

**ARTRONIQ BERHAD**

[Company No.: 200201023414 (591077-X)]

(Incorporated in Malaysia)

**THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER (9 Months Ended)	
		CURRENT PERIOD QUARTER 31/3/2024 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 31/3/2023 RM'000	CURRENT PERIOD TO DATE 31/3/2024 RM'000	PRECEDING PERIOD TO DATE 31/3/2023 RM'000
<b><u>Continuing operations</u></b>					
Revenue		3,278	-	34,691	-
Cost of sales		(1,417)	-	(26,708)	-
<b>Gross profit</b>		1,861	-	7,983	-
Other income		355	-	1,923	-
Administrative expenses		(4,216)	-	(11,683)	-
Selling and distribution expenses		(104)	-	(332)	-
Loss from operations		(2,104)	-	(2,109)	-
Finance costs		(105)	-	(299)	-
<b>Loss before tax</b>		(2,209)	-	(2,408)	-
Tax expenses	20	110	-	(1,757)	-
<b>Loss from continuing operations, net of tax</b>		(2,099)	-	(4,165)	-
<b><u>Discontinued operations</u></b>					
Loss from discontinued operations, net of tax		(201)	-	(165)	-
<b>Loss for the period, representing total comprehensive deficit for the period</b>		(2,300)	-	(4,330)	-
<b>Loss attributable to:</b>					
Equity holder of the Company		(2,410)	-	(4,508)	-
Non-controlling interest		110	-	178	-
		(2,300)	-	(4,330)	-
<b>Loss per share attributable to equity holders of the Company (sen):</b>					
Basic	27				
- continuing operations		(0.58)	-	(1.14)	-
- discontinued operations		(0.05)	-	(0.04)	-
		(0.63)	-	(1.18)	-
Dilute	27				
- continuing operations		(0.39)	-	(0.77)	-
- discontinued operations		(0.04)	-	(0.03)	-
		(0.43)	-	(0.80)	-

## Notes:

- No comparative figures were disclosed as the Group changed its financial year end from 31 December to 30 June during the preceding 18 months' period ended 30 June 2023.
- The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the period ended 30 June 2023 and the accompanying explanatory notes attached to the Quarterly Report.

**ARTRONIQ BERHAD**

[Company No.: 200201023414 (591077-X)]

(Incorporated in Malaysia)

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

	<b>UNAUDITED AS AT 31/3/2024 RM'000</b>	<b>AUDITED AS AT 30/6/2023 RM'000</b>
	<b>Note</b>	
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	7,019	5,766
Investment property	1,500	1,500
Right-of-use assets	2,410	2,224
Goodwill on consolidation	12,923	12,923
	<u>23,852</u>	<u>22,413</u>
<b>Current Assets</b>		
Inventories	2,112	1,990
Trade receivables	53,665	50,198
Other receivables, deposits and prepayment	19,384	17,080
Short-term investment	-	56
Income tax assets	1,605	591
Fixed deposits with licensed banks	750	748
Cash and bank balances	1,755	1,144
	<u>79,271</u>	<u>71,807</u>
<b>TOTAL ASSETS</b>	<u>103,123</u>	<u>94,220</u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024 (CONT'D)**

	UNAUDITED AS AT 31/3/2024 RM'000	AUDITED AS AT 30/6/2023 RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	109,723	58,643
Accumulated losses	(22,485)	(17,977)
<b>Total equity attributable to Owners of the Company</b>	<u>87,238</u>	<u>40,666</u>
Non-controlling interests	1,158	1,826
<b>Total equity</b>	<u>88,396</u>	<u>42,492</u>
<b>Non-Current Liabilities</b>		
Loans and borrowings	25 1,196	1,575
Lease liabilities	1,942	1,934
Deferred tax liabilities	205	205
	<u>3,343</u>	<u>3,714</u>
<b>Current Liabilities</b>		
Trade payables	4,804	36,828
Other payables and accruals	2,110	3,840
Contract liability	220	4,260
Loans and borrowings	25 2,017	1,898
Lease liabilities	610	399
Income tax liabilities	1,623	789
	<u>11,384</u>	<u>48,014</u>
<b>Total liabilities</b>	<u>14,727</u>	<u>51,728</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>103,123</u>	<u>94,220</u>
Net assets per share (sen) attributable to owner of the Company	<u>21.38</u>	<u>12.39</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the period ended 30 June 2023 and the accompanying explanatory notes attached to the Quarterly Report.

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(Incorporated in Malaysia)

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

	-----Attributable to owner of the Company-----				
	Non-Distributable	Distributable		NON-CONTROLLING INTEREST	TOTAL EQUITY
	SHARE CAPITAL RM'000	ACCUMULATED LOSSES RM'000	TOTAL RM'000	RM'000	RM'000
<b>Balance as at 1 July 2023</b>	58,643	(17,977)	40,666	1,826	42,492
Loss for the period, representing total comprehensive deficit for the period	-	(4,508)	(4,508)	178	(4,330)
Contributions by owners of the Company:					
- Issuance of shares via private placement	42,679	-	42,679	-	42,679
- Issuance of shares via warrant conversion	8,401	-	8,401	-	8,401
- Dividend paid to shareholders	-	-	-	(846)	(846)
<b>Balance as at 31 March 2024</b>	<b>109,723</b>	<b>(22,485)</b>	<b>87,238</b>	<b>1,158</b>	<b>88,396</b>
<b>Balance as at 1 July 2022</b>	-	-	-	-	-
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-
Contributions by owners of the Company:					
- Issuance of shares	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes:

- i. No comparative figures were disclosed as the Group changed its financial year end from 31 December to 30 June during the preceding 18 months' period ended 30 June 2023.
- ii. The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the period ended 30 June 2023 and the accompanying explanatory notes attached to the Quarterly Report.

**ARTRONIQ BERHAD**

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(Incorporated in Malaysia)

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

	Note	9 MONTHS ENDED	
		CURRENT PERIOD TO DATE 31/3/2024 RM'000	PRECEDING PERIOD TO DATE 31/3/2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		(2,404)	-
Adjustments for:-			
Depreciation of property, plant and equipment		894	-
Depreciation of right-of-use assets		555	-
Gain on disposal of property, plant and equipment		(70)	-
Interest expense		299	-
Interest income		(5)	-
Unrealised loss on foreign exchange		950	-
Written off on property, plant and equipment		70	-
Operating profit before working capital changes		289	-
Changes in working capital:-			
Inventories		(122)	-
Receivables		(7,287)	-
Payables		(32,851)	-
Contract liability		(4,040)	-
Cash flows used in operations		(44,011)	-
Tax paid		(2,230)	-
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		<b>(46,241)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		5	-
Placement of fixed deposits		(2)	-
Purchase of property, plant and equipment		(2,327)	-
Proceeds from disposal of property, plant and equipment		180	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(2,144)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issuance of ordinary shares via private placement		42,679	-
Proceeds from issuance of ordinary shares via warrant conversion		8,401	-
Dividend paid to non-controlling interest		(846)	-
Interest paid		(299)	-
Repayment of term loans		(288)	-
Repayment of hire purchase payables		(416)	-
Payment for lease liabilities		(522)	-
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>		<b>48,709</b>	<b>-</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>		<b>324</b>	<b>-</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>		<b>(213)</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	23	<b>199</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	23	<b>310</b>	<b>-</b>

## Notes:

- i. No comparative figures were disclosed as the Group changed its financial year end from 31 December to 30 June during the preceding 18 months' period ended 30 June 2023.
- ii. The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the period ended 30 June 2023 and the accompanying explanatory notes attached to the Quarterly Report.

## ARTRONIQ BERHAD

[Company No.: 200201023414 (591077-X)]

(Incorporated in Malaysia)

### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024

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#### 1. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial period ended 30 June 2023. The explanatory notes attached to the condensed consolidated interim financial statements 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 period ended 30 June 2023.

#### 2. Significant Accounting Policies

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial period ended 30 June 2023 except for the adoption of the following Amendments to MFRSs during the current financial period:

<b>MFRSs, Amendments to MFRSs and/or IC Interpretations</b>	<b>Effective Date</b>
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform – Pillar Two Model Rules	1 January 2023

The initial application of the above Amendments to MFRSs and IC Int does not have any significant financial impact to the current period and prior period financial statement.

As at the date of this announcement, the following MFRSs, amendments to MFRSs and IC Interpretations were issued but yet effective and have not been applied by the Group:

<b>MFRSs, Amendments to MFRSs and/or IC Interpretations</b>	<b>Effective Date</b>
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
MFRS 121: The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

#### 3. Auditors' Report of Preceding Annual Financial Statements

The auditors' report of the preceding annual financial statements was not subject to any qualification.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

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**4. Seasonal or Cyclical Factors**

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter.

**5. Unusual Items**

There were no other items which were unusual because of their nature, size, or incidence that has affected the assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter.

**6. Material Changes in Estimates**

There were no changes in estimates of amounts reported in prior interim periods that have a material effect on the current financial quarter.

**7. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial quarter.

**8. Dividend Paid**

There was no dividend paid during the current financial year.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024****9. Segmental Information**

9 Months Ended 31 March 2024	<u>Continuing operations</u>						<u>Discontinued operations</u>			
	Investment Holding RM'000	ICT Products and Related Services RM'000	Loan Financing RM'000	Semi Conductor RM'000	Inter- company elimination RM'000	Total RM'000	Resin compound for wire and cable RM'000	Resin compound for other industries RM'000	Inter- company elimination RM'000	Total RM'000
External revenue	-	26,564	2,487	5,640	-	34,691	-	-	-	-
Inter-segment revenue	285	394	-	-	(679)	-	-	-	-	-
<b>Total revenue</b>	<b>285</b>	<b>26,958</b>	<b>2,487</b>	<b>5,640</b>	<b>(679)</b>	<b>34,691</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Segment result	(1,738)	(1,392)	1,654	759	(1,392)	(2,109)	(3,733)	4,147	(410)	4
Finance cost	-	(125)	(5)	(169)	-	(299)	-	(35)	35	-
<b>(Loss)/Profit before tax</b>	<b>(1,738)</b>	<b>(1,517)</b>	<b>1,649</b>	<b>590</b>	<b>(1,392)</b>	<b>(2,408)</b>	<b>(3,733)</b>	<b>4,112</b>	<b>(375)</b>	<b>4</b>
Segment assets	96,980	62,497	34,096	7,339	(97,832)	103,080	7,041	6,992	(13,990)	43
Segment liabilities	15,381	60,848	30,069	4,502	(96,264)	14,536	102	89	-	191



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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

**9. Segmental Information (Cont'd)**

9 Months Ended 31 March 2023	<u>Continuing operations</u>				<u>Discontinued operations</u>			
	Investment Holding RM'000	ICT products RM'000	Inter- company elimination RM'000	Total RM'000	Resin compound for wire and cable RM'000	Resin compound for other industries RM'000	Inter- company elimination RM'000	Total RM'000
External revenue	-	-	-	-	-	-	-	-
Inter-segment revenue	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Segment result	-	-	-	-	-	-	-	-
Finance cost	-	-	-	-	-	-	-	-
<b>Profit before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Segment assets	-	-	-	-	-	-	-	-
Segment liabilities	-	-	-	-	-	-	-	-

**Geographical reporting:**

	Quarter Ended			9 Months Ended		
	31/3/2024 RM'000	31/3/2023 RM'000	Changes %	31/3/2024 RM'000	31/3/2023 RM'000	Changes %
<u>Continuing operations</u>						
Malaysia	2,978	-	-	21,824	-	-
Asia	166	-	-	12,468	-	-
America	134	-	-	399	-	-
	<b>3,278</b>	<b>-</b>	<b>-</b>	<b>34,691</b>	<b>-</b>	<b>-</b>

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

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**10. Material Events Subsequent to the End of the Current Quarter**

Other than those disclosed in Note 24 and Note 26, there were no events materially affecting the results of the Group for the financial period-to-date, which might have occurred between 31 March 2024 and the date of this announcement.

**11. Changes in Composition of the Group**

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

**12. Changes in Contingent Liabilities and Contingent Assets**

There were no changes in the material contingent liabilities or assets of the Group as at the date of this announcement.

**13. Capital Commitments**

There were no material capital commitments as at the date of this announcement.

**14. Significant Related Party Transaction**

The related party transactions are taken under normal course of business and on terms that are not more favourable than those available to other third parties.

The Directors of the Company are of the opinion that there are no related party transactions which would have a material impact on the financial position and the business of the Group during the current financial quarter and financial period-to-date.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024****ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS FOR THE ACE MARKET OF THE BURSA MALAYSIA SECURITIES BERHAD****15. Review of Group Performance****Current Financial Quarter****Continuing operations**

The Group recorded a revenue of RM3.278 million for the current year quarter ended 31 March 2024 (“Q3 2024”). The Group incurred a loss before tax of RM2.209 million for Q3 2024.

**Discontinued operations**

Manufacturing business of resin compound for wire and cable and resin compound for other industries had ceased its operations on 22 September 2020. The Group generated a loss before tax of RM0.033 million for Q3 2024.

**16. Comparison with Previous Quarter's Results**

<b><u>Continuing operations</u></b>	<b>Current Quarter</b>	<b>Revenue</b>		<b>Changes</b>	<b>Loss before tax</b>		
		<b>31/3/2024</b>	<b>31/12/2023</b>		<b>31/3/2024</b>	<b>31/12/2023</b>	<b>Changes</b>
<b>Segment</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	
Investment holding	-	-	-	(664)	(1,529)	-56.57%	
ICT products and related services	108	12,864	-99.16%	(3,080)	545	-665.14%	
Loan financing	1,376	864	59.26%	1,182	802	47.38%	
Semi conductor	1,794	1,642	9.26%	353	(7)	-5,142.86%	
<b>Total</b>	<b>3,278</b>	<b>15,370</b>	<b>-78.67%</b>	<b>(2,209)</b>	<b>(189)</b>	<b>1,068.78%</b>	

<b><u>Discontinued operations</u></b>	<b>Current Quarter</b>	<b>Revenue</b>		<b>Changes</b>	<b>Profit/(Loss) before tax</b>		
		<b>31/3/2024</b>	<b>31/12/2023</b>		<b>31/3/2024</b>	<b>31/12/2023</b>	<b>Changes</b>
<b>Segment</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	
Resin compound for wire and cable	-	-	-	(3,704)	(6)	61,633.33%	
Resin compound for other industries	-	-	-	3,671	61	5,918.03%	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33)</b>	<b>55</b>	<b>-160%</b>	

**Continuing operations**

For Q3 2024, the Group achieved revenue of RM3.278 million, representing a significant decrease of approximately 78.67% as compared to the previous quarter ended 31 December 2023 (“Q2 2024”) of RM15.370 million. The revenue of ICT products and related services segment reflects the stage of completion for a project during the quarter under review. The dramatic drop in revenue is mainly due to the progress of the project is currently in a stagnant stage in Q3 2024 and there is no ad hoc project in ICT products and related services segment as compared to Q2 2024.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

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**16. Comparison with Previous Quarter's Results (Cont'd)**

**Continuing operations (cont'd)**

The Group incurred a loss before tax of RM2.209 million in Q3 2024 as compared to a loss before tax of RM0.189 million in Q2 2024. The significant increase is mainly due to the withholding tax charged for Cambodia sales.

**17. Prospects**

Despite the Group is now facing some challenges that tarnished the Group's reputation and led to share price fluctuation during the current period, the management has made necessary action to defend the matter and offer full cooperation to assist the relevant authorities to conduct the investigation. The management will persist to focus on its core business in ICT products and related services segment and endeavor to secure more opportunities in Malaysia which are able to contribute positively to the future earnings of the Group. In addition, the Board will also continue to review and monitor the performance in semi-conductor and e-bike segment with available resources to enhance the revenue growth. Notwithstanding the aforementioned, the management will be more prudent in the management of its assets and focus on its core competencies in order to deliver sustainable future growth to stakeholders.

**18. Variance of Profit Forecast**

The Group has not announced or disclosed any profit forecast in a public document that relates to this reporting period.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024****19. Loss Before Tax**

Loss before tax is arrived at after charging/(crediting):

	<b>Quarter Ended</b>		<b>9 Months Ended</b>	
	<b>31/3/2024</b>	<b>31/3/2023</b>	<b>31/3/2024</b>	<b>31/3/2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation of property, plant and equipment	298	-	894	-
Depreciation of right of use asset	227	-	555	-
Gain on disposal of property, plant and equipment	-	-	(70)	-
Interest expense	105	-	299	-
Interest income	(1)	-	(5)	-
Realised gain on foreign exchange	(67)	-	(1,409)	-
Unrealised loss on foreign exchange	(82)	-	950	-
Written off on property, plant and equipment	-	-	70	-

**20. Tax Expenses**

The tax expenses for the current quarter and period ended are as follows:

	<b>Quarter Ended</b>		<b>9 Months Ended</b>	
	<b>31/3/2024</b>	<b>31/3/2023</b>	<b>31/3/2024</b>	<b>31/3/2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Income tax</b>				
<b>Current year</b>				
- continuing operations	(254)	-	1,613	-
<b>Prior year</b>				
- continuing operations	144	-	144	-
- discontinued operations	169	-	169	-
	<u>59</u>	<u>-</u>	<u>1,926</u>	<u>-</u>

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

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**21. Financial Instruments****Classification**

The following table analyses the financial assets and financial liabilities of the Group in the condensed consolidated statement of financial position by the classes and categories of financial instruments to which they are assigned by their measurement basis.

	<b>As At 31/3/2024 RM'000</b>	<b>As At 30/6/2023 RM'000</b>
<b>Financial Assets</b>		
<i>At amortised cost</i>		
Trade receivables	53,665	50,198
Other receivables and deposits	19,271	16,873
Short-term investment	-	56
Fixed deposits with licensed banks	750	748
Cash and bank balances	1,755	1,144
<b>Total financial assets</b>	<b>75,441</b>	<b>69,019</b>
<b>Financial Liabilities</b>		
<i>At amortised cost</i>		
Trade payables	4,804	36,828
Other payables and accruals	2,110	3,840
Contract liability	220	4,260
Loans and borrowings	3,213	3,473
Lease liabilities	2,552	2,333
<b>Total financial liabilities</b>	<b>12,899</b>	<b>50,734</b>

**22. Fair Value Information**

At the end of the reporting period, there were no financial instruments carried at fair values in the statement of financial position.

The carrying amount of financial assets and financial liabilities at amortised cost are reasonable approximation of their fair values.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024****23. Cash and Cash Equivalents**

Cash and cash equivalents included in the statement of cash flows comprise of the following:

	<b>As At 31/3/2024 RM'000</b>	<b>As At 30/6/2023 RM'000</b>
<b>Fixed deposits with licensed banks</b>		
- continuing operations	750	748
<b>Cash and bank balances</b>		
- continuing operations	1,713	1,073
- discontinued operations	42	71
<b>Short-term investment</b>		
- continuing operations	-	56
<b>Bank overdrafts</b>		
- continuing operations	(1,445)	(1,001)
	<u>1,060</u>	<u>947</u>
<b>Less: Fixed deposits pledged to licensed banks</b>		
- continuing operations	(750)	(748)
	<u>310</u>	<u>199</u>

Fixed deposits of the Group totalling RM0.750 million, which have been pledged to banks for banking facilities granted to subsidiaries are not available for general use by the Group other than to meet the obligations under the banking facilities.

**24. Status of Corporate Proposals Announced****(i) Proposed Private Placement**

On 13 February 2023, the Company submitted its application to Bursa Securities for Proposed Private Placement of up to 20% of total number of issued shares. Bursa Securities has vided its letter dated 18 April 2023 to approve listing of up to 65,659,400 new Shares to be issued pursuant to the Proposed Private Placement.

The Placement has been completed on 6 July 2023 following the listing of 65,659,400 Placement Shares on the ACE Market of Bursa Securities on even date.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024****24. Status of Corporate Proposals Announced (Cont'd)****(i) Proposed Private Placement (cont'd)**

The status of the utilisation of the proceeds raised from the Private Placement of 65,659,400 Shares at an issue price of RM0.65 per share amounting to RM42,678,610 is as follows:

<b>Details of utilisation</b>	<b>Utilisation timeframe</b>	<b>Actual proceeds raised RM'000</b>	<b>Amount utilisation RM'000</b>	<b>Balance to be utilised RM'000</b>
E-Bikes Business	Within 24 months	14,012	(5,799)	8,213
General working capital				
- Research and development of blockchain-based financial services	Within 24 months	28,117	(28,117)	-
- Purchase of inventories for its ICT Business				
- Repayment of trade payables	Within 24 months	550	(243)	307
Estimated expenses for the Proposals				
	<b>Total</b>	<b>42,679</b>	<b>(34,159)</b>	<b>8,520</b>

**(ii) Proposed Establishment of an Employees' Share Option Scheme ("ESOS")**

The Company had on 2 June 2022 proposed to undertake the establishment of an ESOS involving 30% of the Company's total number of issued shares (excluding treasury shares, if any) at any point of time during the duration of the ESOS for eligible directors and employees of the Group (excluding dormant subsidiaries).

As at 31 March 2024, the Company has yet to allot any ESOS options or shares to any directors or employees.

**(iii) Proposed Disposal of Land and Property for MHT Manufacturing Sdn. Bhd. and Plascable Polymer Sdn. Bhd.**

The Company had on 5 July 2022 entered into a conditional sale and purchase agreement with Plastrade Materials Technology Sdn. Bhd. ("PMSB") to proposed disposal of a freehold land held by MHT Manufacturing Sdn. Bhd. ("MHT") under H.S.(D) 177841, PTD 52064, Mukim of Tebrau, District of Johor Bahru, State of Johor Darul Ta'zim together with all the fixed assets, buildings and structures thereon refer to ("Property 1") for a cash consideration of RM3.25 million.

The same agreement with PMSB proposed disposal of unexpired term of the lease granted over all the parcel of land held by Plascable Polymer Sdn. Bhd. ("PCP") under GRN 459974, Lot 44892, Mukim of Tebrau, District of Johor Bahru, State of Johor Darul Ta'zim together with all the fixed assets, buildings and structures hereby refer to ("Property 2") for a cash consideration of RM2.25 million.

The following Plascable Polymer Sdn. Bhd. ("PCP") receipt of the supplemental letter regarding SPA 2 on 7 November 2022 hence forth all conditions precedent for the SPA 2 have been fulfilled accordingly and has become unconditional on 2 December 2022. Following the payment of the Balance Disposal Consideration for SPA 2 to PCP by the Purchaser on 24 February 2023, the proposed disposal of Property 2 has been completed.



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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

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**24. Status of Corporate Proposals Announced (Cont'd)****(iii) Proposed Disposal of Land and Property for MHT Manufacturing Sdn. Bhd. and Plascable Polymer Sdn. Bhd. (cont'd)**

The proposed disposal of MHT and the Purchaser had on 30 December 2022 mutually agreed to extend the Conditional Period for the SPA 1 to 30 April 2023 to fulfill the conditional precedent for the SPA 1. On 28 April 2023, all conditions precedent for SPA 1 have been fulfilled and accordingly, SPA 1 has become unconditional. Following the payment of the Balance Disposal Consideration for SPA 1 to MHT by the Purchaser on 7 July 2023, the proposed disposal of Property 1 has been completed.

**(iv) Bonus Issue of Warrants**

The Company had proposed to undertake a bonus issue of warrants on a basis of one (1) Warrant for every two (2) ordinary shares in the Company held by the entitled shareholders on 14 July 2023. The listing application in respect of the Proposed Bonus Issue of Warrants has been submitted to Bursa Securities on 13 February 2023 and Bursa Securities has approved listing up to 196,978,202 new Shares to be issued pursuant to the exercise of the Warrants.

The Proposed Bonus Issue of Warrants has been completed on 26 July 2023 following the listing of 196,978,200 Warrants on the ACE Market of Bursa Securities on even date.

**(v) Proposed Share Buy-Back Authority**

On 31 October 2023, the Board of Directors announced that the Company intends to seek the approval of its shareholders, to purchase up to 10% of the issued share capital ("Proposed Share Buy-Back Authority") pursuant to Section 127 of the Companies Act, 2016 at forthcoming 21<sup>th</sup> Annual General Meeting.

The Proposed Share Buy-Back Authority has been duly passed by its shareholders at the 21<sup>th</sup> Annual General Meeting held on 13 December 2023.

**(vi) Proposed Disposal of Property for Fujim Digital Sdn. Bhd.**

The Company had on 8 May 2024 entered into a sale and purchase agreement with Mr. Teoh Boon Thiam to proposed disposal of all that piece of land held by Fujim Digital Sdn. Bhd. under Geran No. Hakmilik 47107, Lot No. 309, Seksyen 2, Bandar Ayer Itam, Daerah Timor Laut, Negeri Pulau Pinang, together with a unit of the single-storey semi-wooden house erected thereon and bearing assessment address No. 234-A, MK 16, Lorong Sempadan 2, 11500 Pulau Pinang for a total of cash consideration of RM1.8 million.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024**

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**25. Group's Borrowings and Debt Securities**

The Group's loans and borrowings as at the end of the reporting period are as follows:

	<b>As at 31/3/2024 RM'000</b>	<b>As at 30/6/2023 RM'000</b>
<b>Non-current</b>		
<i>Secured</i>		
Hire purchase payables	639	914
Term loan	557	661
	<hr/> 1,196	<hr/> 1,575
<b>Current</b>		
<i>Secured</i>		
Bank overdrafts	1,445	1,001
Hire purchase payables	413	554
Term loan	159	343
	<hr/> 2,017	<hr/> 1,898
<b>Total loans and borrowings</b>		
Bank overdrafts	1,445	1,001
Hire purchase payables	1,052	1,468
Term loan	716	1,004
	<hr/> 3,213	<hr/> 3,473

The loans and borrowings are all denominated in Ringgit Malaysia.

**26. Material Litigation**

The Group does not have any outstanding material litigation as at the date of this announcement.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024****27. Loss Per Share**

	Quarter Ended		9 Months Ended	
	31/3/2024	31/3/2023	31/3/2024	31/3/2023
<b>Loss after tax</b>				
Net loss attributable to equity holders of the Company (RM'000)				
- continuing operations	(2,209)	-	(4,343)	-
- discontinued operations	<u>(201)</u>	<u>-</u>	<u>(165)</u>	<u>-</u>
	<u>(2,410)</u>	<u>-</u>	<u>(4,508)</u>	<u>-</u>
<b>Basic</b>				
Weighted average number of the ordinary shares in issue ('000)	<u>381,218</u>	<u>-</u>	<u>381,218</u>	<u>-</u>
<b>Basic loss per ordinary share (sen)</b>				
- continuing operations	(0.58)	-	(1.14)	-
- discontinued operations	<u>(0.05)</u>	<u>-</u>	<u>(0.04)</u>	<u>-</u>
	<u>(0.63)</u>	<u>-</u>	<u>(1.18)</u>	<u>-</u>
<b>Diluted</b>				
Weighted average number of the ordinary shares in issue ('000)	<u>564,195</u>	<u>-</u>	<u>564,195</u>	<u>-</u>
<b>Diluted loss per ordinary share (sen)</b>				
- continuing operations	(0.39)	-	(0.77)	-
- discontinued operations	<u>(0.04)</u>	<u>-</u>	<u>(0.03)</u>	<u>-</u>
	<u>(0.43)</u>	<u>-</u>	<u>(0.80)</u>	<u>-</u>

**28. Proposed Dividend**

No dividend was declared or proposed during the current financial quarter.

**29. Authorisation for issue**

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

BY ORDER OF THE BOARD OF  
ARTRONIQ BERHAD