

**MMAG HOLDINGS BERHAD** 200301007003 (609423-V)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED  
31 MARCH 2024**

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

Note	<b>UNAUDITED AS AT 31.03.2024 RM'000</b>	<b>AUDITED AS AT 31.03.2023 RM'000</b>
<b>ASSETS</b>		<b>ok</b>
<b>Non-current assets</b>		
Property, plant and equipment	371,766	384,846
Investment properties	1,402	3,978
Intangible assets	120	120
Other investments	-	59,371
Deferred tax assets	1,600	1,600
Goodwill on consolidation	37,226	37,226
Fixed deposits with a licensed bank	2,555	6,023
<b>Total non-current assets</b>	<b>414,669</b>	<b>493,164</b>
<b>Current assets</b>		
Inventories	8,860	8,275
Contract assets	3,676	3,418
Trade receivables	51,945	42,369
Other receivables	49,565	38,195
Tax recoverable	25	41
Fixed deposits with licensed banks	83,677	1,705
Cash and bank balances	13,399	11,326
<b>Total current assets</b>	<b>211,147</b>	<b>105,329</b>
<b>Assets of disposal group</b>	<b>2,482</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>628,298</b>	<b>598,493</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	401,601	340,920
Reserves	(217,602)	(170,296)
	183,999	170,624
Non-controlling interests	(18,161)	(22,328)
<b>TOTAL EQUITY</b>	<b>165,838</b>	<b>148,296</b>
<b>Non-current liabilities</b>		
Lease liabilities	B7 267,277	288,004
<b>Total non-current liabilities</b>	<b>267,277</b>	<b>288,004</b>
<b>Current liabilities</b>		
Trade payables	43,972	27,983
Other payables	94,326	69,520
Contract liabilities	903	325
Borrowings	B7 -	15,425
Lease liabilities	B7 54,771	48,937
Tax payable	1,211	3
<b>Total current liabilities</b>	<b>195,183</b>	<b>162,193</b>
<b>TOTAL LIABILITIES</b>	<b>462,460</b>	<b>450,197</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>628,298</b>	<b>598,493</b>
<b>Net Assets per share attributable to Owners of the Company</b>	<b>0.0475</b>	<b>0.0704</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes to these interim financial statements

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT & LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 MARCH 2024**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER ENDED 31.03.2024 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31.03.2023 RM'000	CURRENT YEAR-TO-DATE ENDED 31.03.2024 RM'000	PRECEDING YEAR-TO-DATE ENDED 31.03.2023 RM'000
	ok	ok	ok	ok
Revenue	138,201	102,371	492,230	422,096
Cost of sales	(208,742)	(119,956)	(528,234)	(427,685)
<b>Gross (loss)</b>	<b>(70,541)</b>	<b>(17,585)</b>	<b>(36,004)</b>	<b>(5,589)</b>
Other income	7,378	742	21,886	12,043
Gain on foreign exchange	(884)	753	(1,619)	730
	-	-	-	-
Depreciation and amortisation	(3,613)	(3,882)	(14,345)	(13,906)
Loss on disposal of assets held for sale	-	(91)	-	(91)
Loss on disposal of property	-	-	-	-
Bad debts written off	(2)	(564)	(15)	(578)
Impairment loss on receivables	(2,209)	(7,775)	(2,209)	(7,775)
Impairment loss on investment in an associate	-	-	-	-
Impairment loss on property, plant and equipment	-	(5,687)	-	(5,687)
Impairment loss on intangible asset	-	-	-	-
Finance costs	(5,053)	(7,566)	(17,264)	(17,359)
Other expenses	(43,966)	(21,765)	(67,706)	(51,860)
<b>Results from operating activities</b>	<b>(118,890)</b>	<b>(63,420)</b>	<b>(117,276)</b>	<b>(90,072)</b>
Interest income	578	61	640	208
<b>(Loss) before tax for the period</b>	<b>(118,312)</b>	<b>(63,359)</b>	<b>(116,636)</b>	<b>(89,864)</b>
Tax expenses	(1,484)	(443)	(1,519)	472
<b>(Loss) after tax for the period</b>	<b>(119,796)</b>	<b>(63,802)</b>	<b>(118,155)</b>	<b>(89,392)</b>
<b>(Loss) attributable to:</b>				
Owners of the Company	(111,215)	(52,774)	(109,164)	(73,825)
Non-controlling interest	(8,581)	(11,028)	(8,991)	(15,567)
	<b>(119,796)</b>	<b>(63,802)</b>	<b>(118,155)</b>	<b>(89,392)</b>
Basic (loss) per share (sen)	(2.745)	(2.18)	(3.86)	(3.84)
Diluted (loss) per share (sen)	(2.745)	(2.18)	(3.86)	(3.84)
<b>Profit/(Loss) after tax for the period</b>	<b>(119,796)</b>	<b>(63,802)</b>	<b>(118,155)</b>	<b>(89,392)</b>
<b>Other comprehensive loss, net of tax</b>	<b>2,339</b>	<b>(168,747)</b>	<b>141</b>	<b>(179,402)</b>
<b>Total other comprehensive income/(loss), net of tax</b>	<b>(117,457)</b>	<b>(232,549)</b>	<b>(118,014)</b>	<b>(268,794)</b>
<b>Total comprehensive (loss)/income, attributable to:</b>				
Owners of the parent	(108,876)	(221,521)	(109,023)	(253,227)
Non-controlling interests	(8,581)	(11,028)	(8,991)	(15,567)
	<b>(117,457)</b>	<b>(232,549)</b>	<b>(118,014)</b>	<b>(268,794)</b>

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 MARCH 2024

	Attributable to Equity Holders of the Company									Non-controlling interests RM'000	Total equity RM'000
	Non-distributable										
	Share capital RM'000	Irredeemable convertible preference shares RM'000	Revaluation reserve RM'000	Fair value reserve RM'000	Warrant reserve RM'000	Merger deficit RM'000	Exchange translation reserve RM'000	Accumulated losses RM'000	Total RM'000		
At 1 April 2023	340,920	-	-	(30,315)	-	-	(146)	(139,835)	170,624	(22,328)	148,296
Transactions with owners:											
Change in ownership interest in subsidiaries	-	-	-	-	-	-	-	(15,668)	(15,668)	13,158	(2,510)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Settlement to creditors and a Director via allotment of shares	-	-	-	-	-	-	-	-	-	-	-
Issuance of shares arising from conversion of ICPS	-	-	-	-	-	-	-	-	-	-	-
Issuance of shares arising from conversion of warrants	-	-	-	-	-	-	-	-	-	-	-
Issuance of shares arising from private placements	-	-	-	-	-	-	-	-	-	-	-
Warrants expired	-	-	-	-	-	-	-	-	-	-	-
Revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Issuance of shares arising from right issue	145,344	-	-	-	-	-	-	-	145,344	-	145,344
Free warrants detached with right issue	(84,663)	-	-	-	84,663	-	-	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-	(7,278)	(7,278)	-	-
<b>Total transactions with owners</b>	<b>60,681</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,663</b>	<b>-</b>	<b>-</b>	<b>(22,946)</b>	<b>122,398</b>	<b>13,158</b>	<b>135,556</b>
Realisation of fair value reserve upon disposal of shares	-	-	-	32,329	-	-	-	(32,329)	-	-	-
Net (loss) for the period	-	-	-	-	-	-	-	(109,164)	(109,164)	(8,991)	(118,155)
Other comprehensive (loss)/ income for the period	-	-	-	(2,014)	-	-	2,155	-	141	-	141
<b>Total comprehensive (loss)/ income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,014)</b>	<b>-</b>	<b>-</b>	<b>2,155</b>	<b>(109,164)</b>	<b>(109,023)</b>	<b>(8,991)</b>	<b>(118,014)</b>
<b>At 31 Mar 2024</b>	<b>401,601</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,663</b>	<b>-</b>	<b>2,009</b>	<b>(304,274)</b>	<b>183,999</b>	<b>(18,161)</b>	<b>165,838</b>
At 1 April 2022	270,547	754	9,875	165,346	25,143	(7,900)	23	(87,537)	376,251	1,551	377,802
Transaction with owners:											
Change in ownership interest in a subsidiary	-	-	-	-	-	-	-	3,124	3,124	(2,124)	1,000
Settlement to certain creditors & Director Via allotment of shares	23,753	-	-	-	-	-	-	-	23,753	-	23,753
Disposal of subsidiaries	-	-	(1,319)	-	-	7,900	-	(6,581)	-	(6,187)	(6,187)
Issuance of shares arising from conversion of ICPS	950	(754)	-	-	-	-	-	-	196	-	196
Issuance of shares arising from conversion of warrants	11,300	-	-	-	(4,398)	-	-	-	6,902	-	6,902
Issuance of shares arising from private placement	13,625	-	-	-	-	-	-	-	13,625	-	13,625
Warrants expired	20,745	-	-	-	(20,745)	-	-	-	(0)	-	(0)
<b>Total transaction with owners</b>	<b>70,373</b>	<b>(754)</b>	<b>(1,319)</b>	<b>-</b>	<b>(25,143)</b>	<b>7,900</b>	<b>-</b>	<b>(3,456)</b>	<b>47,600</b>	<b>(8,312)</b>	<b>39,288</b>
Realisation of fair value reserve upon disposal of shares	-	-	-	(16,428)	-	-	-	16,428	-	-	-
Reversal of revaluation value reserve upon disposal	-	-	(8,556)	-	-	-	-	8,556	-	-	-
Net loss for the period	-	-	-	-	-	-	-	(73,826)	(73,826)	(15,567)	(89,392)
Other comprehensive loss for the period	-	-	-	(179,233)	-	-	(169)	-	(179,402)	-	(179,402)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(179,233)</b>	<b>-</b>	<b>-</b>	<b>(169)</b>	<b>(73,826)</b>	<b>(253,227)</b>	<b>(15,567)</b>	<b>(268,794)</b>
<b>At 31 Mar 2023</b>	<b>340,920</b>	<b>-</b>	<b>(0)</b>	<b>(30,315)</b>	<b>(0)</b>	<b>-</b>	<b>(146)</b>	<b>(139,835)</b>	<b>170,624</b>	<b>(22,328)</b>	<b>148,296</b>

The condensed consolidated statement of changes of equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes to these interim financial statements

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

	<b>CURRENT YEAR-TO-DATE ENDED 31.03.2024 RM'000</b>	<b>PRECEDING YEAR-TO-DATE ENDED 31.03.2023 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
(Loss) before tax	(116,636)	(89,864)
<b>Adjustments for:</b>		
Non-cash items	62,839	81,499
Non-operating items	17,002	15,609
<b>Operating (loss) / profit before working capital changes</b>	<b>(36,795)</b>	<b>7,244</b>
Changes in working capital		
Inventories	(585)	2,258
Contract customers	322	(9,633)
Receivables	(23,158)	(15,275)
Payables	50,490	22,621
<b>Cash from operations</b>	<b>(9,726)</b>	<b>7,215</b>
Tax paid	(312)	(519)
Tax refunded	16	-
Interest received	39	208
<b>Net cash from operating activities</b>	<b>(9,983)</b>	<b>6,904</b>
<b>Investing Activities</b>		
Net cash inflow from disposal of subsidiaries	-	485
Proceeds from disposal of property, plant and equipment	514	907
Proceeds from disposal of investment property	-	20,200
Proceeds from disposal of other investments	75,063	39,217
Proceeds from disposal of partial stake to non-controlling interests	(2,510)	1,000
Purchase of other investment	(9,005)	(6,021)
Purchase of property, plant and equipment and investment properties	(30,026)	(24,056)
<b>Net cash from investing activities</b>	<b>34,117</b>	<b>31,732</b>
<b>Financing Activities</b>		
Repayment to other payables	(9,744)	4,209
Drawdown of borrowings	33,450	34,899
Interest paid	(17,264)	(17,359)
Proceeds from issuance of shares	145,343	20,721
Repayment of borrowings	(48,874)	(42,829)
Repayment of lease liabilities	(48,446)	(44,481)
Termination of lease liabilities	(198)	-
Upliftment of fixed deposit with licensed banks	3,468	(2,982)
<b>Net cash used in financing activities</b>	<b>57,735</b>	<b>(47,822)</b>
<b>Cash and cash equivalents</b>		
Net changes	81,869	(9,186)
Effect of foreign currency translation differences	2,176	(172)
At beginning of period	13,031	22,389
<b>At end of period</b>	<b>97,076</b>	<b>13,031</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash and bank balances	13,399	11,326
Fixed deposits with licensed banks	86,232	7,728
	<b>99,631</b>	<b>19,054</b>
Less:		
Fixed deposits pledged to licensed banks	(2,555)	(6,023)
	<b>97,076</b>	<b>13,031</b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes to these interim financial statements

**NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

**A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)  
- INTERIM FINANCIAL REPORTING**

**A1 Basis of preparation**

The interim financial statements are unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the annual audited financial statement of the Group for the financial year ended 31 March 2024.

The accounting policies and methods adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2024.

The adoption of MFRSs and amendments to MFRSs which were effective for financial year beginning on and after 1 April 2023 are not expected to have any significant financial impacts on the Group.

**A2 Auditors’ Report of preceding annual financial statements**

There were no qualifications to the audited financial statements for the Company and its subsidiaries for the financial year ended 31 March 2024.

**A3 Seasonal or cyclical factors**

Our business is heavily dependent on working days, public or festive holidays during the current quarter and period under review.

**A4 Unusual items affecting assets, liabilities, equity, net income or cash flows**

During the current quarter under review, there were no items or events that arose, which affect the assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

**A5 Changes in estimates**

There were no material changes in the estimates of amounts reported in previous reporting which have a material effect in the current financial quarter.

**A6 Debt and equity securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter.

**A7 Dividend**

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

## NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024

**A8 Segmental information**

Segment information is presented in respect of the Group's business segments.

The Group comprises the following main business segments:-

- (i) **Mobile and fulfilment ("Mobile & Fulfilment")**  
Mobile operators' 3PL & 4PL contract, fulfilment business and physical and online sale of smart devices and IT related products.
- (ii) **Courier and logistics services**  
Express delivery or last mile delivery services business to business ("B2B"), business to customers ("B2C") and customers to customers ("C2C"), warehousing, fulfilment services and freight forwarding.
- (iii) **Air freight**  
Provision of air cargo services.

Segmental information for the Group is presented as follows:-

For the financial period ended 31 March 2024	Mobile & fulfilments RM'000	Courier & logistic services RM'000	Air freight RM'000	Others RM'000	Total RM'000	Adjustments and eliminations RM'000	Total RM'000
Sales to external customer	213,040	95,694	183,015	480	492,229	1	492,230
Inter-segment sales	5,755	-	28,583	94	34,432	(34,432)	-
<b>Total sales</b>	<b>218,795</b>	<b>95,694</b>	<b>211,598</b>	<b>574</b>	<b>526,661</b>	<b>(34,431)</b>	<b>492,230</b>
<b>Profit/(Loss) before tax</b>	<b>3,325</b>	<b>(45,623)</b>	<b>(81,001)</b>	<b>(6,403)</b>	<b>(129,702)</b>	<b>13,066</b>	<b>(116,636)</b>
Segment assets	87,180	91,063	325,214	90,059	593,516	8,193	601,709
Other unallocated assets							37,251
							<b>638,960</b>
Segment liabilities	29,760	55,344	374,648	3,787	463,539	8,373	471,912
Other unallocated liabilities							1,211
							<b>473,123</b>

## NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024

**A8 Segmental information (Cont'd)**

Segmental information for the Group is presented as follows (Cont'd):-

For the financial period ended 31 March 2023	Mobile & fulfilments RM'000	Courier & logistic services RM'000	Air freight RM'000	Others RM'000	Total RM'000	Adjustments and eliminations RM'000	Total RM'000
Sales to external customer	195,689	77,134	149,048	225	422,096	-	422,096
Inter-segment sales	284	5,404	15,762	139	21,589	(21,589)	-
<b>Total sales</b>	<b>195,973</b>	<b>82,538</b>	<b>164,810</b>	<b>364</b>	<b>443,685</b>	<b>(21,589)</b>	<b>422,096</b>
Profit/(Loss) before tax	2,615	(45,599)	(37,021)	(7,342)	(87,347)	2,268	(85,079)
Segment assets	79,999	82,914	321,671	71,558	566,142	(2,582)	563,560
Other unallocated assets							37,272
							<b>600,832</b>
Segment liabilities	20,117	59,384	340,013	22,367	441,881	(2,639)	439,242
Other unallocated liabilities							3
							<b>439,245</b>

**A9 Valuation of property, plant and equipment**

There were no valuation of the property, plant and equipment in the current quarter under review.

**A10 Significant events during the interim reporting period**

There was no significant event during the financial period ended 31 March 2024.

**A11 Event subsequent to the end of the interim reporting period**

There was no material event subsequent to the financial period ended 31 March 2024.

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

During the financial period ended 31 March 2024, the board's approval for the acquisitions, disposal and incorporation of subsidiaries, associate and other investments were as below:-

- (i) On 31 May 2023, the Company subscribed further 230,000,000 ordinary shares in M Jets International Sdn Bhd ("MJets") by way of capitalisation of amount owing by MJets amounting to RM10,000,000;
- (ii) On 14 July 2023, the Board of Directors announced that within the past twelve (12) months, during the period from 22 March 2023 to 14 July 2023, the Company had disposed in aggregate 252,100,000 ordinary shares of Ingenieur Gudang Berhad ("IGB"), representing 18.22% of total equity interest in IGB for an aggregate sum of RM27,116,000 in cash ("Disposals").

Included in the aforementioned Disposals, on 14 July 2023 the Company had disposed in aggregate 113,600,000 ordinary shares of IGB, representing 8.21% of total equity interest in IGB for an aggregate sum of RM12,496,000 in cash to Madam Chan Swee Ying ("CSY"), the Non-Independent Non-Executive Director and substantial shareholder of MMAG ("Disposal to CSY"). CSY is also an Executive Director of IGB. The Disposal to CSY is a related party transaction pursuant to the provisions under Rule 10.08 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad by virtue of the interests in IGB and MMAG held by CSY;



## NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024

## A12 Changes in the composition of the Group (Cont'd)

During the financial period ended 31 March 2024, the board's approval for the acquisitions, disposal and incorporation of subsidiaries, associate and other investments were as below (Cont'd):-

- (iii) On 29 September 2023, the Board of Directors announced that the Company had:-
- disposed 229,500,000 ordinary shares of CSH Alliance Berhad ("CSH"), representing 16.61% equity interest in CSH for a total cash consideration of RM21,802,500 via off market; and
  - disposed 194,500,000 Warrants B of CSH for a total cash consideration of RM15,560,000 via off market.

Following the above disposals, the Company does not hold any shares or warrants of CSH and has ceased as a major shareholder of CSH; and

- (iv) On 4 October 2023, the Board of Directors announced that a wholly-owned subsidiary, Line Clear Ventures Holdings Sdn Bhd ("LCVH"), had entered into a Shares Sale Agreement with CSH Alliance Berhad ("CSH"), for the acquisition of 5,400,000 ordinary shares in Line Clear Express & Logistics Sdn Bhd ("LCEL"), representing 5.34% of the equity interest in LCEL, for a total cash consideration of RM8,250,000.

LCEL is currently an 80.75% owned subsidiary of LCVH and upon completion of the acquisition, LCVH's equity interest in LCEL would be increased from 80.75% to 86.09%.

- (v) On 04 December 2023, the Board of Directors announced that, MMAG Holdings Berhad ("MMAG"), had entered into a Shares Sale Agreement with Packet Interactive Sdn Bhd ("PACKET"), for the acquisition of 370,893 ordinary shares in Kiple Go Sdn Bhd ("KIPLE"), representing 100% of the equity interest in KIPLE, for a total cash consideration of RM180,000.
- (vi) On 08 February 2024, the Company subscribed further 230,000,000 ordinary shares in M Jets International Sdn Bhd ("MJets") by way of capitalisation of amount owing by MJets amounting to RM10,000,000.
- (vii) On 22 March 2024, the Company subscribed further 230,000,000 ordinary shares in M Jets International Sdn Bhd ("MJets") by way of capitalisation of amount owing by MJets amounting to RM10,000,000.

## A13 Contingent liabilities

The amounts of contingent liabilities of the Company as at the end of the current financial period as follows:-

	As at 31.03.2024 RM'000
Corporate guarantees given to certain suppliers and financial institutions of certain subsidiaries	205,348,277
	<b>205,348,277</b>

## A14 Commitments

The amounts of commitments of the Company as at the end of the current financial period as follows:-

	As at 31.03.2024 RM'000
<b>Commitments authorised but not provided for</b>	
Lease of land	7,200
Construction of buildings	11,600
Acquisition of property, plant and equipment	4,751
	<b>23,551</b>

The Company leased a land and the lease period is for three years with an option to renew after every three years for a further three (3) years up to total lease period of fifteen (15) years (included original three (3) years plus optional twelve (12) years).

## NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024

**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) FOR THE ACE MARKET****B1 Financial review for current quarter and financial period-to-date**

	Individual period		Changes		Cumulative period		Changes	
	Current year	Preceding year			Current	Preceding		
	quarter	corresponding	year-to-date	year-to-date				
	ended	quarter ended	ended	ended				
	31.03.2024	31.03.2023			31.03.2024	31.03.2023		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	138,201	102,371	35,830	35%	492,230	422,096	70,134	17%
Operating (loss)	(118,890)	(63,420)	55,470	87%	(117,276)	(90,072)	27,204	30%
(Loss) before interest and tax	(113,259)	(55,793)	57,466	103%	(99,372)	(72,505)	26,867	37%
(Loss) before tax	(118,312)	(63,359)	54,953	87%	(116,636)	(89,864)	26,772	30%
(Loss) after tax	(119,796)	(63,802)	55,994	88%	(118,155)	(89,392)	28,763	32%
(Loss) attributable to owners of the company	(111,215)	(52,774)	58,441	111%	(109,164)	(73,825)	35,339	48%

The Group's revenue for current quarter ended 31 March 2024 was RM138.20million, which is RM35.83 million or 35% higher as compared to RM102.37 million in the preceding year corresponding quarter ended 31 March 2023.

The Group registered a loss before tax (“LBT”) of RM118.31 million for the current quarter ended 31 March 2024 as compared to loss before tax (“LBT”) of RM63.36 million in the preceding year corresponding quarter ended 31 March 2023.

The Group's revenue for financial period ended 31 March 2024 was RM492.23 million, an increase of RM70.13 million or 17% as compared to RM422.10 million in the preceding year corresponding financial period ended 31 March 2023. The increase in revenue was mainly contributed by courier & logistic services segment and air freight segment.

In addition, the Group registered a LBT of RM116.63 million for the financial period ended 31 March 2024 as compared to LBT of RM89.86 million in the preceding year corresponding financial period ended 31 March 2023. The increase in LBT was mainly due to higher operation cost in air freight segment (Example: Aircraft Jet Fuel, Aircraft ground handling cost, Air Navigation Facility charges, Aircraft components and spares and etc) and higher transportation cost at Transportation & Logistics Segment.

## NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024

**B2. Change in the quarterly results compared to the results of the immediate preceding quarter**

	Current quarter RM'000	Immediate preceding quarter RM'000	Changes	
			RM'000	%
Revenue	138,201	121,341	16,860	13.9%
Operating (loss) / profit	(118,890)	1,172	120,062	-10244%
(Loss) / Profit before interest and tax	(113,259)	6,004	119,263	-1986%
(Loss) / Profit before tax	(118,312)	1,183	119,495	-10101%
(Loss) / Profit after tax	(119,796)	1,168	120,964	-10357%
(Loss) attributable to owners of the Company	(111,215)	(123)	111,092	90319%

Revenue of the current quarter (Q4-2024) is RM138.20 million, which is an increase of RM16.86 million as compared to the immediate preceding quarter (Q3-2024). The LBT stood at RM118.31 million versus PBT of RM1.18 million in Q3-2024.

The major increase in LBT was mainly due to higher operation cost in Air Freight Segment (such as Aircraft Jet Fuel, Aircraft ground handling cost, Air Navigation Facility charges, Aircraft components and spares, MRF, Depreciation-ROU Assets and etc) and higher transportation cost at Transportation & Logistics Segment.

**B3 Prospects**

The Group provides a one-stop-shop supply chain solution to all B2B and B2C customers that includes first mile delivery (transportation of goods from manufacturers/retailers' warehouses to holding centres), middle mile delivery (delivery of goods from warehouses to fulfilment facilities) via road and air and also last mile delivery (movement of goods from a transportation hub to a final destination). The Group will provide end-to-end solutions through its experienced personnel, robust IT system and an extensive networks/facilities. With the well-planned air cargo routes, bonded warehouse facility and ground handling services, the Group will strive to be a key player in this field.

The Group will continue to work on revenue enhancement initiatives through higher capacity utilisation of its fleet of vehicles, cargo planes and warehouses. Cost optimisation tools and models will be implemented as well.

**B4 Variance on profit forecast**

There was no profit forecast issued by the Group.

**B5 Corporate proposal**

Save from the following, there were no corporate proposal announced but not completed as at 31 May 2024, being the last practicable date from the date of the issue of this report.

**On-going Corporate Exercise**

- (i) Proposed Share Consolidation and Proposed Right Issue
  - (a) On 18 May 2023, the Board of Directors announced that the Company proposes to undertake the proposed consolidation of every 10 existing ordinary shares in MMAG ("MMAG Share(s)" or "Share(s)") into 1 MMAG Share ("Consolidated Share(s)") ("Proposed Share Consolidation"); and proposed renounceable rights issue of up to 1,453,434,942 new MMAG Shares ("Rights Shares") on the basis of 6 Rights Shares for every 1 Consolidated Share held as at the close of business on an entitlement date to be determined later at an issue price of RM0.10 per Rights Share, together with up subscribed for ("Proposed Rights Issue"), to 726,717,471 free detachable warrants in MMAG on the basis of 1 Warrant for every 2 Rights Shares.
  - (b) On 26 May 2023, the Board of Directors announced that the additional listing application in relation to the Proposals has been submitted to Bursa Securities.

## NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024

**B5 Corporate proposal (Cont'd)**

Save from the following, there were no corporate proposal announced but not completed as at 22 February 2024, being the last practicable date from the date of the issue of this report (Cont'd).

**On-going Corporate Exercise (Cont'd)**

- (i) Proposed Share Consolidation and Proposed Right Issue (Cont'd)
- (c) On 29 August 2023, Bursa Securities had vide its letter dated 28 August 2023 to approve the following:-
- (i) Proposed Share Consolidation;
  - (ii) listing and quotation of up to 242,239,157 Consolidated Shares arising from the Proposed Share Consolidation;
  - (iii) admission to the Official List and listing and quotation of up to 726,717,471 Warrants to be issued pursuant to the Proposed Rights Issue;
  - (iv) listing and quotation of up to 1,453,434,942 Rights Shares to be issued pursuant to the Proposed Rights Issue; and
  - (v) listing and quotation of up to 726,717,471 new MMAG Shares to be issued arising from the exercise of the Warrants.
- (d) On 30 October 2023, the Board of Directors announced that based on the entitlement date for the Share Consolidation as at 5.00 p.m. on 30 October 2023 ("Entitlement Date"), the existing number of 2,422,391,577 MMAG Shares as at the Entitlement Date will be consolidated into 242,239,061 Consolidated Shares (after disregarding the fraction entitlement arising from the Share Consolidation) pursuant to the Share Consolidation.
- (e) On 31 October 2023, the Board of Directors announced the Share Consolidation has been completed following the listing of and quotation for 242,239,061 Consolidated Shares on the ACE Market of Bursa Securities with effect from 9.00 a.m. on 31 October 2023.
- (f) On 7 December 2023, the Board of Directors announced that the Company had executed the following:-
- (i) The deed poll constituting the Warrant; and
  - (ii) An underwriting agreement with TA Securities ("Sole Underwriter"), for the underwriting of 80,000,000 Rights Shares together with 40,000,000 Warrants pursuant to the Rights Issue by the Sole Underwriter, representing 44.44% of the issue size of the Rights Issue under the Minimum Subscription Level ("Underwriting Agreement").
- (g) On 23 January 2024, the Board of Directors announced that the Right Issue has been completed with the listing of and quotation for 1,453,434,366 Rights Shares together with 726,717,178 Warrants.

**B6 Utilisation of proceeds**

Proceeds raised from corporate proposals (Private Placement III) had been fully utilised on 31 March 2024.

Status of utilisation of corporate proposals (Right Issue) as at 31 March 2024 are as follows :

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Intended timeframe for utilisation
Capital expenditure for new warehouse/hubs/depots and related purchases of system, equipment and new fleet of vehicles	70,000	23,532	Within 36 months
Purchase of ICT products for mobile and fulfillment segment	45,000	10,362	Within 36 months
Operating expenditures of courier and logistics segment	25,000	19,311	Within 24 months
Administrative and general expenses	4,433	4,403	Within 3 months
Estimated expenses for the Private Placement III	910	910	Fully utilised
	145,343	58,518	

## NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024

**B7 Borrowing and debt securities**

The Group's borrowings as at 31 March 2024 are as follows:-

	Quarter ended 31.03.2024 RM'000	Quarter ended 31.03.2023 RM'000
<b>Secured</b>		
Borrowings		
- Short term	54,771	64,362
- Long term	267,277	288,004
	322,048	352,366

During the financial period under review, the total finance costs (inclusive of lease liabilities) for the financial period ended 31 March 2024 was RM15.87 million as compared to RM15.63 million in the corresponding financial period ended 31 March 2023.

**B8 Material litigations**

Save as disclosed below, as at 22 February 2024 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report), the Group was not engaged in any material litigation either as plaintiff or defendant and the directors are not aware of any proceedings pending or threatened against the Group or any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group:-

- (i) On 6 March 2023, MJets International Sdn Bhd ("MJets") ("Defendant") had been served with the Writ of Summons and the Statement of Claim dated 28 February 2023 and 23 February 2023 respectively under Shah Alam Sessions Court Suit No. BA-B52NCvC-30-02/2023 ("Suit 30") by Comone International Logistics Co Limited ("Comone") ("Plaintiff").

Suit 30 was transferred to the Sepang Sessions Court and listed as Suit No. BK-B52NCvC-5-03/2023 ("Suit 5"), upon the Sessions Court directions during the first case management on 10 March 2023.

The claim filed against MJets alleged that the company has failed to make the full payment towards the monthly repayment instalments agreed by the Plaintiff as full and final settlement of a claim for the cancellation of proposed joint venture agreement as entered into by the previous management in the year 2020, this being before MJets became a subsidiary of MMAG.

On 30 May 2023, the Plaintiff filed an application for summary judgment against MJets. A hearing date was fixed and heard by Court on 20 October 2023, with continued hearing on 23 November 2023. The Plaintiff's summary judgement application was allowed by the Sessions Court, with costs of RM2,000.00, on 23 November 2023.

On 2 February 2024, the Board of Directors announced that MJets has made full payment of the judgement sum awarded by the Court to the Plaintiff .

There is no further financial impact in relation to the Suit since the judgment sum has been satisfied.

**NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024****B8 Material litigations (Cont'd)**

Save as disclosed below, as at 22 February 2024 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report), the Group was not engaged in any material litigation either as plaintiff or defendant and the directors are not aware of any proceedings pending or threatened against the Group or any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group (Cont'd):-

- (ii) On 17 January 2023, MJets ("Defendant") had been served a Writ of Summons and Statement of Claim by AeroControl Group DWC-LLC ("Plaintiff").

The claimed against MJets is due to failure to make the full payment towards the outstanding invoices issued by the Plaintiff for the fuel uplift services provided by the Plaintiff.

The first Case Management was fixed on 16 February 2023 by the way of e-Review.

MJets filed its Statement of Defence on 16 March 2023 and the Plaintiff's Reply to Defence was subsequently filed on 31 March 2023.

On 14 April 2023, the Plaintiff has filed an application for summary judgement against MJets, for the reliefs pleaded in Writ and Statement of Claim. MJets has filed its Affidavit in Reply on 9 May 2023 and the Plaintiff is due to file its Affidavit in Reply on or before 30 May 2023. Subsequently on 24 May 2023, the Plaintiff has requested for an extension of time to file the Affidavit in Reply until 6 June 2023.

On 31 May 2023, the Court has provided the following directions where the parties are required to file written submission on or before 4 July 2023, written submission in reply on or before 31 July 2023 and the hearing for the summary judgement application has been fixed on 25 August 2023.

At the hearing on 25 August 2023, the the Court has allowed the Plaintiff's Summary Judgment application against the Defendant. Pursuant thereto, the Defendant is required to pay the sum of RM2,312,902.64 as pleaded in the Plaintiff's statement of claim together with the costs of RM7,000.00 subject to 4% Court allocatur fees, to the Plaintiff.

On 31 January 2024, the Board of Directors announced that MJets has completed the payment of the judgement sum awarded by the Court in relation to the Suit.

There is no further financial impact in relation to the Suit as the judgement sum was already provided earlier.

**NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

**B8 Material litigations (Cont'd)**

Save as disclosed below, as at 22 February 2024 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report), the Group was not engaged in any material litigation either as plaintiff or defendant and the directors are not aware of any proceedings pending or threatened against the Group or any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group (Cont'd):-

- (iii) On 14 April 2023, the Board of Directors announced that MJets (“Plaintiff”), had commenced a legal suit against Gunasekar A/L Mariappan and Philip Phang King Ming (“Defendants”), former directors of MJets for breach of fiduciary duties due and owing to the Plaintiff.

The estimated potential liability to MMAG is minimal because MJets is the claimant against the Defendants for breach of fiduciary duties due and owing to the Plaintiff.

The potential liability arising from the Suit is the Plaintiff's legal fees and any costs awarded by the court if the Suit is dismissed.

On 2 May 2023, the Board of Directors announced that this day was fixed for hearing of MJets' application for an ex-parte interlocutory injunction restraining the Defendants from acting and/or holding themselves as directors of MJets for a period of 21 days.

The Court has granted the abovesaid ex-parte interlocutory injunction and has fixed for inter-partes hearing on 23 May 2023.

On 23 May 2023, a consent order was recorded before the Court for an ad-interim interlocutory injunction restraining the Defendants from acting and/or holding themselves as directors of MJets pending the interpartes hearing fixed on 16 August 2023.

The Court has given directions for the filing of Defence and Reply to Defence and fixed the next case management on 20 July 2023. However, MJets has served their amended Writ and amended Statement of Claim (duly endorsed by the Court) on 17 July 2023. The Defendants are to file their Defence within 2 weeks from the date of service of the amended Writ and Statement of Claim.

The Defendants have filed their Defence on 7 August 2023 while MJets has filed their Reply to Defence on 28 August 2023. Following that, the Court has directed parties to file Pre-Trial Documents (Bundle of Pleadings, Bundle of Documents, Agreed Facts, Issues to be tried and List of Witnessess) during the case management on 29 September 2023.

On 17 November 2023, the Defendants has filed an application to stay the proceedings in this suit (including filing of any cause papers) pending the full and final disposal of Kuala Lumpur High Court Civil Suit No. WA-22NCC-474-07/2023 ("Suit 474").The application was fixed for hearing on 21 February 2024.

On 29 March 2024, the court has allowed the suit to be stayed pending the full and final disposal of Suit 474. The next case management is fixed on 27 June 2024.

**NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

**B8 Material litigations (Cont'd)**

- (iv) On 12 July 2023, MJets, JT Aerotech, the Company and its Directors, Kenny Khoo Chuan Wah and Chong Koon Meng (“Defendants”), had been served a Writ of Summons and Statement of Claim under Kuala Lumpur High Court Suit No. WA-22NCC-474-07/2023 by Gunasekar A/L Mariappan and Philip Phang Kin Ming (“Plaintiffs”).

The claim against the Company is connected to legal suits which have been mentioned in (iii) for inter alia, breach of their fiduciary duties towards MJets as announced in Bursa on 14 April 2023, and in JT Aerotech’s earlier minority oppression claim against the Company as previously announced in Bursa on 19 August 2022.

The Company and its Directors filed and served their Memorandum of Appearance on 24 July 2023 and their respective Defence on 2 October 2023. The Plaintiffs filed their Reply to the respective Defence(s) of the Defendants on 5 January 2024

On 5 February 2024, the Company, Chin, Kenny and Jeff had filed their respective applications for leave to file Rejoinder. On 15 May 2024, the Kuala Lumpur High Court allowed the respective Rejoinder applications, and the oral application for a surrejoinder by the Plaintiffs being refused.

On 5 February 2024 and 19 February 2024, the Company and its Directors had filed their respective applications to strike out the Plaintiffs’ claim. The hearing for the Defendants’ striking out application, and the case management for Plaintiffs’ claim have been fixed on 14 August 2024

The financial impact of the legal suit, if any, can only be ascertained pending legal review by the solicitors for the Company. There is no operational impact of the legal suit on the Company and MJets.

**B9 Dividends**

There was no dividend has been proposed nor declared during the financial period under review.



## NOTES TO THE QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024

**B10 (Loss)/Earnings per share****10.1 Basic (loss)/earnings per share**

The basis (loss)/earnings per share is calculated by dividing the net (loss)/profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the financial period.

	<b>Current year quarter ended 31.03.2024 RM'000</b>	<b>Preceding year corresponding quarter ended 31.03.2023 RM'000</b>	<b>Current year-to-date ended 31.03.2024 RM'000</b>	<b>Preceding year year-to-date ended 31.03.2023 RM'000</b>
(Loss) attributable to Owners of the Company	(111,215)	(52,774)	(109,164)	(73,825)
Weighted average number of shares in issue ('000)	4,051,516	2,422,392	2,827,447	1,923,287
Basic (loss) per share (sen)	(2.75)	(2.18)	(3.86)	(3.84)

**10.2 Diluted (loss)/earnings per share**

The diluted (loss)/earnings per share is calculated by dividing the net (loss)/profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares that would have been issued upon full conversion of Warrant 2017/2022. There is no diluted (loss)/earnings per share for current financial period as warrants had been expired.

	<b>Current year quarter ended 31.03.2024 RM'000</b>	<b>Preceding year corresponding quarter ended 31.03.2023 RM'000</b>	<b>Current year-to-date ended 31.03.2024 RM'000</b>	<b>Preceding year year-to-date ended 31.03.2023 RM'000</b>
(Loss) attributable to Owners of the Company	(111,215)	(52,774)	(109,164)	(73,825)
Weighted average number of shares in issue ('000)	4,051,516	2,422,392	2,827,447	1,923,287
Effect of dilution:				
Exercise of warrants	-	-	-	-
Adjusted weighted average number of ordinary shares in issue ('000)	4,051,516	2,422,392	2,827,447	1,923,287
Diluted (loss) per share (sen)	(2.745)	(2.18)	(3.86)	(3.84)

**B11 Authorised for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 31 May 2024.