	
Capital expenditure:					
- additions to property, plant and equipment	41	57	-	98	
Depreciation of property, plant and equipment	117	62	140	319	
Depreciation of investment properties	-	-	14	14	

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12. Segmental Reporting (Cont'd) (i) Major Business Segments (Cont'd)

3 months ended 29 February 2023

GROUP	ICT RM'000	TIS RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE					
External revenue	14,819	2,823	44	-	17,686
Inter-segment revenue	106	-	479	(585)	-
Total revenue	<u>14,925</u>	<u>2,823</u>	<u>523</u>	<u>(585)</u>	<u>17,686</u>
SEGMENT RESULTS					
	ICT RM'000	TIS RM'000	Others RM'000	Consolidated RM'000	
Profit/(Loss) from operations	1,965	167	(230)	1,902	
Finance costs	(5)	(12)	-	(17)	
Share of results of associates	72	10	-	82	
Profit/(Loss) before tax	<u>2,032</u>	<u>165</u>	<u>(230)</u>	<u>1,967</u>	
Income tax expense	(521)	(40)	-	(561)	
Profit/(Loss) for the year	<u>1,511</u>	<u>125</u>	<u>(230)</u>	<u>1,406</u>	
FINANCIAL POSITION					
As at 29 February 2023	ICT RM'000	TIS RM'000	Others RM'000	Consolidated RM'000	
Total segment assets	<u>33,809</u>	<u>14,745</u>	<u>36,574</u>	<u>85,128</u>	
Total segment liabilities	<u>9,291</u>	<u>7,154</u>	<u>941</u>	<u>17,386</u>	
Other segment information					
	ICT M'000	TIS RM'000	Others RM'000	Consolidated RM'000	
Capital expenditure:					
- additions to property, plant and equipment	8	4	229	241	
Depreciation of property, plant and equipment	179	86	147	412	
Depreciation of investment property	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>	

(ii) Geographical Segments

The Group operates predominantly in Malaysia and hence, no geographical segment is presented.

13. Valuation of Property, Plant and Equipment

- (1) Property, plant and equipment which are stated at cost have been brought forward without amendment from the previous annual financial statements.

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13. Valuation of Property, Plant and Equipment (Cont'd)

(2) There was no material acquisition or disposal of property, plant and equipment by the Group during the financial period.

14. Significant Event Subsequent to the End of the Interim Period

There was no significant event subsequent to the end of the reporting financial period ended 29 February 2024 that has not been reflected in the financial statements or to be disclosed as at the date of issue of this quarterly report other than as mentioned on page 7 paragraph 8(3) of this interim financial report.

15. Changes in Contingent Liabilities and Contingent assets

There were no changes in contingent liabilities or contingent assets since the last reporting date as at 30 November 2023, except for the following:-

	As At 29/2/2024
Company	
<u>Financial guarantees – Secured</u>	RM'000
The maximum exposure to credit risk amounts representing the outstanding credit facilities of the subsidiaries and associate company guaranteed by the Company	<u>1,193</u>
Group	
<u>Financial guarantees – Secured*</u>	
Bank guarantees	<u>3,224</u>

* The bank guarantees are secured against the fixed deposits of the subsidiary and associate companies.

At the reporting date, there was no indication that these subsidiaries and associates will default on its repayments during the guarantee period.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 29 FEBRUARY 2024

PART (B): ADDITIONAL INFORMATION PURSUANT TO BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS

1. Review of Performance

For the current financial quarter ended 29 February 2024 ("Q1 FY 2024"), AMTEL Group posted total revenue of RM17.60 million and profit after tax of RM1.50 million as compared to revenue of RM17.69 million and profit after tax of RM1.41 million respectively recorded in the preceding year corresponding quarter. Despite a marginally lower revenue, the slight increase in the Group's Q1 FY 2024 profit after tax was mainly attributable to the improvement in the operational efficiency reported by the TIS segment.

The details of the financial performance of the respective business segment is summarised as follows:-

ICT Segment

The financial performance of ICT segment is summarised as per table below:-

	Current Quarter	Preceding Year Corresponding Quarter	
	29/2/2024	28/2/2023	Changes
	RM'000	RM'000	%
Segment revenue	13,957	14,819	-5.8
Segment profit after tax	1,004	1,511	-33.6

For Q1 FY 2024, ICT business accounted for approximately 79.3% (Q1 FY 2023: 83.8%) of AMTEL Group's revenue and contributed the main portion of the Groups' profit after tax.

However, the lower performance reported during the financial quarter was mainly due to lower sales order received from the automaker customers for certain Telematics and automotive accessories products and reduced margin due to increase in cost of sales and marketing and promotional expenses.

TIS Segment

The financial performance of TIS segment is summarised as per table below:-

	Current Quarter	Preceding Year Corresponding Quarter	
	29/2/2024	28/2/2023	Changes
	RM'000	RM'000	%
Segment revenue	3,594	2,823	27.3
Segment profit after tax	607	125	>100

TIS segment's financial results improved substantially during the current financial quarter mainly due to higher progress billings from the ongoing civil infrastructure works and better cost management.

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1. Review of Performance (Cont'd)

Others Segment

The financial performance of Others segment is summarised as per table below:-

	Current Quarter	Preceding Year Corresponding Quarter	
	29/2/2024 RM'000	28/2/2023 RM'000	Changes %
Segment revenue	50	44	13.6
Segment loss after tax	(111)	(230)	51.7

The loss arose mainly because the rental income and management fees received by the investment holding company was not sufficient to compensate the operating and corporate expenses.

2. Material Changes in the Profit After Tax for the Quarter Reported as Compared with the Immediate Preceding Quarter.

The Group's performance in the current financial quarter and the immediate preceding quarter are summarised as follows:-

Group	Current Quarter	Immediate Preceding Quarter	
	29/2/2024 RM'000	30/11/2023 RM'000	Changes %
Total revenue	17,601	18,418	-4.4
Profit before tax	2,013	1,605	25.4
Profit after tax	1,500	1,677	-10.6

For the current financial quarter, our Group's revenue is lower as compared to immediate preceding quarter mainly due to lower sales reported by the ICT segment. On the other hand, the lower profit before tax recorded in the immediate preceding quarter was mainly due to the impairment loss on trade receivables amounting RM230,000 and impairment loss on inventories amounting RM147,000.

3. Commentary on the Group's Prospects

Amidst the evolving economic landscape, we continue to priorities our focus in the expansion of our core ICT business. We collaborate and work closely with our customers and suppliers in the research and development, testing and commercialization of our new offerings. As such, we continue to invest our resources and manpower in the R&D and marketing initiatives to promote and increase market awareness of our new offerings. Moving forward, we also expect the release of our products and services for some new vehicle models to contribute positively to our group's sales and margin.

Henceforth, we remain optimistic with the Group's performance for the remaining quarters of financial year 2024.

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4. Income Tax Expense

The movement in income tax expense for the Group for the current financial quarter under review is summarised as follows:-

Group	Current Quarter 29/2/2024 RM'000	Preceding Year Corresponding Quarter 28/2/2023 RM'000
<u>Current tax expense:</u>		
Based on results for the financial quarter	(513)	(573)
<u>Deferred tax expense:</u>		
Net (reversal)/origination of temporary differences	-	12
Tax expense	<u>(513)</u>	<u>(561)</u>

The effective tax rate is higher than the statutory income tax rate mainly due to the losses of certain subsidiaries not being available for set off against taxable profits of other subsidiaries and certain expenses which are not allowed for tax deduction purposes.

5. Variances of Actual Profit from Forecast Profit

Not applicable.

6. Group Borrowings and Debt Securities

The Group's total borrowings (all denominated in Ringgit Malaysia) as at 29 February 2024 are as follows:-

Group	As at 29/2/2024 (Unaudited) RM'000	As at 30/11/2023 (Audited) RM'000
(1) <u>Short Term Borrowings:-</u>		
- <u>Secured</u>		
Overdrafts	<u>651</u>	<u>870</u>
- Lease payables within the next 12 months	<u>15</u>	<u>42</u>
(2) <u>Long Term Borrowings:-</u>		
- Lease payables after the next 12 months	<u>181</u>	<u>167</u>

The Group does not have borrowing denominated in foreign currency and there was no debt security issued.

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7. Status of Corporate Proposals

There is no corporate proposal announced, but yet to be completed as at the date of issue of this quarterly report other than as mentioned below.

Long-Term Incentive Plan ("LTIP")

The LTIP which comprises the Employees Share Option Scheme ("ESOS") and the Share Grant Plan ("SGP") of up to fifteen per centum (15%) of the total number of issued shares in the Company (excluding treasury shares of the Company, if any) for the eligible person(s) during the LTIP period, approved by the shareholders at the Extraordinary General Meeting of the Company held on 25 May 2022 was implemented on 3 October 2022. The LTIP shall be in force for a period of five (5) years until 2 October 2027.

During the financial period ended 29 February 2024, there was no ESOS and/or SGP granted or awarded.

8. Material Litigation

The Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant as at the date of issue of this quarterly report.

9. Notes to the Condensed Consolidated Statement of Comprehensive Income

Total comprehensive income for the current financial quarter is arrived at after charging/(crediting) the following items:-

Group	Current Quarter	Preceding Year Corresponding Quarter
	29/2/2024 RM'000	28/2/2023 RM'000
1. Interest income	(40)	(42)
2. Dividend income	(3)	(7)
3. Distribution income from income funds	(84)	(51)
4. Rental income	(2)	(2)
5. Other income excluding interest and dividend income	(38)	(1)
6. Interest expense	13	17
7. Depreciation of property, plant & equipment	319	412
8. Depreciation of investment properties	14	5
9. Net gain on disposal of property, plant & equipment	(14)	-
10. Inventories written down	75	74
11. Net foreign exchange (gain)/loss	(39)	99
12. Net provision of warranty costs	147	140
13. Fair value (gain)/loss on other investments	(34)	3

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10. Earnings Per Share

(1) Basic earnings per share

The basic earnings per share of the Group is calculated based on the consolidated profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the financial quarter, excluding treasury shares held by the Company as shown below:-

Group	Current Quarter <u>29/2/2024</u>	Preceding Year Corresponding quarter <u>28/2/2023</u>
Profit for the financial quarter/year attributable to owners of the Company (RM'000)	1,506	1,406
Weighted average number of shares (unit)	95,298,532	95,586,649
Basic earnings per share (sen)	1.58	1.47

(2) Diluted earnings per share

The calculation of diluted earnings per share is based on the consolidated profit attributable to owners of the Company divided by the weighted average number of ordinary shares outstanding during the financial quarter plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:-

Group	Current Quarter <u>29/2/2024</u>	Preceding Year Corresponding quarter <u>28/2/2023</u>
Profit for the financial quarter/year attributable to owners of the Company (RM'000)	1,506	1,406
Weighted average number of shares for basic earnings per share (unit)	95,298,532	95,586,649
Effect of dilution from warrants (unit)	- #	11,678,365
Weighted average number of shares for diluted earnings per share (unit)	95,298,532	107,265,014
Diluted earnings per share (sen)	1.58	1.31

#No dilution effect as the exercise price of warrants was above the average market price.

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11. Dividend

The Board of Directors does not recommend any payment of dividend for the current financial quarter ended 29 February 2024.

By Order of the Board

CHIN MUN YEE (SSM PC No. 201908002785) (MAICSA 7019243)

HOH YIT FOONG (SSM PC No. 201908000074) (LS0018)

Company Secretaries

24 April 2024