

IRIS CORPORATION BERHAD

Reg No. 199401016552 (302232 - X)
(Incorporated in Malaysia)

Interim Financial Report for the Second Quarter Ended 30th September 2024

Contents: -	Page
Condensed Consolidated Statement of Comprehensive Income	2-3
Condensed Consolidated Statement of Financial Position	4-5
Condensed Consolidated Statement of Changes in Equity	6-7
Condensed Consolidated Statement of Cash Flows	8-9
Notes to the Interim Financial Report	10-21

Condensed Consolidated Statement of Comprehensive IncomeFor the Second Quarter Ended 30th September 2024

	Individual		Cumulative	
	3 months ended 30 th September 2024 RM'000	30 th September 2023 RM'000	6 months ended 30 th September 2024 RM'000	30 th September 2023 RM'000
Continuing operations				
Revenue	40,502	78,427	122,089	205,910
Cost of sales	(27,691)	(60,691)	(86,693)	(164,383)
Depreciation and amortisation	(362)	(369)	(725)	(1,530)
Gross profit	12,449	17,367	34,671	39,997
Other income (<i>Note 28</i>)	4,343	1,773	12,462	2,618
Administrative, operating and other expenses	(12,889)	(8,816)	(26,393)	(19,110)
Depreciation and amortisation	(740)	(700)	(1,471)	(1,475)
Finance costs	(67)	(189)	(145)	(349)
Share of results of associates, net of tax	7	(8)	19	(21)
Share of results of a joint venture, net of tax	161	-	15	-
Profit before taxation	3,264	9,427	19,158	21,660
Income tax expenses	(1,259)	(1,668)	(4,359)	(4,190)
Profit for the period	2,005	7,759	14,799	17,470
Other comprehensive (loss)/income, net of tax				
Foreign currency translation for foreign operations	(95)	(12)	72	21
	(95)	(12)	72	21
Total comprehensive income for the period	1,910	7,747	14,871	17,491

Condensed Consolidated Statement of Comprehensive IncomeFor the Second Quarter Ended 30th September 2024

(continued)

	Individual		Cumulative	
	3 months ended 30 th September 2024 RM'000	30 th September 2023 RM'000	6 months ended 30 th September 2024 RM'000	30 th September 2023 RM'000
Profit attributable to:				
Owners of the Company	1,819	7,759	14,613	17,470
Non-controlling interests	186	* -	186	* -
Profit for the period	2,005	7,759	14,799	17,470
Total comprehensive income attributable to:				
Owners of the Company	1,724	7,747	14,685	17,491
Non-controlling interests *	186	* -	186	* -
Total comprehensive income for the period	1,910	7,747	14,871	17,491
Earnings per share attributable to owners of the Company:				
Basic (Sen)				
- continuing operations	0.22	0.95	1.79	2.14
Diluted (Sen)				
- continuing operations	0.22	0.95	1.79	2.14

* Represent amount less than RM1,000

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st March 2024 and the accompanying explanatory notes attached to the interim financial report.

Condensed Consolidated Statement of Financial PositionAs at 30th September 2024

	30 th September 2024 RM'000	31 st March 2024 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment & right-of-use assets	76,771	78,659
Intangible assets	100,044	100,064
Operating financial assets	4,746	5,436
Investment in associates	730	711
Investment in a joint venture	254	-
	182,545	184,870
CURRENT ASSETS		
Inventories	22,556	29,209
Operating financial assets	1,380	1,380
Trade receivables	80,612	91,793
Other receivables & deposits	8,851	14,022
Prepayments	1,344	1,349
Contract assets	147,314	148,707
Current tax assets	674	510
Cash and short-term deposits (<i>Note 29</i>)	161,018	160,466
	423,749	447,436
TOTAL ASSETS	606,294	632,306
EQUITY AND LIABILITIES		
EQUITY		
Share capital	180,759	180,759
Foreign currency translation reserve	99	27
Revaluation reserve	28,744	29,226
Retained Earnings	184,495	169,400
Total equity attributable to owners of the Company	394,097	379,412
Non-controlling interests	(1,677)	(1,863)
TOTAL EQUITY	392,420	377,549

Condensed Consolidated Statement of Financial PositionAs at 30th September 2024

(continued)

	30 th September 2024 RM'000	31 st March 2024 RM'000
NON-CURRENT LIABILITIES		
Lease liabilities	40	79
Deferred tax liabilities	9,403	11,491
	<u>9,443</u>	<u>11,570</u>
CURRENT LIABILITIES		
Short-term borrowing	-	3,210
Current tax liabilities	4,573	2,730
Trade payables	62,513	58,549
Other payables and accruals	132,762	173,911
Lease Liabilities	75	72
Contract liabilities	4,508	4,715
	<u>204,431</u>	<u>243,187</u>
TOTAL LIABILITIES	<u>213,874</u>	<u>254,757</u>
TOTAL EQUITY AND LIABILITIES	<u>606,294</u>	<u>632,306</u>
Net assets per ordinary share attributable to owners of the Company (sen)	<u>48.31</u>	<u>46.51</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st March 2024 and the accompanying explanatory notes attached to the interim financial report.

Condensed Consolidated Statement of Changes in Equity

For the Second Quarter Ended 30th September 2024

	← Attributable to the owners of the Company →				Sub-total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Ordinary Share Capital RM'000	Foreign Currency Translation Reserve RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000			
At 1 st April 2023	610,759	1	30,189	(293,828)	347,121	(1,842)	345,279
<i>Total comprehensive income for the financial period</i>							
Profit after taxation for the financial period	-	-	-	17,470	17,470	-	17,470
Other comprehensive income for the financial period, net of tax -foreign currency translation	-	21	-	-	21	-	21
Total comprehensive income	-	21	-	17,470	17,491	-	17,491
Realisation on revaluation reserve	-	-	(482)	482	-	-	-
At 30th September 2023	610,759	22	29,707	(275,876)	364,612	(1,842)	362,770

Condensed Consolidated Statement of Changes in Equity
For the Second Quarter Ended 30th September 2024 (continued)

	← Attributable to the owners of the Company →				Sub-Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Ordinary Share Capital RM'000	Foreign Currency Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000			
At 1 st April 2024	180,759	27	29,226	169,400	379,412	(1,863)	377,549
<i>Total comprehensive income for the financial period</i>							
Profit after taxation for the financial period	-	-	-	14,613	14,613	186	14,799
Other comprehensive income for the financial period, net of tax -foreign currency translation	-	72	-	-	72	-	72
Total comprehensive income	-	72	-	14,613	14,685	186	14,871
Realisation on revaluation reserve	-	-	(482)	482	-	-	-
At 30th September 2024	180,759	99	28,744	184,495	394,097	(1,677)	392,420

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st March 2024 and the accompanying explanatory notes attached to the interim financial report.

Condensed Consolidated Statement of Cash FlowsFor the Second Quarter Ended 30th September 2024

	Cumulative 6 months ended 30th September 2024 RM'000	Cumulative 6 months ended 30th September 2023 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation		
- continuing operations	19,158	21,660
<i>Adjustments for:</i>		
Amortisation of intangible assets	21	225
Depreciation of property, plant and equipment & right-of-use assets	2,175	2,780
Effect on accretion of interest on operating assets	(258)	(307)
Finance costs	145	349
Forfeiture income	(7,000)	-
Gain on disposal of property, plant and equipment	(4)	(46)
Interest income	(2,079)	(1,786)
Provision of inventories written down	4,360	-
(Reversal of)/impairment losses on receivables	(4)	2,189
Share of results of associates	(19)	21
Share of results of a joint venture	(15)	-
Unrealised foreign exchange loss/(gain)	8,933	(3,462)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	25,413	21,623
<i>Changes in working capital:</i>		
Contract assets/liabilities	1,186	(84,840)
Inventories	2,294	(5,873)
Operating financial assets	948	948
Trade and other receivables, deposits & prepayments	16,361	(17,444)
Trade and other payables	(40,331)	90,035
NET CASH FROM OPERATIONS	5,871	4,449
Interest received	2,079	1,786
Interest paid	(145)	(303)
Income tax paid	(4,641)	(3,178)
NET CASH FROM OPERATING ACTIVITIES	3,164	2,754

Condensed Consolidated Statement of Cash FlowsFor the Second Quarter Ended 30th September 2024 (continued)

	Cumulative 6 months ended 30th September 2024 RM'000	Cumulative 6 months ended 30th September 2023 RM'000
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(291)	(738)
Proceeds from disposal of plant and equipment	7	49
Forfeiture income arising from termination of shares sale agreement	7,000	-
Net movement of deposits with maturity more than 3 months	14	2,914
NET CASH FROM INVESTING ACTIVITIES	6,730	2,225
CASH FLOW FROM FINANCING ACTIVITIES		
Payments of lease liabilities	(35)	(626)
Proceeds from short term borrowing	-	4,999
Repayment of short term borrowing	(3,210)	(3,126)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	(3,245)	1,247
Net increase in cash and cash equivalents	6,649	6,226
Cash and cash equivalents at the beginning of the period	141,843	101,444
Effect of exchange rate changes on cash and cash equivalents	(6,083)	178
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	142,409	107,848

Cash and cash equivalents at end of the period comprise the following:

Cash and bank balances	58,116	24,239
Short-term deposits placed	102,902	82,206
	161,018	106,445
Less: Deposits with maturity more than 3 months	(18,609)	(14,927)
	142,409	91,518
Cash and cash equivalents under disposal group classified as asset held for sale	-	19,689
Less: Deposits with maturity more than 3 months	-	(3,359)
	142,409	107,848

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st March 2024 and the accompanying explanatory notes attached to the interim financial report.

Notes to the Interim Financial Report

For the Second Quarter Ended 30th September 2024

1. Basis of preparation

This interim financial report is based on the unaudited financial statements for the quarter ended 30 September 2024 and has been prepared in compliance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

This interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2024.

2. Changes in Accounting Policies

The accounting policies adopted for this interim financial report is consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2024 except for the adoption of the following new MFRS and amendments/improvements to MFRSs, which are effective for financial periods beginning on 1 April 2024:

Amendments/Improvements to MFRSs

MFRS 7 Financial Instruments: Disclosures

MFRS 16 Leases

MFRS 101 Presentation of Financial Statements

MFRS 107 Statement of Cash Flows

The adoption of the above new amendments/improvements to MFRSs are not expected to have any material impact on the financial statements of the Group.

2. **Changes in Accounting Policies (cont'd)**

The Group has not adopted the following amendments/improvements to MFRSs that have been issued, but yet to be effective to the Group:

New MFRS

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

Amendments/Improvements to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 10	Consolidated Financial Statements
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 128	Investments in Associates and Joint Ventures

The adoption of the above new MFRS, amendments/improvements to MFRSs are not expected to have any material impact on the financial statements of the Group.

3. **Audit report of preceding annual financial statement**

The preceding year audited financial statements were not subject to any qualifications.

4. **Seasonal or cyclical factors**

The business of the Group is not affected by any significant seasonal or cyclical factors in this financial quarter.

5. Segment information

The Group's operating segments information for the interim financial report to 30 September 2024 was as follows:-

		← Continuing operations →			
		Trusted ID & IT Division RM'000	Other Divisions RM'000	Adjustments & Eliminations RM'000	Total continuing operations RM'000
Revenue from external customers		122,084	5	-	122,089
Segment results <i>(Note A)</i>		29,226	750	79	30,055
Share of results of associates, net of tax		19	-	-	19
Share of results of a joint venture, net of tax		-	15	-	15
Unallocated corporate expenses		-	-	(10,931)	(10,931)
Profit before taxation		29,245	765	(10,852)	19,158
Income tax expenses		(4,359)	-	-	(4,359)
Profit for the period		24,886	765	(10,852)	14,799

Note A: The following are items included in Segment results:

		← Continuing operations →			
		Trusted ID & IT Division RM'000	Other Divisions RM'000	Adjustments & Eliminations RM'000	Total continuing operations RM'000
Operating results		35,193	203	-	35,396
Add/(Less):					
- Depreciation and amortisation		(2,275)	-	79	(2,196)
- Interest income		2,079	-	-	2,079
- Forfeiture income		7,000	-	-	7,000
- Write back of payables and accruals		3,102	-	-	3,102
- Reversal of impairment losses on receivables		4	-	-	4
- Other income		277	-	-	277
- Finance costs		(145)	-	-	(145)
- Administrative, operating and other expenses		(16,009)	547	-	(15,462)
		(5,967)	547	79	(5,341)
Segment results		29,226	750	79	30,055

5. Segment information (cont'd)

The Group's operating segments information for the interim financial report to 30 September 2023 was as follows:-

	← Continuing operations →			Total continuing operations RM'000
	Trusted ID & IT Division RM'000	Other Divisions RM'000	Adjustments & Eliminations RM'000	
Revenue from external customers	204,488	1,422	-	205,910
Segment results <i>(Note B)</i>	31,250	32	59	31,341
Share of results of associates, net of tax	(21)	-	-	(21)
Unallocated corporate expenses	-	-	(9,660)	(9,660)
Profit before taxation	31,229	32	(9,601)	21,660
Income tax expenses	(4,190)	-	-	(4,190)
Profit for the period	27,039	32	(9,601)	17,470

Note B: The following are items included in Segment results:

	← Continuing operations →			Total continuing operations RM'000
	Trusted ID & IT Division RM'000	Other Divisions RM'000	Adjustments & Eliminations RM'000	
Operating results	40,205	1,323	-	41,528
Add/(Less):				
- Depreciation and amortisation	(3,064)	-	59	(3,005)
- Interest income	1,786	-	-	1,786
- Other income	42	790	-	832
- Finance costs	(349)	-	-	(349)
- Impairment losses on receivables	-	(2,189)	-	(2,189)
- Administrative, operating and other expenses	(7,370)	108	-	(7,262)
	(8,955)	(1,291)	59	(10,187)
Segment results	31,250	32	59	31,341

6. Capital Commitments

There were no capital commitments reported at the end of this financial quarter.

7. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for this financial quarter.

8. Changes in the composition of the Group

There were no changes in the composition of the Group in this financial quarter.

9. Material changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which have a material effect in this financial quarter.

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

There were no material events subsequent to the end of this financial quarter.

11. Items of an unusual nature

There were no items of unusual nature, which affects assets, liabilities, equity, net income or cash flows in this financial quarter.

12. Valuations of property, plant and equipment

There were no valuations made on property, plant and equipment for this financial quarter.

13. Changes in contingent liabilities and contingent assets

There are no contingent liabilities and assets incurred or known to be incurred by the Company and/or the Group as at 30 September 2024 except for potential contingent liabilities or assets arising from arbitration proceedings in relation to the termination of NIIS contract as disclosed in Note 23(ii) of this report.

The outcome of the arbitration proceedings is expected to have an impact on the Group's financial performance. However, the extent of the impact, including potential contingent liabilities or assets, cannot be reliably ascertained at this reporting date.

14. Taxation

	Individual		Cumulative	
	3 months ended		6 months ended	
	30th	30th	30th	30th
	September	September	September	September
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>				
Income tax				
- Current financial year	(2,198)	(2,740)	(6,447)	(2,740)
	(2,198)	(2,740)	(6,447)	(2,740)
Deferred tax				
- Origination of temporary differences	939	218	2,088	218
	939	218	2,088	218
Income tax expenses recognised in profit or loss	(1,259)	(2,522)	(4,359)	(2,522)

The Group's effective tax rate for current financial quarter differ from the statutory tax rate of 24% is mainly due to higher of non-deductible expenses recognised in this financial quarter.

15. Related Party Transactions

The Company has not entered into any significant transactions with related parties of the Group for the cumulative 6 months period ended 30 September 2024.

Additional information required by the AMLR

16.1 Review of Performance

Continuing operations

For the current financial quarter ended 30 September 2024, the Group recorded a revenue of RM40.5 million, a decrease of RM37.9 million or 48.3% from RM78.4 million recorded in the previous comparable financial quarter ended 30 September 2023. The Group recorded a profit before taxation of RM3.3 million in this financial quarter as compared to a profit before taxation of RM9.4 million recorded in the previous comparable financial quarter ended 30 September 2023.

The lower revenue in this financial quarter is mainly due to lower delivery of e-passports and cards in the current financial quarter as compared to the previous comparable financial quarter.

The performance of the respective business segments for this financial quarter ended 30 September 2024 as compared to the previous comparable financial quarter is analysed as follows:

Trusted ID & IT Division

Trusted ID & IT division recorded a revenue of RM40.5 million in this financial quarter as compared to RM76.9 million in the previous comparable financial quarter, representing a decrease of RM36.4 million or 47.3%. The decrease in revenue was mainly attributable to lower delivery of e-Passports and e-ID cards in the current financial quarter.

Other Divisions

There is no significant contribution from the other divisions in current financial quarter.

16.2 Comparison with Preceding Quarter

Continuing operations

For the current financial quarter ended 30 September 2024, the Group recorded a revenue of RM40.5 million as compared to RM81.6 million recorded in the preceding financial quarter ended 30 June 2024.

The Group reported a profit before taxation of RM3.3 million as compared to a profit before taxation of RM15.9 million recorded in the preceding financial quarter. The lower profit before taxation in this financial quarter is mainly due to lower delivery of e-Passports and e-ID cards for overseas projects in this financial quarter. Also included in the preceding financial quarter is an amount of RM7,000,000 being forfeiture income arising from termination of shares sale agreement.

17. Prospects

The Group's growth is expected to be driven by the delivery and supply of eID cards and e-Passports from existing and new customers. The Group will also leverage on its extensive customer networking to actively pursue new growth opportunities in its core Trusted ID & adjacent IT business in both international and domestic markets.

The Group will continue to focus on cost optimization efforts to ensure the Group remains competitive in the challenging business environment and deliver sustainable growth in the long term.

The Board is cautiously optimistic that the Group shall perform positively in the coming financial year ending 31 March 2025 arising from continued delivery of eID cards and e-Passports to overseas customers.

18. Variance between actual results and forecasted profit and shortfall in profit guarantee

The Group has not provided any profit forecast or profit guarantee in a public document.

19. Unquoted Securities and/or Properties

There were no purchases or disposals of unquoted securities and/or properties for the current financial quarter and financial period to date.

20. Quoted Securities

There were no purchases or disposals of quoted securities for the current financial quarter and financial period to date.

21. Group Borrowings and Debt Securities

There were no outstanding bank borrowings (exclude hire purchase and finance lease) as at the end of current financial quarter.

22. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at 20 November 2024 being the latest practicable date which is not earlier than seven (7) days from date of issue of this quarterly report.

23. Material Litigation

Save for the material litigations as disclosed below, there are no other material litigations involving the Group as at 20 November 2024:

(i) In the High Court of Malaya at Kuala Lumpur; IRIS Corporation Berhad (“Plaintiff”) against nine (9) former members of the Board of Directors (“Defendants”)

The Company had on 24 April 2019 commenced legal proceedings in the Kuala Lumpur High Court (“High Court”) against the Former Directors of the Company concerning the Company’s investment in Border Control Solutions Limited (“BCS”). The Company brought this action for loss suffered from the Former Directors of the Company’ failure to discharge their respective fiduciary duty, duty of fidelity and/or duty to exercise reasonable care, skill and diligence as directors of the Company at that material time.

The Company sought the following reliefs against the Former Directors of the Company jointly and severally:

- a) the sum of RM11,721,050 being the total amount paid by the Company for the subscription of the BCS’s shares which is equivalent to total sum of Great Britain Pound (“GBP”) 2.05 million (by reference to the conversion rates prevailing on the respective dates of payments);
- b) the sum of RM482,172 being the total amount paid by the Company to Joseph Vijay Kumar (“JVK”) as consultant fees which is equivalent to total sum of GBP84,000 (by reference to the conversion rates prevailing on the respective dates of payments);
- c) pre-judgment interest on the sums awarded in (a) and (b) above pursuant to section 11 of the Civil Law Act 1956;
- d) post-judgment interest on the sums awarded in (a) and (b) above at the rate of 5% per annum from the date of judgment until the date of full and final realisation;
- e) alternative to (a) and (b) above, general damages to be assessed;
- f) interest on the general damages awarded in (e) above;
- g) costs; and/or
- h) all other relief which this Honourable Court deems fit and just.

Items (a) and (b) above have been fully impaired/expensed off to profit & loss in the previous financial year.

On 18 August 2022, the High Court dismissed the claims by the Plaintiff against the Defendants. The High Court awarded costs in the sum of RM85,000 each to Tan Sri Razali, Datuk Tan, YAM Tunku Dato’ Seri Shahbuddin and Dato’ Hamdan. While a sum of RM85,000 was awarded collectively to Dato’ Eow, Chan Feoi Chun, Syed Abdullah and Datuk Nik Azman.

The Company had on 12 September 2022 filed an appeal to the Court of Appeal against the decision of the High Court. The e-review date which was fixed on 25 September 2023 and the hearing of the appeal which was fixed on 9 October 2023 had been vacated by the Court of Appeal.

The case management and hearing date of appeal scheduled on 17 September 2024 and 30 September 2024 respectively were vacated, and with new schedules fixed on 13 March 2025 and 26 March 2025 respectively.

23. Material Litigation (cont'd)

(ii) Notice of Arbitration; IRIS Information Technology Systems Sdn Bhd (“IITS”) against Kementerian Dalam Negeri (“KDN”)

On 10 August 2023, KDN had issued a letter to terminate the NIISe Contract. IITS had on 24 November 2023, via its solicitors, filed a Notice of Arbitration (“NOA”) under the Asian International Arbitration Centre (“AIAC”) Arbitration Rules 2023 to refer the disputes with KDN arising from and in connection with the NIISe Contract to the AIAC for arbitration.

The Parties have appointed the Arbitrator and the arbitration is scheduled for hearing in December 2025.

(iii) Writ of Summons and Statement of Claim; Tec D Distribution (Malaysia) Sdn. Bhd. (“Tec D”) against IRIS Information Technology Systems Sdn. Bhd. (“IITS”) and IRIS Corporation Berhad (“ICB”)

Tec D had on 5 December 2023 commenced legal action in Kuala Lumpur High Court against IITS (“1st Defendant”) and ICB (“2nd Defendant”) respectively claiming for an outstanding sum of RM30,139,099 together with late payment interest in relation to the supply of computer hardware and/or software and/or programs and/or services for NIISe Project.

The Defendants have filed and served their respective Statement of Defence on 4 January 2024. The 2nd Defendant has filed a Notice of Application for Striking-Out on 19 January 2024. The Plaintiff has filed a Notice of Application for Summary Judgment against 1st Defendant on 23 January 2024. The Plaintiff filed its Reply to the Defendants’ Defence on 29 January 2024.

The Court has dismissed the 2nd Defendant’s Notice of Application for Striking Out and the Plaintiff’s Notice of Application for Summary Judgment respectively on 13 May 2024 and fixed full trial dates on 17 January 2028 – 20 January 2028 and 24 January 2028.

24. Dividend

On 27 November 2024, the Directors had declared a first single-tier interim dividend of 1.0 sen per ordinary share for the current financial year ending 31 March 2025. The interim dividend will be payable on 20 December 2024 to shareholders whose names appeared in the Record of Depositors at the close of business on 11 December 2024.

25. Earnings Per Ordinary Share

	Individual		Cumulative	
	3 months ended	3 months ended	6 months ended	6 months ended
	30th	30th	30th	30th
	September	September	September	September
	2024	2023	2024	2023
		Restated		Restated
(a) Basic earnings per ordinary share				
Earnings attributable to owners of the Company for the period (RM'000)				
- continuing operations	1,819	7,759	14,613	17,470
Weighted average number of ordinary shares ('000) at end of period *	815,728	815,728	815,728	815,728
Basic earnings per ordinary share (Sen)				
- continuing operations	0.22	0.95	1.79	2.14
(b) Diluted earnings per ordinary share				
Earnings attributable to owners of the Company for the period (RM'000)				
- continuing operations	1,819	7,759	14,613	17,470
Weighted average number of ordinary shares for the purpose of diluted earnings per share ('000) at end of period *	815,728	815,728	815,728	815,728
Diluted earnings per ordinary share (Sen)				
- continuing operations	0.22	0.95	1.79	2.14

* The weighted average number of ordinary shares has been restated to reflect the retrospective adjustment arising from share consolidation from 4 existing ordinary shares in the Company into 1 ordinary share, resulting in the reduction in the number of shares from 3,262,910,862 ordinary shares to 815,727,624 ordinary shares, which was completed on 25 March 2024.

26. Comparative figures

Certain comparative figures as shown in the condensed consolidated statement of financial position and statement of comprehensive income have been reclassified in order to conform with the current financial period's presentation.

27. Profit before taxation

Individual 3 months ended 30th September 2024 RM'000	Cumulative 6 months ended 30th September 2024 RM'000
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Profit before taxation is arrived at after charging:

Continuing operations

- Amortisation of intangible assets and depreciation of property, plant and equipment & right-of-use assets	1,102	2,196
- Provision of inventories written down	1,822	4,360
- Foreign currency exchange loss - net	10,619	14,209

28. Other income

Individual 3 months ended 30th September 2024 RM'000	Cumulative 6 months ended 30th September 2024 RM'000
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Continuing operations

- Interest income	983	2,079
- Forfeiture income	-	7,000
- Reversal of impairment loss on receivables	-	4
- Write back of payables and accruals	3,102	3,102
- Others	258	277

29. Cash and short-term deposits

As at 30th September 2024 RM'000	As at 31st March 2024 RM'000
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Cash and bank balances	58,116	61,624
Short-term deposits placed with licensed banks	102,902	98,842

Included in cash and bank balances and short-term deposits placed with licensed banks is an amount of RM31,491,161 (As at 31 March 2024: RM31,322,015) pledged to licensed banks for credit facilities.

30. Authorisation for Issue

This interim financial report was authorised for issuance by the Board of Directors on 27 November 2024.