

TRI-MODE SYSTEM (M) BERHAD

Registration No.: 199101018953 (229265-X)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	3-MONTH ENDED		YEAR-TO-DATE	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Revenue	16,840	40,122	16,840	40,122
Cost of sales	(13,035)	(35,091)	(13,035)	(35,091)
Gross Profit ("GP")	3,805	5,031	3,805	5,031
Other income	251	5,127 ⁽²⁾	251	5,127 ⁽²⁾
Administrative expenses	(3,122)	(3,256)	(3,122)	(3,256)
(Loss)/Gain on impairment of financial instruments	3	(17)	3	(17)
Finance costs	(589)	(567)	(589)	(567)
Share of results of associates	24	2	24	2
Profit before taxation ("PBT")	372	6,320	372	6,320
Taxation	(71)	(1,108)	(71)	(1,108)
Profit after taxation ("PAT")	301	5,212	301	5,212
Other comprehensive income				
Share of other comprehensive income in associate	-	-	-	-
Total comprehensive income	301	5,212	301	5,212
Profit for the year attributable to:				
- Owners of the Company	301	5,212	301	5,212
- Non-controlling interests	-	-	-	-
	301	5,212	301	5,212
Total comprehensive income attributable to:				
- Owners of the Company	301	5,212	301	5,212
- Non-controlling interests	-	-	-	-
	301	5,212	301	5,212
Weighted average number of ordinary shares ('000)	166,000	166,000	166,000	166,000
Earnings per share attributable to owners of the Company (sen):				
- Basic ⁽³⁾	0.18	3.14	0.18	3.14
- Diluted ⁽⁴⁾	0.18	3.14	0.18	3.14

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Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements of Tri-Mode System (M) Berhad (“**Tri-Mode**” or “**Company**”) and its subsidiaries (“**Group**”) for financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.
- (2) Gain on disposal RM4.97 million (before real property gain tax) of a piece of leasehold industrial land, measuring approximately 8,716.42 square meters, held under HS(D) 67678, PT 64406, Mukim Klang, District of Klang, State of Selangor for a total cash consideration of RM7.59 million to Wastech Multigreen Sdn Bhd by N.V. Freights (M) Sdn Bhd, a wholly-owned subsidiary of Tri-Mode, which was completed on 26 January 2022.
- (3) Basic earnings per share of the Group for the quarter and year-to-date is calculated based on weighted average number of ordinary shares of 166,000,000.
- (4) Diluted earnings per share of the Group for the quarter and year-to-date is equivalent to the basic earnings per share as the Group has no dilution in its earnings per shares as there is no dilutive potential shares.

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INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	Unaudited As at 31.03.2023	Audited As at 31.12.2022
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment ("PPE")	28,109	28,572
Right-of-use assets ("ROU")	78,278	77,806
Investment in property	2,727	2,734
Other investments	175	175
Investment in associates	5,362	5,338
	114,651	114,625
Current assets		
Inventories	200	196
Trade receivables	10,590	15,049
Other receivables	1,909	2,630
Tax recoverable	1,354	1,112
Other investments	56	56
Fixed deposits with licensed banks	9,578	9,816
Cash and bank balances	8,199	7,577
	31,886	36,436
TOTAL ASSETS	146,537	151,061
EQUITY AND LIABILITIES		
Equity		
Share capital	47,503	47,503
Acquisition reserves	(5,507)	(5,507)
Retained earnings	49,035	49,232
Total Equity	91,031	91,228
Liabilities		
Non-current liabilities		
Bank borrowings	35,950	35,983
Lease liabilities	-	756
Deferred tax liabilities	4,927	4,982
	40,877	41,721

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾ (CONT'D)

	Unaudited As at 31.03.2023	Audited As at 31.12.2022
	RM'000	RM'000
Current liabilities		
Trade payables	4,082	5,803
Other payables	2,780	4,517
Amount due to associates	3,205	3,478
Lease liabilities	1,420	853
Bank borrowings	3,032	3,357
Tax payable	110	104
	14,629	18,112
Total liabilities	55,506	59,833
TOTAL EQUITY AND LIABILITIES	146,537	151,061
NET ASSETS PER SHARE (RM)	0.55	0.55
Number of ordinary shares ('000)	166,000	166,000

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

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INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

	Non-distributable			Distributable	Total Equity
	Share capital	Acquisition reserves	Fair value reserve	Retained earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000
Opening balance at 1 January 2023	47,503	(5,532)	25	49,232	91,228
Profit for the period	-	-	-	301	301
Transactions with owners:					
Dividend to owners of the Company	-	-	-	(498)	(498)
Balance at 31 March 2023	47,503	(5,532)	25	49,035	91,031
Opening balance at 1 January 2022	47,503	(5,532)	6	40,501	82,478
Profit for the year	-	-	-	10,474	10,474
Foreign exchange reserve	-	-	-	-	-
Other comprehensive income for the year	-	-	19	-	19
	-	-	25	50,975	92,971
Transactions with owners:					
Dividends to owners of the Company	-	-	-	(1,743)	(1,743)
Balance at 31 December 2022	47,503	(5,532)	25	49,232	91,228

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

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INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	PERIOD-TO-DATE	
	31.03.2023	31.03.2022
	RM'000	RM'000
Operating Activities		
Profit before tax	372	6,320
<u>Adjustments for:</u>		
Depreciation of PPE	639	516
Depreciation of ROU	636	746
Provision for expected credit losses	7	7
Impairment losses on PPE	-	-
Loss/(gain) on disposal of PPE	-	52
Gain on disposal of ROU	-	(5,033)
Impairment loss/(gain) on trade receivables	(3)	17
Other incomes	-	(8)
Interest expenses	585	574
Interest income	(84)	(11)
Share of results of associates	(24)	(2)
Unrealised (gain)/loss on foreign exchange	5	(20)
Operating profit before working capital changes	2,133	3,158
<u>Changes in working capital</u>		
Inventories	(3)	(9)
Receivables	5,223	2,023
Payables	(2,246)	296
Associates	(273)	28
	2,701	2,338
Cash generated from operations	4,834	5,496
Interest paid	(585)	(574)
Interest received	84	11
Tax paid	(361)	(940)
Tax refund	-	19
Net Cash flows from operating activities	3,972	4,012

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	YEAR-TO-DATE	
	31.03.2023	31.03.2022
	RM'000	RM'000
Investing Activities		
Dividends received	-	-
Acquisition of associate	-	(109)
Short-term investment	(95)	7,563
Purchase of PPE	(177)	-
Purchase of ROU	(1,109)	(72)
Proceeds from disposal of ROU	-	50
Proceeds from disposal of PPE	-	(136)
Net Cash flows from/(used in) investing activities	(1,381)	7,296
Financing Activities		
Dividends paid	(1,743)	(1,162)
Drawdown of term loan	-	-
Repayment of term loan	(334)	(691)
Net changes of revolving credit	-	(2,000)
Repayment of lease liabilities	(188)	(594)
Increase in fixed deposits	5,049	(275)
Net Cash flows used in financing activities	(2,784)	(4,722)
Net increase/(decrease) in cash and cash equivalents	5,375	6,586
Effect of exchange translation differences on cash & cash equivalents	(14)	-
Cash and cash equivalents at the beginning of the year	9,986	3,027
Cash and cash equivalents at the end of the year	15,347	9,613
Cash and Cash Equivalents at the end of the year:		
Cash and bank balances	8,199	3,613
Fixed deposits with licensed banks	9,577	8,429
Bank overdraft	-	-
	17,776	12,042
Less: Fixed deposits pledged with licensed banks	(1,429)	(1,429)
Less: Fixed deposits not for short-term fundings requirements	(1,000)	(1,000)
	15,347	9,613

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

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INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2023

NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

A1. Basis of preparation

The interim financial report of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting, Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31 December 2023 under the MFRS framework. These policies do not differ significantly from those used in the audited consolidated financial statements for 31 December 2022 except as disclosed below:

The following revised MFRSs and Amendments to MFRSs that effective from 1 January 2023 have been issued by the MASB:

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 17 Initial application of MFRS 17 and MFRS 9 – Comparative Information

Amendments to MFRS 101 Disclosure of Accounting Policies

Amendments to MFRS 108 Definition of Accounting Estimates

Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The adoption of the above pronouncements has no material financial impact to the Group and the Company.

A3. Auditors’ report

The auditors’ report on the preceding year audited financial statements was not subject to any qualification.

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A4. Seasonal or cyclical factors

We experience sales fluctuations in our business during festive periods such as Hari Raya and Chinese New Year as there are lesser working days compared to the normal month with normal working days.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

A6. Material changes in estimates

There were no material changes in the estimates in the current financial quarter under review.

A7. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debts and equity securities during the financial quarter under review.

A8. Dividends paid

On 23 February 2023, the Board has approved the declaration and payment of second single-tier interim dividend of 0.30 sen per ordinary share totalling RM498,000 in respect of the financial year ending 31 December 2022. The entitlement to dividend to be determined based on the record of depositors as at 10 March 2023 whilst the payment date to be fixed on 7 April 2023.

A9. Contingent liabilities or contingent assets

There were no other contingent liabilities or contingent assets as at the date of this interim financial report.

A10. Changes in the composition of the Group

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

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A11. Segmental reporting

The Group is principally involved in the provision of sea freight, container haulage, air freight, freight forwarding, warehousing and marine insurance services.

(a) Revenue by business activities

The table below set out the breakdown of the Group's revenue by business activities for the financial quarter under review:

	3-MONTH ENDED		YEAR-TO-DATE			
	31.03.2023	31.03.2022	31.03.2023		31.03.2022	
	RM'000	RM'000	RM'000	%	RM'000	%
Sea freight	8,559	32,174	8,559	50.8	32,174	80.2
Container haulage	5,754	4,341	5,754	34.2	4,341	10.8
Warehousing	1,232	634	1,232	7.3	634	1.6
Air freight	636	2,378	636	3.8	2,378	5.9
Freight forwarding	581	525	581	3.5	525	1.3
Marine insurance	78	70	78	0.5	70	0.2
Total Revenue	16,840	40,122	16,840	100	40,122	100

Sea freight, container haulage and warehousing segment are the top 3 revenue contributors under the financial year under review. The factors affecting our top 3 key revenue contributors are as follows:

- (i) fluctuation in sea freight rate; and
- (ii) fluctuation in fuel price;

(b) Revenue by geographical regions

The table below set out the breakdown of the Group's revenue by geographical regions for the financial period under review:

	3-MONTH ENDED		YEAR-TO-DATE			
	31.03.2023	31.03.2022	31.03.2023		31.03.2022	
	RM'000	RM'000	RM'000	%	RM'000	%
Malaysia	15,335	32,304	15,335	91.1	32,304	80.5
Overseas	1,505	7,818	1,505	8.9	7,818	19.5
Total Revenue	16,840	40,122	16,840	100	40,122	100

A12. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter under review.

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A13. Material events subsequent to the end of the current financial quarter

There was no subsequent material event as at the date of this report.

A14. Related Party Transactions

Related party transactions have been entered into in the normal course of business and have been established on terms and conditions that are not more favourable to the related parties.

Transaction with companies in which certain Directors have financial interests

	3-MONTH ENDED		YEAR-TO-DATE	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
(a) PT. Oriental Logistics Indonesia				
Trade receivable	-	(1)	-	(1)
Trade payable	-	-	-	-
Net amount payable/(receivable)	-	(1)	-	(1)
Services income	-	(1)	-	(1)
Services expenses	-	-	-	-
(b) Oriental Thailand				
Trade receivable	-	-	-	-
Trade payable	-	-	-	-
Net amount payable/(receivable)	-	-	-	-
Services income	-	-	-	-
Services expenses	1	-	-	-

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Transaction with associated companies

Transaction with associates	3-MONTH ENDED		YEAR-TO-DATE	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
(a) Atama Logistics (M) Sdn Bhd				
Trade receivable	2,804	3,979	2,804	3,979
Trade payable	6,008	7,461	6,008	7,461
Net amount payable/(receivable)	3,204	3,482	3,204	3,482
Services income	2,986	3,001	2,986	3,001
Services expenses	5,020	5,555	5,020	5,555
(b) Container Connections (M) Sdn Bhd				
Trade receivable	-	-	-	-
Trade payable	2	7	2	7
Net amount payable/(receivable)	2	7	2	7
Services income	-	-	-	-
Services expenses	2	28	2	28

A15. Capital commitments

As at 31 March 2023, the Group's material commitments (including commitments to be incurred) for capital expenditure are as follows: -

a) Construction of warehouse 3

	(RM)
Construction of warehouse 3 ⁽¹⁾	21,500,000

Note:

- (1) New construction of warehouse 3 facility of approximately 125,000 sq.ft. warehouse storage space on 5.38 acres industrial land located at Pulau Indah Industrial Park, Port Klang. The estimated construction costs will be approximately RM22.00 million, part finance by own fund and bank term loan of RM20 million.

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PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Performance

	3-MONTH ENDED		CHANGE		YEAR-TO-DATE		CHANGE	
	31.03.2023	31.03.2022			31.03.2023	31.03.2022		
(Unaudited)	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	16,840	40,122	(23,282)	(58.03)	16,840	40,122	(23,282)	(58.03)
GP	3,805	5,031	(1,226)	(24.37)	3,805	5,031	(1,226)	(24.37)
EBITDA ⁽¹⁾	2,151	8,139 ⁽²⁾	(5,988)	(73.57)	2,151	8,139 ⁽²⁾	(5,988)	(73.57)
PBT	372	6,320 ⁽²⁾	(5,948)	(94.11)	372	6,320 ⁽²⁾	(5,948)	(94.11)
PAT	301	5,212 ⁽²⁾	(4,911)	(94.22)	301	5,212 ⁽²⁾	(4,911)	(94.22)

Notes:

- (1) Earnings before interest tax depreciation and amortisation (“**EBITDA**”)
- (2) Consist of gain on disposal of leasehold industrial land of RM4.97 million as per page 2 (note 2).

The Group recorded revenue of RM16.84 million for the current financial quarter ended 31 March 2023, lower by 58.03% from the previous year corresponding quarter of RM40.12 million. Lower revenue mainly due to the seasonal factors as stated in note A4, lower global freight rate as compared to the hike of global freight rate during year of 2021 and 2022. Gross profit reduced by 24.37% as a result of lower revenue as compared to previous year corresponding quarter. However, the Group manage to increase its gross profit margin from 12.54% (2022) to 22.60% (2023) despite lower revenue achieved during the quarter under reviewed.

EBITDA, PBT and PAT showed large decrease mainly due to the lower revenue and one-off disposal gain of leasehold industrial land of RM4.97 million in previous year corresponding quarter. For the purpose of comparison, the Group’s year to date profitability performance without the gain on disposal of leasehold industrial land are tabulated as follows:-

	3-MONTHS ENDED		CHANGE	
	31.03.2023	31.03.2022		
(Unaudited)	RM'000	RM'000	RM'000	%
Revenue	16,840	40,122	(23,282)	(58.03)
GP	3,805	5,031	(1,226)	(24.37)
EBITDA	2,151	3,170⁽¹⁾	(1,019)	(32.15)
PBT	372	1,351⁽¹⁾	(979)	(72.46)
PAT	301	766⁽¹⁾	(465)	(60.70)

Notes:

- (1) Excluded gain on disposal of a piece of leasehold industrial land of RM4.97 million as per page 2 (note2)

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B2. Comparison with immediate preceding quarter's results

	3-MONTH ENDED		CHANGE	
	31.03.2023	31.12.2022		
(Unaudited)	RM'000	RM'000	RM'000	%
Revenue	16,840	23,742	(6,902)	(29.07)
PBT	372	2,052	(1,680)	(81.87)

For the current quarter ended 31 March 2023, the Group's revenue lower by 29.07% from RM23.74 million to RM16.84 million due to seasonal factors as stated in note A4 and significant decreased in global shipping rate. PBT reduced by 81.87% from RM2.05 million to RM0.37 million as compared to immediate preceding quarter ended 31 December 2022 resulted from lower revenue and higher adjustment of share of associates profit during 31 December 2022.

B3. Prospects

In April 2023, the International Monetary Fund ("IMF") in its World Economic Outlook report revised downward global domestic product ("GDP") growth of 2023 to 2.80% from 3.4% in 2022 reflecting global high inflation to remain in many countries for an extended period, major central banks have tightened policy deteriorating financial conditions, ongoing impact of Russia-Ukraine war, high debts ratio of emerging economics countries and weakening growth of major economic countries.

In May 2023, Bank Negara Malaysia ("BNM") reported Malaysia first quarter 2023 GDP growth of 5.6% for 2023 driven by higher domestic demand, growth in employment expansion and household spending. However, the downside risk of global trade also reflecting weaker than expected global growth during the quarter where export showed a decline of -3.3% (8.6%, Q4 2022) and import also showed a decline of -6.5% (7.2%, Q4 2022).

The prospects of Malaysia logistics industry are closely aligned with the performance of global and Malaysia economy. Tri-Mode recognised the current unfavourable development of global economy, downward trend in international freight rate and challenging recovery of national economy. We are facing the seasonal factors in our business during festive periods such as Hari Raya and Chinese New Year as there are lesser working days compared to the normal month with normal working days. Notwithstanding the disruptions of the global economy slow down impacts, our Group managed to generate better gross profit margin despite of lower revenue during current quarter. We are positive the national economy will gradually recovery from second half of year 2023.

On 22 February 2023, we have held a ground-breaking ceremony on our newly purchased industrial land in Pulau Indah Industrial Park for our new warehouse 3. The total build-up area of 136,803 sf consist of modern warehouse facility features approximately 125,000 sf warehouse storage space and is able to cater up to 20,000 pallets with 24 loading bays and a 3-storey office building. With addition of new warehouse 3, our warehouse space will expand more than double from the current 113,000 sf to 238,000 sf by 4Q 2023. We are certain that our warehouse expansion plan will add value to our existing business and bottom line. In fact, the warehouse 3 space has been fully taken up as we have secured a letter of acceptance ("LOA") from our client for the warehouse space and services.

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We foresee the demand for warehouse space and services will increase in the coming years and we are in the midst of identifying potential industrial land to acquire for future expansion. We are confident that the Malaysian economy will progressively improve, which will stimulate the growth of logistics services.

Barring any unforeseen circumstances, the Board is of the opinion that the prospects for the financial year ending 31 December 2023 will be challenging in view of unfavourable global economy growth, supply chain disruption and possible national's upward inflation pressure. Nevertheless, the Group will be cautiously monitoring the development of global supply disruptions and continue to seek opportunities in both the domestic and international markets to deliver sustainable growth in the long term.

B4. Profit Forecast or Profit Guarantee

The Company did not issue any profit forecast or profit guarantee during the current financial quarter under review.

B5. Taxation

	3-MONTH ENDED		YEAR-TO-DATE	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Current financial year:				
Income tax	126	623	126	623
Real property gain tax	-	523	-	523
Deferred tax	(55)	(38)	(55)	(38)
	<u>71</u>	<u>1,108</u>	<u>71</u>	<u>1,108</u>
Previous year provision:				
Income tax	-	-	-	-
Deferred tax	-	-	-	-
Total tax expense	<u>71</u>	<u>1,108</u>	<u>71</u>	<u>1,108</u>
Effective tax rate	19.09%	17.53%	19.09%	17.53%

Effective tax rate at approximately 19.09% for the year to date ended 31 March 2023. Lower effective tax rate due to PS tax incentive which approved 70% tax exemption against Tri-Mode's statutory income with effective from 1-July-2021 to 30-Jun-2026.

Note:

- (1) Income tax expense is recognised based on management's best estimate and subject to inland revenue department's verification.

B6. Corporate Proposals

There are no corporate proposals announced by the Company during the current financial quarter under review.

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B7. Trade Receivables

The Group grant credit on various terms. Trade receivables disclosed below include amounts which are past due at the end of reporting period but has not recognised as receivables subject to impairment as there has not been a significant change in credit quality and still considered recoverable by the management.

YEAR-TO-DATE

	31.03.2023			31.03.2022		
	<u>Non-RPT⁽¹⁾</u>	<u>RPT⁽¹⁾</u>	<u>Total</u>	<u>Non-RPT⁽¹⁾</u>	<u>RPT⁽¹⁾</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Less than 1 month	5,746	-	5,746	9,749	-	9,749
1 month	3,479	-	3,479	9,411	-	9,411
2 months	941	-	941	3,700	-	3,700
3 months	316	-	316	346	-	346
More than 3 months	108	-	108	102	-	102
Trade Receivables	10,590	-	10,590	23,308	-	23,308

Note: RPT – Related party transactions as per note A14.

B8. Bank borrowings

The Group's bank borrowings were as follows:

	AS AT	AS AT
	31.03.2023	31.03.2022
Secured:		
<u>Current:</u>	RM'000	RM'000
Bank borrowings: overdraft	-	-
Bank borrowings: revolving credit	-	3,000
Bank borrowings: term loan	3,032	3,290
Lease liabilities	0	2,303
	<u>3,032</u>	<u>8,593</u>
<u>Non-current:</u>		
Bank borrowing: term loans	35,950	37,808
Lease liabilities	-	-
	<u>35,950</u>	<u>37,808</u>
Total bank borrowings & leases liabilities	<u>38,982</u>	<u>46,401</u>

The weighted average interest rate of bank borrowings is 5.95% p.a. All the lease liabilities are based on fixed rate while term loans and revolving credit are based on floating rate.

All the Company's borrowings are denominated in Ringgit Malaysia.

B9. Material litigation

There were no material litigation involving the Group as at the date of this report.

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B10. Dividend proposed

The Board does not recommend any dividend in respect of the current financial period.

B11. Earnings per share

The basic earnings per share are calculated by dividing the profit for the year attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial year as follows:

		3-MONTH ENDED		PERIOD-TO-DATE	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
Profit attributable to ordinary owners of the Company	(RM'000)	301	5,212	301	5,212
Weighted average number of ordinary shares ⁽¹⁾	('000)	166,000	166,000	166,000	166,000
Basic earnings per share ⁽¹⁾	(Sen)	0.18	3.14	0.18	3.14
Diluted earnings per share ⁽²⁾	(Sen)	0.18	3.14	0.18	3.14

Notes:

- (1) Basic earnings per share of the Group for the quarter and year -to-date is calculated based on weighted average number of ordinary shares of 166,000,000.
- (2) Diluted earnings per share of the Group for the quarter and year-to-date is equivalent to the basic earnings per share as the Group has no dilution in its earnings per shares as there is no dilutive potential shares.

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B12. Disclosure on selected expense/income items as required by the Listing Requirements

	3-MONTH ENDED		YEAR-TO-DATE	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting) :-				
Interest income	(84)	(11)	(84)	(11)
Finance costs	585	567	585	567
Depreciation of PPE	639	516	639	516
Depreciation of ROU	635	747	635	747
Gain on disposal of ROU	-	(5,033)	-	(5,033)
Loss /(gain) on disposal of PPE	-	52	-	52
Foreign exchange – unrealised (gain) / loss	5	(20)	5	(20)

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements are not applicable.

BY ORDER OF THE BOARD

Company Secretary

Date: 23 May 2023