

ES CERAMICS TECHNOLOGY BHD
Registration No: 200301024697 (627117-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 28 FEBRUARY 2023**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|---------------------------------------|---|---|---|
| | CURRENT QUARTER ENDED 28-Feb-23 | CORRESPONDING QUARTER ENDED 28-Feb-22 | CURRENT YEAR TO DATE ENDED 28-Feb-23 | CORRESPONDING YEAR TO DATE ENDED 28-Feb-22 |
| | RM | RM | RM | RM |
| Revenue | <u>81,539,261</u> | <u>29,419,954</u> | <u>180,786,472</u> | <u>88,742,155</u> |
| Operating profit | 7,270,690 | 13,713,071 | 19,978,793 | 40,255,629 |
| Finance costs | (341,021) | (3,948) | (526,322) | (12,549) |
| Depreciation and amortisation | (1,400,045) | (722,933) | (3,535,657) | (1,946,666) |
| Interest income | 199,241 | 135,684 | 514,125 | 502,980 |
| Profit before taxation | <u>5,728,865</u> | <u>13,121,874</u> | <u>16,430,939</u> | <u>38,799,394</u> |
| Taxation | (950,200) | (1,164,181) | (4,415,843) | (3,264,747) |
| Profit for the period | <u>4,778,665</u> | <u>11,957,693</u> | <u>12,015,096</u> | <u>35,534,647</u> |
| Other comprehensive income : | | | | |
| Foreign exchange translation difference | 855,697 | (59,857) | (2,344,071) | (1,106,546) |
| Total comprehensive income for the period | <u>5,634,362</u> | <u>11,897,836</u> | <u>9,671,025</u> | <u>34,428,101</u> |
| Profit/(Loss) Attributable to : | | | | |
| Equity holders of the parent | 4,778,665 | 11,957,693 | 12,015,096 | 35,534,647 |
| Non-Controlling Interest | - | - | - | - |
| | <u>4,778,665</u> | <u>11,957,693</u> | <u>12,015,096</u> | <u>35,534,647</u> |
| Total comprehensive income attributable to: | | | | |
| Equity holders of the parent | 5,634,362 | 11,897,836 | 9,671,025 | 34,428,101 |
| Non-Controlling Interest | - | - | - | - |
| | <u>5,634,362</u> | <u>11,897,836</u> | <u>9,671,025</u> | <u>34,428,101</u> |
| Earnings per share (sen) | | | | |
| - Basic | <u>0.90</u> | <u>2.37</u> | <u>2.27</u> | <u>7.03</u> |
| - Diluted | <u>0.90</u> | <u>2.37</u> | <u>2.27</u> | <u>7.03</u> |

(The condensed consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2022)

ES CERAMICS TECHNOLOGY BHD
Registration No: 200301024697 (627117-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2023

| | AS AT 28-Feb-23 (UNAUDITED) | AS AT 31-May-22 (AUDITED) |
|---|-----------------------------------|---------------------------------|
| | RM | RM |
| ASSETS | | |
| Non-Current Assets | | |
| Property, Plant and Equipment | 93,246,721 | 37,155,133 |
| Right-Of-Use Assets | 11,661,460 | 10,481,929 |
| Intangible Assets | 10,929,861 | 206,696 |
| | <u>115,838,042</u> | <u>47,843,758</u> |
| Current Assets | | |
| Inventories | 7,572,652 | 9,373,917 |
| Trade & Other Receivables | 103,190,875 | 33,267,362 |
| Current Tax Asset | 1,718,089 | 1,730,393 |
| Cash and Cash Equivalents | 48,411,270 | 60,936,628 |
| | <u>160,892,886</u> | <u>105,308,300</u> |
| TOTAL ASSETS | <u><u>276,730,928</u></u> | <u><u>153,152,058</u></u> |
| EQUITY AND LIABILITIES | | |
| Equity Attributable to Equity Holders of the Parent | | |
| Share Capital | 51,718,874 | 46,110,874 |
| Share Option Reserve | 1,356,144 | 1,356,144 |
| Capital Reserve | 715,680 | 715,680 |
| Exchange Reserve | 3,326,431 | 5,670,502 |
| Contingent Consideration | 2,755,138 | - |
| Retained Profit | 90,306,496 | 78,291,400 |
| | <u>150,178,763</u> | <u>132,144,600</u> |
| Non-controlling interest | - | - |
| TOTAL EQUITY | <u><u>150,178,763</u></u> | <u><u>132,144,600</u></u> |
| LIABILITIES | | |
| Non-Current Liabilities | | |
| Lease Liabilities | 1,951,970 | 176,798 |
| Employee Benefit Obligation | 30,680 | 32,751 |
| Term Loan | 20,794,815 | 195,495 |
| Deferred Taxation | 2,008,436 | 1,633,000 |
| | <u>24,785,901</u> | <u>2,038,044</u> |
| Current Liabilities | | |
| Trade and Other Payables | 89,120,869 | 10,361,729 |
| Contract Liabilities | 6,843,749 | 8,438,177 |
| Lease Liabilities | 1,207,445 | 151,275 |
| Term Loan | 2,757,808 | 13,477 |
| Bank Borrowings | 800,000 | - |
| Current Tax Payable | 1,036,393 | 4,756 |
| | <u>101,766,264</u> | <u>18,969,414</u> |
| TOTAL LIABILITIES | <u><u>126,552,165</u></u> | <u><u>21,007,458</u></u> |
| TOTAL EQUITY AND LIABILITIES | <u><u>276,730,928</u></u> | <u><u>153,152,058</u></u> |
| Net assets per share attributable to ordinary equity holders of the parent (sen) | <u><u>28</u></u> | <u><u>26</u></u> |

(The condensed consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2022)

ES CERAMICS TECHNOLOGY BHD
Registration No: 200301024697 (627117-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| | Attributable to Owners of the Parent | | | | | | Total Equity RM |
|---|--------------------------------------|----------------------|-----------------|------------------|--------------------------|------------------|--------------------|
| | Share Capital | Share Option Reserve | Capital Reserve | Exchange Reserve | Contingent Consideration | Retained Profits | |
| | RM | RM | RM | RM | RM | RM | |
| Balance at 1 Jun 2022 | 46,110,874 | 1,356,144 | 715,680 | 5,670,502 | - | 78,291,400 | 132,144,600 |
| Share-based payment transactions | 5,250,000 | - | | | | | 5,250,000 |
| Warrant converted | 358,000 | | | | | | 358,000 |
| ESOS exercised | | | | | | | - |
| Contingent consideration arising from acquisition of a subsidiary | | | | | 2,755,138 | | 2,755,138 |
| Total comprehensive income for the period | | | - | (2,344,071) | | 12,015,096 | 9,671,025 |
| Dividends paid | | | | | | | - |
| Balance at 28 February 2023 | 51,718,874 | 1,356,144 | 715,680 | 3,326,431 | 2,755,138 | 90,306,496 | 150,178,763 |

For the Corresponding Quarter Ended 28 February 2022

| | Attributable to Owners of the Parent | | | | | Total Equity RM |
|---|--------------------------------------|----------------------|-----------------|------------------|------------------|--------------------|
| | Share Capital | Share Option Reserve | Capital Reserve | Exchange Reserve | Retained Profits | |
| | RM | RM | RM | RM | RM | |
| Balance at 1 Jun 2021 | 45,761,484 | 979,467 | 715,680 | 6,233,894 | 29,679,735 | 83,370,260 |
| Share-based payment transactions | | - | | | | - |
| Warrant converted | 299,500 | | | | | 299,500 |
| ESOS exercised | | | | | | - |
| Total comprehensive income for the period | | | - | (1,106,546) | 35,534,647 | 34,428,101 |
| Dividends paid | | | | | | - |
| Balance at 28 February 2022 | 46,060,984 | 979,467 | 715,680 | 5,127,348 | 65,214,382 | 118,097,861 |

(The condensed consolidated Statement of changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2022)

ES CERAMICS TECHNOLOGY BHD
Registration No: 200301024697 (627117-P)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 28 FEBRUARY 2023

| | CURRENT QUARTER ENDED 28-Feb-23 | PRECEDING YEAR QUARTER ENDED 28-Feb-22 |
|---|--|---|
| | RM | RM |
| Cash flows from operating activities | | |
| Profit before taxation | 16,430,939 | 38,799,394 |
| Adjustments for :- | | |
| Depreciation, amortisation and impairment losses | 3,535,657 | 1,946,666 |
| Interest income and expenses | 12,197 | (490,431) |
| Other non-cash items | 78,232 | 232,739 |
| Operating profit before changes in working capital | <u>20,057,025</u> | <u>40,488,368</u> |
| Changes in working capital: | | |
| Net change in contract liabilities | (1,594,428) | (34,638,504) |
| Net change in inventories | 4,074,576 | 64,748 |
| Net change in receivables | 6,115,013 | (5,159,595) |
| Net change in payables | <u>10,985,499</u> | <u>1,229,315</u> |
| Cash flow from operations | 39,637,685 | 1,984,332 |
| Finance costs | (526,322) | (12,549) |
| Income tax refunded/(paid) | <u>(4,415,843)</u> | <u>(3,065,897)</u> |
| Net cash flows from operating activities | <u>34,695,520</u> | <u>(1,094,114)</u> |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (2,895,193) | (11,344,627) |
| Interest income | 514,125 | 502,980 |
| Repayment from associate | - | 2,120,000 |
| Acquisition of a subsidiary | <u>(56,700,000)</u> | <u>-</u> |
| Net cash used in investing activities | <u>(59,081,068)</u> | <u>(8,721,647)</u> |
| Cash flows from financing activities | | |
| Drawdown / (Repayment) of bank borrowings | 800,000 | - |
| Drawdown / (Repayment) of term loan | 11,825,321 | (7,983) |
| Issuance of ordinary shares pursuant to conversion of warrant | 358,000 | 299,500 |
| Drawdown / (Repayment) of lease liabilities | <u>198,506</u> | <u>(51,112)</u> |
| Net cash flows from financing activities | <u>13,181,827</u> | <u>240,405</u> |
| Net increase / (decrease) in cash and cash equivalents | (11,203,721) | (9,575,356) |
| Cash and cash equivalents at beginning of the year | 60,936,628 | 75,461,570 |
| Effect of changes in foreign exchange rates | (1,321,637) | (1,064,905) |
| Cash and cash equivalents at end of period | <u><u>48,411,270</u></u> | <u><u>64,821,309</u></u> |

(The condensed consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2022)

ES CERAMICS TECHNOLOGY BHD

Registration No: 200301024697 (627117-P)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2023

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

A1. Basis of Preparation

The interim financial reports are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard 134 (“MFRS 134”) “Interim Financial Reporting” and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market (“ACE”).

The interim financial report should be read in conjunction with the latest audited financial statements of ES Ceramics Technology Bhd (“ESCTB” or the “Company”) and its subsidiaries (“Group”) for the financial year ended 31 May 2022.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 May 2022, except for the adoption of the following new Malaysian Financial Reporting Standards (“MFRS”) and IC Interpretations (“IC Int.”) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year:-

| MFRSs and/or IC Interpretations (Including The Consequential Amendments) | Effective for annual periods beginning on or after |
|---|--|
| MFRS 17 Insurance Contracts | 1 January 2023 |
| Amendments to MFRS 3: Reference to the Conceptual Framework | 1 January 2022 |
| Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred |
| Amendments to MFRS 17 Insurance Contracts | 1 January 2023 |
| Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information | 1 January 2023 |
| Amendment to MFRS 101: Classification of Liabilities as Current or Non-current | 1 January 2023 |
| 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 | 1 January 2023 |
| Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use | 1 January 2022 |
| Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract | 1 January 2022 |
| Annual Improvements to MFRS Standards 2018 - 2020 | 1 January 2022 |

The adoption and application of the amendments to MFRSs and IC Interpretations are expected to have no significant impact on the financial statements of the Group.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2023

A2. Auditors' Report on Preceding Annual Financial Statements

The auditor's report on the financial statements of ESCTB for the financial year ended 31 May 2022 was not subject to any audit qualification.

A3. Seasonal or Cyclical Factors

The results of the Group were not materially affected by any seasonal or cyclical factors during the current quarter under review.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

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

A5. Material Changes in Estimates

There were no changes in estimates that have a material effect on the current quarter's results.

A6. Debts and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter under review.

A7. Dividend paid

There were no dividends paid for the current quarter under review.

A8. Segmental Reporting

RESULTS FOR THE QUARTER ENDED

| | Manufacturing | | Buiding Materials | | Total | |
|-----------------------------|---------------|------------|-------------------|------------|------------|------------|
| | 28.02.2023 | 28.02.2022 | 28.02.2023 | 28.02.2022 | 28.02.2023 | 28.02.2022 |
| Revenue | 6,639,849 | 29,419,954 | 74,899,412 | - | 81,539,261 | 29,419,954 |
| Profit/(Loss) Before Tax | 1,791,859 | 13,121,874 | 3,937,006 | - | 5,728,865 | 13,121,874 |

RESULTS FOR THE YEAR-TO-DATE ENDED

| | Manufacturing | | Buiding Materials | | Total | |
|-----------------------------|---------------|------------|-------------------|------------|-------------|------------|
| | 28.02.2023 | 28.02.2022 | 28.02.2023 | 28.02.2022 | 28.02.2023 | 28.02.2022 |
| Revenue | 35,243,118 | 88,742,155 | 145,543,354 | - | 180,786,472 | 88,742,155 |
| Profit/(Loss) Before Tax | 9,882,715 | 38,799,394 | 6,548,224 | - | 16,430,939 | 38,799,394 |

A9. Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment during the current quarter under review.

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**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2023**

A10. Material Events Subsequent To the End of the Quarter

There are no material events subsequent to the current quarter that have not been reflected in this quarterly report.

A11. Changes in the Composition of the Group

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

A12. Contingent Assets or Liabilities

There were no contingent assets or contingent liabilities for the current quarter under review.

A13. Capital Commitments

There were no material capital commitments for the current quarter under review.

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ES CERAMICS TECHNOLOGY BHD

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2023

B. ADDITIONAL INFORMATION PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

| | 3rd Quarter | | Variance % | Year-To-Date Ended | | Variance (RM) |
|--|----------------|----------------|------------|--------------------|----------------|---------------|
| | 28-Feb-23 (RM) | 28-Feb-22 (RM) | | 28-Feb-23 (RM) | 28-Feb-22 (RM) | |
| Revenue | 81,539,261 | 29,419,954 | 177.16% | 180,786,472 | 88,742,155 | 103.72% |
| Operating Profit | 7,270,690 | 13,713,071 | -46.98% | 19,978,793 | 40,255,629 | -50.37% |
| Profit Before Interest and Tax | 6,069,886 | 13,125,822 | -53.76% | 16,957,261 | 38,811,943 | -56.31% |
| Profit Before Tax | 5,728,865 | 13,121,874 | -56.34% | 16,430,939 | 38,799,394 | -57.65% |
| Profit After Tax | 4,778,665 | 11,957,693 | -60.04% | 12,015,096 | 35,534,647 | -66.19% |
| Profit Attributable to Ordinary Equity Holders of the Parent | 4,778,665 | 11,957,693 | -60.04% | 12,015,096 | 35,534,647 | -66.19% |

For the current quarter ended 28 February 2023, the Group recorded revenue of RM81.54 million, represents an increase of 177.16% as compared to revenue of RM29.42 million for the corresponding quarter of the preceding year. The increased of revenue for the current quarter as compared to the previous year's corresponding quarter was due to new revenue stream under the segment of building materials upon the completion of an acquisition of Evermix Concrete Sdn Bhd on 30th August 2022.

The Group achieved a profit before taxation of approximately RM5.73 million for the current quarter. This represents a decrease of 56.34% from the profit before taxation of approximately RM13.12 million registered in the corresponding quarter of the preceding year. This was mainly due to the lower contribution from the manufacturing segment.

| | 3rd Quarter | | Variance % | Year-To-Date Ended | | Variance (RM) |
|--------------------------|----------------|----------------|------------|--------------------|----------------|---------------|
| | 28-Feb-23 (RM) | 28-Feb-22 (RM) | | 28-Feb-23 (RM) | 28-Feb-22 (RM) | |
| Revenue | | | | | | |
| Manufacturing | 6,639,849 | 29,419,954 | -77.43% | 35,243,118 | 88,742,155 | -60.29% |
| Buiding Materials | 74,899,412 | - | N/A | 145,543,354 | - | N/A |
| | 81,539,261 | 29,419,954 | 177.16% | 180,786,472 | 88,742,155 | 103.72% |
| Profit Before Tax | | | | | | |
| Manufacturing | 1,791,859 | 13,121,874 | -86.34% | 9,882,715 | 38,799,394 | -74.53% |
| Buiding Materials | 3,937,006 | - | N/A | 6,548,224 | - | N/A |
| | 5,728,865 | 13,121,874 | -56.34% | 16,430,939 | 38,799,394 | -57.65% |

For the nine (9) months ended 28 February 2023, the Group generated total revenue of approximately RM180.79 million which represents an increase of approximately 103.72% as compared to RM88.74 million achieved in the corresponding period of the preceding year. For the same period, the Group achieved a profit before tax of approximately RM16.43 million which represents a decrease of 57.65% as compared to a profit before tax of approximately RM38.80 million registered in the corresponding period of the preceding year. The decrease in profit before tax was mainly contributed by the reduction in sales quantity of formers.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2023

B2. Comparison with Preceding Quarter's Results

| | Current Quarter 28.02.2023 RM | Immediate preceding Quarter 30.11.2022 RM | Changes % |
|---|-------------------------------------|---|--------------|
| Revenue | 81,539,261 | 79,427,599 | 2.66 |
| Operating Profit | 7,270,690 | 5,390,954 | 34.87 |
| Profit/(Loss) Before Interest and Tax | 6,069,886 | 3,991,243 | 52.08 |
| Profit/(Loss) Before Tax | 5,728,865 | 3,810,194 | 50.36 |
| Profit/(Loss) After Tax | 4,778,665 | 2,229,717 | 114.32 |
| Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent | 4,778,665 | 2,229,717 | 114.32 |

| | Quarter Ended | | Variance % | Quarter Ended | | Variance (RM) |
|----------------------|-------------------|-------------------|---------------|--------------------------|-------------------|------------------|
| | 28-Feb-23 (RM) | 30-Nov-22 (RM) | | 28-Feb-23 (RM) | 30-Nov-22 (RM) | |
| | Revenue | | | Profit Before Tax | | |
| - Manufacturing | 6,639,849 | 8,783,656 | -24.41% | 1,791,859 | 1,198,976 | 49.45% |
| - Building Materials | 74,899,412 | 70,643,943 | 6.02% | 3,937,006 | 2,611,218 | 50.77% |
| | 81,539,261 | 79,427,599 | 2.66% | 5,728,865 | 3,810,194 | 50.36% |

Revenue registered in the current quarter of RM81.54 million represents an increase of 2.66% as compared to the revenue of RM79.43 million recorded in the immediate preceding quarter.

The Group's current quarter profit before taxation of approximately RM5.73 million has increased by 50.36% as compared in the immediate preceding quarter. This was in tandem with the increase in revenue of the building materials and better products mix in the manufacturing segment.

B3. Commentary on Prospect for the Current Financial Year

Global economic uncertainties is expected to continue throughout 2023 amid a resurgence of COVID-19 variants, global supply chain disruptions resulting in escalating cost challenges, and increasing tensions in Europe arising from the Ukraine/Russia situation. It is challenging to predict the full extent and duration of these impact on the global economy.

The Management is also mindful of competition and operational risks such as foreign exchange fluctuations, material, labour costs and softening of the demand for gloves that could impact on its financial results.

Despite the prevailing challenges, the Group remains cautiously optimistic on the long term business prospects and will continue to actively pursue various business strategies to increase its revenue, focus on improving efficiency, automation across our operations and to implement cost control measures.

B4. Variance of Actual and Forecast Profit

The Group has not provided any profit forecast and therefore no variance information is available for presentation.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2023

B5. Taxation

| | Current quarter 28.02.2023 | Current year to date 28.02.2023 |
|-------------------|-------------------------------|------------------------------------|
| | RM | RM |
| Current year | 950,200 | 4,415,843 |
| Deferred taxation | - | - |

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current period.

The effective tax rate of the Group's current tax charge for the period was lower than the statutory tax rate mainly due to tax incentives enjoyed by subsidiary companies.

B6. Status of Corporate Proposals

There was no other corporate proposal announced but not completed as at the date of this report.

B7. Borrowings and Debt Securities

The Group's borrowings as at 28 February 2023 are as follows:

| | At end of current quarter 28 February 2023 (RM) | | |
|-----------------|--|-------------------------|-------------------|
| | Short term Borrowings | Long term borrowings | Total Borrowings |
| Secured: | | | |
| Lease Liability | 1,207,445 | 1,951,970 | 3,159,415 |
| Bank Borrowing | 800,000 | - | 800,000 |
| Term Loan | 2,757,808 | 20,794,815 | 23,552,623 |
| | <u>4,765,253</u> | <u>22,746,785</u> | <u>27,512,038</u> |

B8. Derivative Financial Instruments

The Group does not have any derivative financial instruments as at the date of this report.

B9. Material Litigation

Save as disclosed below, the Company and its subsidiaries are not engaged in any litigation, either as plaintiff or defendant, which has a material effect on the financial position of the Company and its subsidiaries as at the date of this announcement:

On 29 July 2021, the Company informed that the Appellant / Plaintiff has lodged an appeal against the High Court Judge's decision (dismissing the Appellant's / Plaintiff's Appeal) on 26.07.2021. In this regard, the further case management for the appeal is now fixed on 10.07.2023.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2023

B10. Dividend

No interim dividend has been declared for the current quarter under review.

B11. Earnings Per Share

| | Current Quarter Ended 28.02.23 | Current Year To Date 28.02.23 |
|---|-----------------------------------|----------------------------------|
| Net profit/(loss) attributable to owner of the Company (RM'000) | 4,779 | 12,015 |
| Weighted average number of ordinary shares in issue (RM'000) | 529,203 | 529,203 |
| Basic earnings per share (sen) | 0.90 | 2.27 |

The diluted earnings per share equals the basic earnings per share as the Company did not have any potential dilutive ordinary shares during the financial year.

B12. Profit Before Taxation

| | Current Quarter 28.02.23 RM'000 | Current Year To Date 28.02.23 RM'000 |
|---|---------------------------------------|--|
| Profit before taxation is arrived at after charging/(crediting): | | |
| Interest income | (199) | (514) |
| Other income including investment income | - | - |
| Interest expense | 341 | 526 |
| Depreciation and amortization | 1,400 | 3,536 |
| Provision for and write off of receivables | - | - |
| Provision for and write off of inventories | - | - |
| Gain/(loss) on disposal of quoted or unquoted investments or properties | - | - |
| Impairment of assets | - | - |
| Foreign exchange gain/(loss) | 40 | 217 |
| Gain/(loss) on derivatives | - | - |
| Exceptional items | - | - |