



MCLEAN TECHNOLOGIES BERHAD

(Company No: 201001009003 (893631-T))

(Incorporated in Malaysia)

Interim Financial Statements

30 September 2024

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2024**

	Note	3 months ended		Cumulative 9 months ended	
		30/09/24	30/09/23	30/09/24	30/09/23
		RM'000	RM'000	RM'000	RM'000
REVENUE		16,268	11,071	44,938	35,094
COST OF SALES		(11,040)	(8,675)	(31,710)	(28,183)
GROSS PROFIT		<u>5,228</u>	<u>2,396</u>	<u>13,228</u>	<u>6,911</u>
OTHER INCOME		(149)	67	89	429
ADMINISTRATIVE EXPENSES		(3,352)	(3,946)	(9,385)	(10,289)
SELLING AND DISTRIBUTION EXPENSES		(239)	(189)	(669)	(622)
OTHER EXPENSES		(313)	(172)	(495)	(182)
FINANCE COST		(123)	(227)	(379)	(508)
PROFIT/(LOSS) BEFORE TAX		<u>1,052</u>	<u>(2,071)</u>	<u>2,389</u>	<u>(4,261)</u>
TAX EXPENSE	24	-	-	-	-
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		<u>1,052</u>	<u>(2,071)</u>	<u>2,389</u>	<u>(4,261)</u>
OTHER COMPREHENSIVE (LOSS)/INCOME					
Foreign currency translation difference		(317)	247	(397)	545
Surplus on revaluation of properties, net of deferred tax		<u>3,770</u>	<u>-</u>	<u>3,770</u>	<u>-</u>
		<u>3,453</u>	<u>247</u>	<u>3,373</u>	<u>545</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD		<u>4,505</u>	<u>(1,824)</u>	<u>5,762</u>	<u>(3,716)</u>
Profit/(Loss) attributable to:					
Owners of the Company		1,136	(1,904)	2,364	(3,669)
Non-controlling interests		(84)	(167)	25	(592)
		<u>1,052</u>	<u>(2,071)</u>	<u>2,389</u>	<u>(4,261)</u>
Total comprehensive income/(loss) attributable to:					
Owners of the Company		3,191	(1,657)	4,339	(3,124)
Non-controlling interests		<u>1,314</u>	<u>(167)</u>	<u>1,423</u>	<u>(592)</u>
		<u>4,505</u>	<u>(1,824)</u>	<u>5,762</u>	<u>(3,716)</u>
Earnings/(Loss) per share (sen)					
Basic	25	0.58	(0.97)	1.20	(1.86)

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited consolidated financial statements of MCLearn Technologies Berhad for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024

	Note	(UNAUDITED)	(AUDITED)
		As at 30/09/2024	As at 31/12/2023
		RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		20,144	16,177
Right-of-use assets		2,012	3,255
Deferred tax assets		193	751
		22,349	20,183
Current assets			
Inventories		1,668	1,443
Trade receivables		17,701	13,458
Other receivables		3,994	3,231
Tax recoverable		125	63
Deposits with licensed banks		575	575
Cash and bank balances		5,108	3,972
		29,171	22,742
TOTAL ASSETS		51,520	42,925
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		50,973	50,973
Accumulated losses		(19,448)	(21,812)
Reserves		(13,968)	(15,943)
		17,557	13,218
Non-controlling interests		8,940	7,517
TOTAL EQUITY		26,497	20,735
Non-current liabilities			
Borrowings	20	4,333	4,386
Lease liabilities		1,292	942
Deferred tax liabilities		57	57
		5,682	5,385
Current liabilities			
Trade payables		9,922	5,824
Other payables		5,582	5,543
Borrowings	20	2,983	2,927
Lease liabilities		854	2,511
		19,341	16,805
TOTAL LIABILITIES		25,023	22,190
TOTAL EQUITY AND LIABILITIES		51,520	42,925
Net assets per share attributable to owners of the Company (RM)		0.09	0.07

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024

Cumulative year ended 30 September 2024

	Non distributable					Distributable	TOTAL ATTRIBUTABLE TO OWNERS OF THE COMPANY RM'000	NON CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000	
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	MERGER DEFICIT RM'000	REVALUATION RESERVE RM'000	CURRENCY FLUCTUATION RESERVE RM'000	OTHER RESERVE RM'000				ACCUMULATED LOSSES RM'000
Balance as at 31.12.2023	50,973	-	(16,050)	-	4,054	(3,947)	(21,812)	13,218	7,517	20,735
Profit for the financial period	-	-	-	-	-	-	2,364	2,364	25	2,389
Other comprehensive loss for the financial period	-	-	-	2,372	(397)	-	-	1,975	1,398	3,373
Total comprehensive (loss)/income for the financial period	-	-	-	2,372	(397)	-	2,364	4,339	1,423	5,762
Balance as at 30.09.2024	50,973	-	(16,050)	2,372	3,657	(3,947)	(19,448)	17,557	8,940	26,497

Cumulative period ended 30 September 2023

	Non distributable					Distributable	TOTAL ATTRIBUTABLE TO OWNERS OF THE COMPANY RM'000	NON CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000	
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	MERGER DEFICIT RM'000	REVALUATION RESERVE RM'000	CURRENCY FLUCTUATION RESERVE RM'000	OTHER RESERVE RM'000				ACCUMULATED LOSSES RM'000
Balance as at 31.12.2022	50,973	-	(16,050)	-	3,841	(3,947)	(17,712)	17,105	8,299	25,404
Loss for the financial period	-	-	-	-	-	-	(3,669)	(3,669)	(592)	(4,261)
Other comprehensive income for the financial period	-	-	-	-	545	-	-	545	-	545
Total comprehensive income/(loss) for the financial period	-	-	-	-	545	-	(3,669)	(3,124)	(592)	(3,716)
Balance as at 30.09.2023	50,973	-	(16,050)	-	4,386	(3,947)	(21,381)	13,981	7,707	21,688

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited consolidated financial statements of Mclean Technologies Berhad for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial statements.)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

	Note	9 months ended	
		30/09/2024	30/09/2023
		RM'000	RM'000
OPERATING ACTIVITIES			
Profit/(Loss) before tax		2,389	(4,261)
Adjustments for:			
Allowance for impairment loss on trade receivables		33	-
Allowance for impairment loss on property, plant and equipment		-	177
Depreciation of property, plant and equipment		1,270	1,307
Depreciation of right-of-use assets		2,311	2,403
Gain on disposal of right-of-use assets		-	(11)
Interest expenses		379	508
Interest income		(1)	(1)
Unrealised loss/(gain) on foreign exchange		63	(178)
Operating profit before working capital changes		<u>6,444</u>	<u>(56)</u>
Changes in working capital:-			
Inventories		(103)	(526)
Receivables		(4,741)	(4,572)
Payables		3,174	7,514
CASH GENERATED FROM OPERATIONS		4,774	2,360
Tax paid		(62)	(67)
NET CASH FROM OPERATING ACTIVITIES		<u>4,712</u>	<u>2,293</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(879)	(1,098)
Interest received		1	1
NET CASH USED IN INVESTING ACTIVITIES		<u>(878)</u>	<u>(1,097)</u>
FINANCING ACTIVITIES			
Proceed from account receivables financing		-	951
Interest paid		(379)	(508)
Repayment of lease liabilities		(2,384)	(2,286)
Repayment of term loan		(215)	(64)
NET CASH USED IN FINANCING ACTIVITIES		<u>(2,978)</u>	<u>(1,907)</u>
CASH AND CASH EQUIVALENTS			
Net changes		856	(711)
Brought forward		3,972	3,012
Effects of exchange translation differences on cash and cash equivalents		280	(71)
Carried forward		<u>5,108</u>	<u>2,230</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial statements.)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

1. Basis of Preparation

The Condensed Interim Financial Statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) No 134: Interim Financial Reporting and Paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad. This Interim Financial Statements also complied with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. The explanatory notes attached to these 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 year ended 31 December 2023.

2. Significant Accounting Policies

The accounting policies adopted in these condensed consolidated interim financial statements are consistent with those adopted for the financial year ended 31 December 2023, except for the adoption of the following Amendments and Annual Improvements to Standards effective for the annual periods beginning on or after 1 January 2024.

- Amendments to MFRS 16 Leases - Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101 Presentation of Financial Statements – Non-current Liabilities with Covenants
- Amendments to MFRS 101 Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current
- Amendment to MFRS 107 Statement of Cashflows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Agreements

The adoption of the above standards, amendments and annual improvement did not have any material financial impacts to the Group.

Standards issued but not yet effective

- i) MFRSs and amendments effective for annual periods beginning on or after 1 January 2025
 - Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability
- ii) MFRSs and amendments effective for annual periods beginning on or after 1 January 2026
 - Amendments to MFRS 9 and MFRS 7 - (Amendments to the Classification and Measurement of Financial Instruments)
 - Annual Improvements – Volume 11
 - Amendments to MFRS 1
 - Amendments to MFRS 7
 - Amendments to MFRS 9
 - Amendments to MFRS 10
 - Amendments to MFRS 107

2. Significant Accounting Policies (continued)

Standards issued but not yet effective (continued)

iii) MFRSs and amendments effective for annual periods beginning on or after 1 January 2027

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

iv) MFRSs and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above MFRS and amendments to be published standards is not expected to have any material impact on the financial statements of the Group, except for:

MFRS 18 – Presentation and Disclosure in Financial Statements

On 14 June 2024, MASB issued new standard MFRS 18 which replaces MFRS 101, MFRS 18 continues the general requirements from MFRS 101, enhancing guidance for grouping information through aggregation and disaggregation across all primary financial statements and notes. The standard provides structured summaries of assets, liabilities, equity, income, expenses, and cash flows.

In the statement of profit or loss, MFRS 18 introduces two new defined subtotals: operating profit and profit before financing and income taxes. Additionally, it categorises income and expenses into operating, investing, financing, income taxes and discontinued operations.

Limited changes are introduced to specific requirements for the statement of cash flows and the statement of financial position. There are no changes to the specific requirements for the statement of comprehensive income and the statement of changes in equity.

The notes to the financial statements will include material information that supplements the primary financial statements, with new and amended disclosures such as management-defined performance measures and specified expenses by nature. The information presented in the primary financial statements and notes will be clearly linked to ensure consistency and transparency.

3. Audit Report of Preceding Annual Financial Statements

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

4. Seasonal or Cyclical Factors

The Group's operations were not subject to any seasonal or cyclical changes.

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

There was no other item which is unusual because of its size or incidences that has affected the assets, liabilities, equity, net income or cash flow of the Group for the current financial quarter under review.

6. Material Changes in Estimates

There were no material changes in estimates for the quarter ended 30 September 2024.

7. Debt and Equity Securities

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

8. Dividend Paid

There were no dividends declared or paid by the Group for the current quarter under review.

9. Segmental Reporting

The segmental results of the Group for the current and previous financial period-to-date under review is set out below:

Geographical information

Revenue information based on the geographical location of customers are as follows:-

Location	<u>9 Months Ended</u>	<u>9 Months Ended</u>
	30.09.2024	30.09.2023
	RM'000	RM'000
People's Republic of China	347	97
Malaysia	11,579	11,280
Singapore	45,904	33,418
Others	181	236
Inter segment	(13,073)	(9,937)
	44,938	35,094

The business of the Group is generated from the business of surface treatment and precision cleaning related service mainly in HDD and consumer electrics industries and there is only one business segment identified by the management.

10. Valuation of Property, Plant and Equipment

The Group's land and buildings were revalued at the end of the financial period ended 30 September 2024 based on a revaluation report by an independent third-party valuer. The revaluation give rise to a gross revaluation surplus of RM 4,290,247.

11. Material Events Subsequent to the End of the Current Financial Quarter

There were no material events subsequent to the end of the reporting quarter that have not been reflected in the quarter under review other than those disclosed in Section 17 and 19 below.

12. Changes in the Composition of the Group

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

13. Contingent Liabilities and Contingent Assets

(a) Contingent liabilities

The Group has secured and unsecured bank guarantee given to the Royal Malaysian Customs Department and licensed bank for credit facilities granted to a subsidiary for RM300,000 and RM876,107 respectively.

(b) Contingent assets

There were no contingent assets as at the end of current financial quarter.

14. Capital Commitment

There were no capital commitments for the purchase of any property, plant and equipment or any other expenses that were not accounted for in the financial statements of the quarter under review.

15. Review of Performance

Comparison between Current Financial Quarter Ended 30 September 2024 (“3Q2024”) and Previous Corresponding Quarter Ended 30 September 2023 (“3Q2023”)

A summary of the Group’s performance is set out below:-

	3 Months Ended		Increase/(Decrease)	
	30.09.2024	30.09.2023		
	Surface Treatment & Precision Cleaning RM’000	Surface Treatment & Precision Cleaning RM’000	RM’000	%
Revenue	16,268	11,071	5,197	46.94
Gross profit	5,228	2,396	2,832	118.2
Profit/(Loss) before tax	1,052	(2,071)	3,123	NA
Profit/(Loss) after tax	1,052	(2,071)	3,123	NA
Profit/(Loss) attributable to owners of the Company	1,136	(1,904)	3,040	NA

Surface Treatment & Precision Cleaning Division

Revenue increased by 46.94% to RM16.3 million in 3Q2024 as compared with RM11.1 million in 3Q2023 mainly due to the increase in revenue from both precision cleaning and surface treatment.

Gross profit margin increased from 21.64% in 3Q2023 to 32.13% in 3Q2024 due mainly to overall improvement in operating efficiency from precision cleaning and surface treatment.

Other income decreased by RM0.2 million due mainly to the absence of gain on foreign exchange in 3Q2024.

Administrative expenses decreased by RM0.6 million in 3Q2024 as compared with 3Q2023 due mainly to the absence of corporate exercise expenses which were incurred in 3Q2023.

Other expenses increased by RM0.1 million due mainly to the increase in loss on foreign exchange in 3Q2024.

Overall, the Group reported a profit before tax of RM1.1 million in 3Q2024 as compared with a loss before tax of RM2.1 million in 3Q2023.

15. Review of Performance (continued)

Comparison between Current Period-to-date Ended 30 September 2024 (“9M2024”) and Previous Corresponding Period-to-date Ended 30 September 2023 (“9M2023”)

A summary of the Group’s performance is set out below:-

	9 Months Ended			
	30.09.2024	30.09.2023		
	Surface Treatment & Precision Cleaning RM’000	Surface Treatment & Precision Cleaning RM’000	Increase/(Decrease) RM’000	%
Revenue	44,938	35,094	9,844	28.05
Gross profit	13,228	6,911	6,317	91.41
Profit/(Loss) before tax	2,389	(4,261)	6,650	NA
Profit/(Loss) after tax	2,389	(4,261)	6,650	NA
Profit/(Loss) attributable to owners of the Company	2,364	(3,669)	6,033	NA

Surface Treatment & Precision Cleaning Division

Revenue for 9M2024 increased by 28.05% to RM44.9 million as compared with RM35.1 million in 9M2023, mainly due to increase in revenue from both precision cleaning and surface treatment.

Gross profit margin increased from 19.69% in 9M2023 to 29.44% in 9M2024 due mainly to overall improvement in operating efficiency from both precision cleaning and surface treatment.

Other income decreased by RM0.3 million in 9M2024 as compared with 9M2023 due mainly to the absence of gain on foreign exchange in 9M2024.

Administrative expenses decreased by RM0.9 million in 9M2024 as compared with 9M2023 due mainly to corporate exercise expenses which was incurred in 9M2023 and not in 9M2024.

Other expenses increased by RM0.3 million due mainly to the increase in loss on foreign exchange 9M2024.

Overall, the Group reported a profit before tax of RM2.4 million in 9M2024 as compared with a loss before tax of RM4.3 million in 9M2023.

16. Material Changes in the Quarterly Results as Compared with the Immediate Preceding Quarter

	Current Quarter	Immediate Preceding Quarter		
	30.09.2024	30.06.2024		
	Surface Treatment & Precision Cleaning	Surface Treatment & Precision Cleaning	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	16,268	15,539	729	4.69
Gross profit	5,228	4,448	780	17.54
Profit before tax	1,052	982	70	7.13
Profit after tax	1,052	982	70	7.13
Profit attributable to owners of the Company	1,136	992	144	14.52

Surface Treatment & Precision Cleaning Division

Revenue for 3Q2024 increased by 4.69% as compared to the 2Q2024. The increase is mainly from precision cleaning services.

Overall gross profit margin increased slightly from 28.62% to 32.14% in 3Q2024 as compared to the 2Q2024. Overall increase gross profit is mainly attributed to increase in sales and improvement of operating efficiency in precision cleaning.

Other income was decreased by RM0.2 million in 3Q2024 as compared to 2Q2024 due to decrease in gain of foreign exchange in current quarter.

Other expenses was increased by RM0.2 million in 3Q2024 as compared to 2Q2024 mainly due to the increase of loss on foreign exchange in current quarter.

Administrative expenses was increased by RM0.3 million in 3Q2024 as compared to 2Q2024 mainly due to the increase of indirect salaries in current quarter.

Overall, the Group registered a profit before tax of RM1.052 million in 3Q2024 as compared to a profit before tax of RM0.982 million in the 2Q2024.

17. Future Prospects

On 8 October 2024, the Company announced the following proposals:

- (i) proposed private placement of up to 49,300,000 new MClean Shares representing approximately 25% of the total number of issued MClean Shares (excluding any treasury shares) (“**Proposed Private Placement**”);
- (ii) proposed acquisition (“**Proposed Acquisition**”) of the plastic injection business of We Total Engineering Sdn. Bhd. (“**WTE**”), a wholly-owned subsidiary of Jubilee Industries Holdings Ltd., for a total purchase consideration of RM6,036,000 to be satisfied entirely in cash;
- (iii) proposed diversification of the business activities of MClean Group to include plastic injection moulding business; and
- (iv) proposed reduction of up to RM35,000,000 of the issued share capital of MClean pursuant to section 117 of the Act (“**Capital Reduction**”).

(collective, the “**Proposals**”).

The Proposals are intended to, *inter alia*, improve the balance sheet of the Group and raise the necessary funds to facilitate the strategic move by the Group to enhance its revenue streams via the Proposed Acquisition. This also allows the Group to tap into the demand of moulded plastic components from various industries such as electrical and electronics (“**E&E**”), automotive, oil and gas, and medical devices industries. Upon completion of the Proposed Acquisition, MClean Group can present a one stop solution for customers who require both moulded plastic components and surface treatment services, particularly in high demand industries such as E&E and automotive industries.

On 13 November 2024, the Company announced that Bursa Securities had, vide its letter dated 13 November 2024, approved the listing and quotation of up to 49,300,000 Placement Shares to be issued pursuant to the Proposed Private Placement subject to certain conditions.

The Proposals are subject to, *inter alia*, approval by MClean shareholders at an extraordinary general meeting scheduled on 16 December 2024. Shareholders should take note of any further announcements to be made by the Company on the progress of the Proposals in due course.

With the above new business diversification and upon completion of the Proposals, coupled with the Group’s ongoing transformation of its existing business and cost-cutting measures, the Group aims to build a sustainable business model with various stakeholders’ support to bring the Group to a new height.

In terms of market outlook, following from Q2 2024, we remain cautiously optimistic on the market outlook for 2024, and the Group aims to achieve stable growth for Q4 2024 results amidst the various initiatives mentioned above.

18. Variance of Profit Forecast and Shortfall in Profit Guarantee

The Group has not issued any profit forecast or profit guarantee for the current financial quarter.

19. Status of Corporate Proposals

As stated in section 17 above, on 8 October 2024, the Company announced the various Proposals. On 13 November 2024, the Company announced that Bursa Securities had, vide its letter dated 13 November 2024, approved the listing and quotation of up to 49,300,000 Placement Shares to be issued pursuant to the Proposed Private Placement subject to certain conditions.

The Proposals are subject to, *inter alia*, approval by MClean shareholders at an extraordinary general meeting scheduled on 16 December 2024. Shareholders should take note of any further announcements to be made by the Company on the progress of the Proposals in due course.

20. Group Borrowings and Debt Securities

The Group’s borrowings as at 30 September 2024 are as follows:-

As at 30 September 2024						
	Long term		Short term		Total borrowings	
	Foreign denomination	RM denomination and RM equivalent	Foreign denomination	RM denomination and RM equivalent	Foreign denomination	RM denomination and RM equivalent
	SGD’000	RM’000	SGD’000	RM’000	SGD’000	RM’000
Secured						
Term loan	-	4,333	-	93	-	4,426
Factoring loan	-	-	894	2,890	894	2,890

As at 30 September 2023						
	Long term		Short term		Total borrowings	
	Foreign denomination	RM denomination and RM equivalent	Foreign denomination	RM denomination and RM equivalent	Foreign denomination	RM denomination and RM equivalent
	SGD’000	RM’000	SGD’000	RM’000	SGD’000	RM’000
Secured						
Term loan	-	1,824	-	89	-	1,913
Factoring loan	-	-	794	2,730	794	2,730

The total borrowings denominated in foreign currency as at 30 September 2024 are: -

	RM’000
Foreign currency – SGD 893,913 @ RM3.2331/SGD	<u>2,890</u>

The factoring loan is charged at an effective interest rate of approximately 6.97% - 7.45% per annum. The term loan is charged at an effective interest rate of 4.45% per annum.

21. Off Balance Sheet Financial Instruments

As at 30 September 2024, the Group does not have any off balance sheet financial instrument.

22. Material Litigation

There was no pending material adverse litigation from 1 January 2024 up to the date of this announcement.

23. Dividend Payable

There was no dividend payable or proposed during the current quarter ended 30 September 2024.

24. Tax Income

Details of taxation are as follows: -

	3 Months Ended		9 Months Ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Current taxation	-	-	-	-
Effective tax rate	-	-	-	-
Statutory tax rate	24%	24%	24%	24%
Variance	-	-	-	-

25. Earning/(Loss) Per Share (“EPS/LPS”)

The calculation of the profit/(loss) per share is based on the net profit/(loss) divided by the weighted average number of ordinary shares.

	3 Months Ended		Cumulative 9 Months Ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Net profit/(loss) for the period attributable to owners of the Company (RM'000)	1,136	(1,904)	2,364	(3,669)
Weighted average number of ordinary shares in issue ('000)	197,213	197,213	197,213	197,213
Basic earning/(loss) per share (sen)	0.58	(0.97)	1.20	(1.86)

26. Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

Profit before tax is arrived at after charging/(crediting) the following items:-

	9 Months Ended 30 September 2024 RM'000	9 Months Ended 30 September 2023 RM'000
(a) Interest income	(1)	(1)
(b) Other income including investment income	(89)	(423)
(c) Interest expenses	379	508
(d) Depreciation and amortisation	3,581	3,710
(e) Provision for and write off of receivables	-	-
(f) Provision for and write off of inventories	-	-
(g) Impairment of assets	-	177
(h) Foreign exchange (gain) or loss	495	(188)
(i) Gain or loss on derivatives	-	-
(j) Exceptional items	-	-

- End -