

# TRI-MODE SYSTEM (M) BERHAD

Registration No.: 199101018953 (229265-X)

(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 31 MARCH 2024

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME <sup>(1)</sup>

	3-MONTH ENDED		YEAR-TO-DATE	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	19,467	16,840	19,467	16,840
Cost of sales	(15,165)	(13,035)	(15,165)	(13,035)
<b>Gross Profit (“GP”)</b>	<b>4,302</b>	<b>3,805</b>	<b>4,302</b>	<b>3,805</b>
Other income	212	251	212	251
Administrative expenses	(3,470)	(3,122)	(3,470)	(3,122)
(Loss)/Gain on impairment of financial instruments	(9)	3	(9)	3
Finance costs	(645)	(589)	(645)	(589)
Share of results of associates	206	24	206	24
<b>Profit before taxation (“PBT”)</b>	<b>596</b>	<b>372</b>	<b>596</b>	<b>372</b>
Taxation	(183)	(71)	(183)	(71)
<b>Profit after taxation (“PAT”)</b>	<b>413</b>	<b>301</b>	<b>413</b>	<b>301</b>
<b>Other comprehensive income</b>				
Share of other comprehensive income in associate	-	-	-	-
<b>Total comprehensive income</b>	<b>413</b>	<b>301</b>	<b>413</b>	<b>301</b>
<b>Profit for the year attributable to:</b>				
- Owners of the Company	413	301	413	301
- Non-controlling interests	-	-	-	-
	<b>413</b>	<b>301</b>	<b>413</b>	<b>301</b>
<b>Total comprehensive income attributable to:</b>				
- Owners of the Company	413	301	413	301
- Non-controlling interests	-	-	-	-
	<b>413</b>	<b>301</b>	<b>413</b>	<b>301</b>
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 <sup>(3)</sup>	0.25	0.18	0.25	0.18
- Diluted <sup>(4)</sup>	0.25	0.18	0.25	0.18

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### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME <sup>(1)</sup> (CONT'D)

#### 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 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) 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.
- (3) 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 (1<sup>ST</sup>) QUARTER ENDED 31 MARCH 2024

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION <sup>(1)</sup>

	Unaudited As at 31.03.2024	Audited As at 31.12.2023
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment ("PPE")	27,798	27,829
Right-of-use assets ("ROU")	106,671	98,982
Investment in property	2,697	2,704
Other investments	175	175
Investment in associates	7,043	6,837
	<b>144,384</b>	<b>136,527</b>
<b>Current assets</b>		
Inventories	202	173
Trade receivables	12,159	11,525
Other receivables	2,331	4,151
Tax recoverable	58	1,310
Other investments	1,449	58
Fixed deposits with licensed banks	7,745	12,060
Cash and bank balances	922	2,702
	<b>24,866</b>	<b>31,979</b>
<b>TOTAL ASSETS</b>	<b>169,250</b>	<b>168,506</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	47,503	47,503
Acquisition reserves	(5,475)	(5,475)
Retained earnings	51,034	50,621
<b>Total Equity</b>	<b>93,062</b>	<b>92,649</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Bank borrowings	51,133	52,468
Lease liabilities	252	29
Deferred tax liabilities	5,518	5,469
	<b>56,903</b>	<b>57,966</b>

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## INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 31 MARCH 2024

### UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION <sup>(1)</sup> (CONT'D)

	Unaudited As at 31.03.2024	Audited As at 31.12.2023
	RM'000	RM'000
<b>Current liabilities</b>		
Trade payables	4,182	3,806
Other payables	4,363	4,742
Amount due to associates	3,338	3,637
Lease liabilities	579	855
Bank borrowings	6,678	4,730
Tax payable	145	121
	<b>19,285</b>	<b>17,891</b>
<b>Total liabilities</b>	<b>76,188</b>	<b>75,857</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>169,250</b>	<b>168,506</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>0.56</b>	<b>0.56</b>
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 2023 and the accompanying explanatory notes attached to this interim financial report.

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# TRI-MODE SYSTEM (M) BERHAD

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## INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 31 MARCH 2024

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY <sup>(1)</sup>

	Non-distributable			Distributable	Total Equity
	Share capital	Acquisition reserves	Fair value reserve	Retained earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Opening balance at 1 January 2024</b>	47,503	(5,532)	57	50,621	92,649
Profit for the period	-	-	-	413	413
<b>Transactions with owners:</b>					
Dividend to owners of the Company	-	-	-	-	-
<b>Balance at 31 March 2024</b>	<b>47,503</b>	<b>(5,532)</b>	<b>57</b>	<b>51,034</b>	<b>93,062</b>
Opening balance at 1 January 2023	47,503	(5,532)	25	49,232	91,228
Profit for the year	-	-	-	2,468	2,468
Foreign exchange reserve	-	-	32	-	32
Other comprehensive income for the year	-	-	-	-	-
	-	-	57	51,700	93,728
<u>Transactions with owners:</u>					
Dividends to owners of the Company	-	-	-	(1,079)	(1,079)
Balance at 31 December 2023	47,503	(5,532)	57	50,621	92,649

**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 2023 and the accompanying explanatory notes attached to this interim financial report.

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## INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 31 MARCH 2024

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS <sup>(1)</sup>

	PERIOD-TO-DATE	
	31.03.2024	31.03.2023
	RM'000	RM'000
<b>Operating Activities</b>		
Profit before tax	596	372
<u>Adjustments for:</u>		
Depreciation of PPE	734	639
Depreciation of ROU	765	636
Provision for expected credit losses	7	7
Impairment losses on PPE	-	-
Loss/(gain) on disposal of PPE	-	-
Gain on disposal of ROU	-	-
Impairment loss/(gain) on trade receivables	7	(3)
Other incomes	-	-
Interest expenses	645	585
Interest income	(84)	(84)
Share of results of associates	(206)	(24)
Unrealised (gain)/loss on foreign exchange	(11)	5
<b>Operating profit before working capital changes</b>	<b>2,453</b>	<b>2,133</b>
<u>Changes in working capital</u>		
Inventories	(29)	(3)
Receivables	1,201	5,223
Payables	566	(2,246)
Associates	(298)	(273)
	1,440	2,701
<b>Cash generated from operations</b>	<b>3,893</b>	<b>4,834</b>
Interest paid	(649)	(585)
Interest received	84	84
Tax paid	(250)	(361)
Tax refund	-	-
<b>Net Cash flows from operating activities</b>	<b>3,078</b>	<b>3,972</b>

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## INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 31 MARCH 2024 UNAUDITED CONDESED CONSOLIDATED STATEMENT OF CASH FLOWS <sup>(1)</sup> (CONT'D)

	YEAR-TO-DATE	
	31.03.2024	31.03.2023
	RM'000	RM'000
<b>Investing Activities</b>		
Dividends received	(581)	-
Acquisition of associate	-	-
Short-term investment	-	(95)
Purchase of PPE	(703)	(177)
Purchase of ROU	(8,454)	(1,109)
Proceeds from disposal of ROU	-	-
Proceeds from disposal of PPE	-	-
<b>Net Cash flows from/(used in) investing activities</b>	<b>(9,738)</b>	<b>(1,381)</b>
<b>Financing Activities</b>		
Dividends paid	-	(1,743)
Drawdown of term loan	-	-
Repayment of term loan	(1,049)	(334)
Net changes of revolving credit	1,800	-
Repayment of lease liabilities	(52)	(188)
Increase in fixed deposits	(4,884)	5,049
<b>Net Cash flows used in financing activities</b>	<b>(4,185)</b>	<b>2,784</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(10,845)</b>	<b>5,375</b>
Effect of exchange translation differences on cash & cash equivalents	3	(14)
Cash and cash equivalents at the beginning of the year	12,213	9,986
<b>Cash and cash equivalents at the end of the year</b>	<b>1,371</b>	<b>15,347</b>
<b>Cash and Cash Equivalents at the end of the year:</b>		
Cash and bank balances	922	8,199
Fixed deposits with licensed banks	7,745	9,577
Bank overdraft	-	-
	8,667	17,776
Less: Fixed deposits pledged with licensed banks	(1,429)	(1,429)
Less: Fixed deposits not for short-term fundings requirements	(5,867)	(1,000)
	<b>1,371</b>	<b>15,347</b>

### 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 2023 and the accompanying explanatory notes attached to this interim financial report.

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## INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 31 MARCH 2024

### NOTES TO THE INTERIM FINANCIAL REPORT

#### A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2024

##### 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 2023 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 2024 under the MFRS framework. These policies do not differ significantly from those used in the audited consolidated financial statements for 31 December 2023 except as disclosed below:

The following revised MFRSs and Amendments to MFRSs that effective from 1 January 2024 have been issued by the MASB:

Amendments to MFRS 116: Lease Liability in a Sale and Lease Back  
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current  
Amendments to MFRS 101: Non-Current Liabilities with Covenants  
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

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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## **INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 31 MARCH 2024**

### **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 November 2023, the Board has approved the declaration and payment of first single-tier interim dividend of 0.35 sen per ordinary share totalling RM581,000 in respect of the financial year ending 31 December 2023. The entitlement to dividend to be determined based on the record of depositors as at 15 December 2023 whilst the payment date to be fixed on 12 January 2024.

### **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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## INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 31 MARCH 2024

### 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			
	31.03.2024	31.03.2023	31.03.2024		31.03.2023	
	RM'000	RM'000	RM'000	%	RM'000	%
Sea freight	10,573	8,559	10,573	54.3	8,559	50.8
Container haulage	5,765	5,754	5,765	29.6	5,754	34.2
Warehousing	2,117	1,232	2,117	10.9	1,232	7.3
Air freight	327	636	327	1.7	636	3.8
Freight forwarding	588	581	588	3.0	581	3.5
Marine insurance	97	78	97	0.5	78	0.5
<b>Total Revenue</b>	<b>19,467</b>	<b>16,840</b>	<b>19,467</b>	<b>100</b>	<b>16,840</b>	<b>100</b>

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			
	31.03.2024	31.03.2023	31.03.2024		31.03.2023	
	RM'000	RM'000	RM'000	%	RM'000	%
Malaysia	18,234	15,335	18,234	93.7	15,335	91.1
Overseas	1,233	1,505	1,233	6.3	1,505	8.9
<b>Total Revenue</b>	<b>19,467</b>	<b>16,840</b>	<b>19,467</b>	<b>100</b>	<b>16,840</b>	<b>100</b>

### 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	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
<b>(a) PT. Oriental Logistics Indonesia</b>				
Trade receivable	1	-	1	-
Trade payable	8	3	8	3
Net amount payable/(receivable)	<u>7</u>	<u>3</u>	<u>7</u>	<u>3</u>
Services income	9	-	9	-
Services expenses	56	5	56	5
<b>(b) Oriental Thailand</b>				
Trade receivable	-	-	-	-
Trade payable	-	-	-	-
Net amount payable/(receivable)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Services income	-	-	-	-
Services expenses	-	-	-	-

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## INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 31 MARCH 2024

### Transaction with associated companies

Transaction with associates	3-MONTH ENDED		YEAR-TO-DATE	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
<b>(a) Atama Logistics (M) Sdn Bhd</b>				
Trade receivable	2,892	2,804	2,892	2,804
Trade payable	6,236	6,008	6,236	6,008
Net amount payable/(receivable)	3,344	3,204	3,344	3,204
Services income	2,202	2,986	2,202	2,986
Services expenses	3,788	5,020	3,788	5,020
<b>(b) Container Connections (M) Sdn Bhd</b>				
Trade receivable	-	-	-	-
Trade payable	5	2	5	2
Net amount payable/(receivable)	5	2	5	2
Services income	-	-	-	-
Services expenses	25	2	25	2

### A15. Capital commitments

As at 31 March 2024, 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 <sup>(1)</sup>	1,040,000

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.

#### b) Acquisition of industrial land

We have executed Sale and Purchase Agreement (“SPA”) on 31-January-2024 with PIIP developer, Central Spectrum (M) Sdn Bhd for the proposed acquisitions of 3 parcels of leasehold lands approximately 12.85 acres which located in PIIP phase 3B for an aggregate cash consideration of approximately RM42.00 million. The purchase price will be pay accordingly to the completion progress claims and 85% will be finance by secured bank term loan. Estimated delivery of vacant possession within 36 months from SPA date (by 31 January 2027). The Group intended to further expand warehousing services in the next 3 to 5 years.

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

#### B1. Review of Performance

(Unaudited)	3-MONTH ENDED		CHANGE		YEAR-TO-DATE		CHANGE	
	31.03.2024	31.03.2023	RM'000	%	31.03.2024	31.03.2023	RM'000	%
	RM'000	RM'000			RM'000	RM'000		
Revenue	19,467	16,840	2,627	15.60	19,467	16,840	2,627	15.60
GP	4,302	3,805	497	13.06	4,302	3,805	497	13.06
EBITDA <sup>(1)</sup>	2,656	2,151	505	23.48	2,656	2,151	505	23.48
PBT	596	372	224	60.22	596	372	224	60.22
PAT	413	301	112	37.21	413	301	112	37.21

Notes:

(1) Earnings before interest tax depreciation and amortisation (“EBITDA”)

The Group recorded revenue of RM19.47 million for the current financial quarter ended 31 March 2024, increased by 15.60% as compared to previous year corresponding quarter of RM16.84 million. Higher revenue contributed from sea freight and warehousing segment as stated in note A11. Corresponding with higher revenue, profitability also increased, GP increased by 13.06% from RM3.80 million to RM4.30 million, EBITDA increased by 23.48% from RM2.15 million to RM2.66 million, PBT increased by 60.22% and PAT increased by 37.21%.

Overall, the Group managed to improve its revenue and profitability performance for the current financial quarter ended 31 March 2024.

#### B2. Comparison with immediate preceding quarter's results

(Unaudited)	3-MONTH ENDED		CHANGE	
	31.03.2024	31.12.2023	RM'000	%
	RM'000	RM'000		
Revenue	19,467	17,892	1,575	8.80
PBT	596	1,722	(1,126)	(65.39)

For the current quarter ended 31 March 2024, the Group's revenue increased by 8.80% from RM17.89 million to RM19.47 million indicating progressively recovery of Malaysia economy. PBT reduced by 65.39% from RM1.72 million to RM0.60 million as compared to immediate preceding quarter ended 31 December 2023 mainly due to year end adjustment of share of associates profit and increased of financing costs and depreciation provision for new warehouse 3 beginning current quarter.

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### B3. Prospects

In April 2024, the International Monetary Fund (“**IMF**”) in its World Economic Outlook report estimated global domestic product (“**GDP**”) growth of 3.20% in 2023 and is projected to continue at the same pace in 2024 and 2025. The projection reflecting high borrowing costs, withdrawal of fiscal support, Russia-Ukraine war, weak growth in productivity and increasing geoeconomic fragmentation such as trade barrier between US and China.

The IMF projected 2024 Malaysia economic growth at 4.4% as compared to 3.7% in 2023. In 17-May-2024, Bank Negara Malaysia (“**BNM**”) reported encouraging first quarter GDP growth at 4.20% driven by stronger private expenditure and positive turnaround in exports. Meanwhile, BNM maintained its projection of GDP growth of 4.0%-5.0% for 2024.

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 and encouraging recovery of national economy. Notwithstanding the disruptions of the global economy slow down impacts, our Group managed to generate better revenue and profitability during the first quarter of 2024 and we are positive the national economy will gradually recovery in the year of 2024.

We have completed our new warehouse 3 in Pulau Indah Industrial Park (“**PIIP**”) in December 2023 and fully in operation in first quarter 2024. As disclosed, the modern warehouse facility features approximately 125,000sf warehouse storage space and is able to cater up to 20,000 pallets with 24 loading bays and a 3-storey office building of approximately 15,000sf. With addition of new warehouse 3, our warehouse space expanded more than double from the current 113,000sf to 238,000sf.

In line with our Group expansion pipe line, we have executed Sale and Purchase Agreement on 31-January-2024 with PIIP developer, Central Spectrum (M) Sdn Bhd for the proposed acquisitions of 3 parcels of leasehold lands approximately 12.85 acres which located in PIIP phase 3B for an aggregate cash consideration of approximately RM42.00 million. Estimated delivery of vacant possession by January 2027, The Group intended to further expand warehousing services in the next 3 to 5 years.

Barring any unforeseen circumstances, the Board is of the opinion that the prospects for the financial year ending 31 December 2024 will be challenging in view of unfavourable global economy growth and slow in national GDP growth. 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.

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#### B5. Taxation

	3-MONTH ENDED		YEAR-TO-DATE	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Current financial year:				
Income tax	135	126	135	126
Real property gain tax	-	-	-	-
Deferred tax	48	(55)	48	(55)
	<u>183</u>	<u>71</u>	<u>183</u>	<u>71</u>
Previous year provision:				
Income tax	-	-	-	-
Deferred tax	-	-	-	-
Total tax expense	<u>183</u>	<u>71</u>	<u>183</u>	<u>71</u>
Effective tax rate	30.76%	19.09%	30.76%	19.09%

Effective tax rate at approximately 30.76% for the year to date ended 31 March 2024. Higher effective tax rate due to provision of deferred tax on new asset of warehouse 3 buildings. The tax rate shall normalise on yearly basis.

**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.

#### 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					
	31.03.2024			31.03.2023		
	<u>Non-RPT<sup>(1)</sup></u>	<u>RPT<sup>(1)</sup></u>	<u>Total</u>	<u>Non-RPT<sup>(1)</sup></u>	<u>RPT<sup>(1)</sup></u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Less than 1 month	6,341	1	6,342	5,746	-	5,746
1 month	4,798	-	4,798	3,479	-	3,479
2 months	617	-	617	941	-	941
3 months	343	-	343	316	-	316
More than 3 months	59	-	59	108	-	108
<b>Trade Receivables</b>	<u>12,158</u>	<u>1</u>	<u>12,159</u>	<u>10,590</u>	<u>-</u>	<u>10,590</u>

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

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### B8. Bank borrowings

The Group's bank borrowings were as follows:

	AS AT 31.03.2024	AS AT 31.03.2023
	RM'000	RM'000
<b>Secured:</b>		
<b><u>Current:</u></b>		
Bank borrowings: overdraft	-	-
Bank borrowings: revolving credit	3,000	-
Bank borrowings: term loan	3,678	3,032
Lease liabilities	579	1,420
	<u>7,257</u>	<u>4,452</u>
<b><u>Non-current:</u></b>		
Bank borrowing: term loans	51,133	35,950
Lease liabilities	252	-
	<u>51,385</u>	<u>35,950</u>
<b>Total bank borrowings &amp; leases liabilities</b>	<b><u>58,642</u></b>	<b><u>40,402</u></b>

The weighted average interest rate of bank borrowings is 5.85% 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.

### B10. Dividend proposed

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

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### 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	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023
Profit attributable to ordinary owners of the Company	(RM'000)	413	301	413	301
Weighted average number of ordinary shares <sup>(1)</sup>	('000)	166,000	166,000	166,000	166,000
Basic earnings per share <sup>(1)</sup>	(Sen)	0.25	0.18	0.25	0.18
Diluted earnings per share <sup>(2)</sup>	(Sen)	0.25	0.18	0.25	0.18

#### 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.

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

	3-MONTH ENDED		YEAR-TO-DATE	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting) :-				
Interest income	(84)	(84)	(84)	(84)
Finance costs	645	585	645	585
Depreciation of PPE	734	639	734	639
Depreciation of ROU	765	635	765	635
Impairment loss on PPE	9	7	9	7
Gain on disposal of ROU	-	-	-	-
Loss /(gain) on disposal of PPE	-	-	-	-
Foreign exchange – unrealised (gain) / loss	(11)	5	(11)	5

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

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**BY ORDER OF THE BOARD**

Company Secretary

Date: 23 May 2024