

# TRI-MODE SYSTEM (M) BERHAD

Registration No.: 199101018953 (229265-X)

(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

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

	3-MONTH ENDED		YEAR-TO-DATE	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	26,728	17,531	66,487	52,299
Cost of sales	(21,192)	(13,223)	(52,342)	(40,531)
<b>Gross Profit ("GP")</b>	<b>5,536</b>	<b>4,308</b>	<b>14,145</b>	<b>11,768</b>
Other income	132	248	490	737
Administrative expenses	(4,051)	(3,260)	(10,976)	(9,256)
(Loss)/Gain on impairment of financial instruments	(17)	(19)	(36)	(30)
Finance costs	(871)	(598)	(2,405)	(1,782)
Share of results of associates	161	218	540	465
<b>Profit before taxation ("PBT")</b>	<b>890</b>	<b>897</b>	<b>1,758</b>	<b>1,902</b>
Taxation	(33)	(188)	(271)	(450)
<b>Profit after taxation ("PAT")</b>	<b>857</b>	<b>709</b>	<b>1,487</b>	<b>1,452</b>
<b>Other comprehensive income</b>				
Share of other comprehensive income in associate	-	-	-	-
<b>Total comprehensive income</b>	<b>857</b>	<b>709</b>	<b>1,487</b>	<b>1,452</b>
<b>Profit for the year attributable to:</b>				
- Owners of the Company	857	709	1,487	1,452
- Non-controlling interests	-	-	-	-
	<b>857</b>	<b>709</b>	<b>1,487</b>	<b>1,452</b>
<b>Total comprehensive income attributable to:</b>				
- Owners of the Company	857	709	1,487	1,452
- Non-controlling interests	-	-	-	-
	<b>857</b>	<b>709</b>	<b>1,487</b>	<b>1,452</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>	0.52	0.43	0.90	0.87
- Diluted <sup>(4)</sup>	0.52	0.43	0.90	0.87

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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 THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

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

	Unaudited As at 30.09.2024	Audited As at 31.12.2023
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment ("PPE")	26,712	27,829
Right-of-use assets ("ROU")	106,371	98,982
Investment in property	2,682	2,704
Investment in associates	7,077	6,837
Other investments	175	175
	<b>143,017</b>	<b>136,527</b>
<b>Current assets</b>		
Inventories	120	173
Trade receivables	15,546	11,525
Other receivables	2,196	4,151
Tax recoverable	59	1,310
Other investments	1,725	58
Fixed deposits with licensed banks	4,066	12,060
Cash and bank balances	1,537	2,702
	<b>25,249</b>	<b>31,979</b>
<b>TOTAL ASSETS</b>	<b>168,266</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	52,108	50,621
<b>Total Equity</b>	<b>94,136</b>	<b>92,649</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Bank borrowings	50,149	52,468
Lease liabilities	216	29
Deferred tax liabilities	5,359	5,469
	<b>55,724</b>	<b>57,966</b>

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## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

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

	Unaudited As at 30.09.2024	Audited As at 31.12.2023
	RM'000	RM'000
<b>Current liabilities</b>		
Trade payables	5,924	3,806
Other payables	4,053	4,742
Amount due to associates	3,487	3,637
Lease liabilities	272	855
Bank borrowings	4,625	4,730
Tax payable	45	121
	<b>18,406</b>	<b>17,891</b>
<b>Total liabilities</b>	<b>74,130</b>	<b>75,857</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>168,266</b>	<b>168,506</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>0.57</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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## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 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	-	-	-	1,487	1,487
<b>Transactions with owners:</b>					
Dividend to owners of the Company	-	-	-	-	-
<b>Balance at 30 September 2024</b>	<b>47,503</b>	<b>(5,532)</b>	<b>57</b>	<b>52,108</b>	<b>94,136</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
<b>Transactions with owners:</b>					
Dividends to owners of the Company	-	-	-	(1,079)	(1,079)
<b>Balance at 31 December 2023</b>	<b>47,503</b>	<b>(5,532)</b>	<b>57</b>	<b>50,621</b>	<b>92,649</b>

**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 THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

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

	PERIOD-TO-DATE	
	30.09.2024	30.09.2023
<b>Operating Activities</b>	RM'000	RM'000
Profit before tax	1,758	1,902
<u>Adjustments for:</u>		
Depreciation of PPE	2,236	1,927
Depreciation of ROU	1,748	1,910
Provision for expected credit losses	22	22
Loss/(gain) on disposal of PPE	-	(27)
Gain on disposal of ROU	-	-
Impairment loss/(gain) on trade receivables	36	30
Fair value gain on disposal of assets measured	(2)	(1)
Non-financing leases	8	25
Interest expenses	2,405	1,782
Interest income	(207)	(183)
Share of results of associates	(540)	(465)
Unrealised (gain)/loss on foreign exchange	17	11
<b>Operating profit before working capital changes</b>	<b>7,481</b>	<b>6,933</b>
<u>Changes in working capital</u>		
Inventories	53	6
Receivables	(2,185)	2,751
Payables	2,091	(1,616)
Associates	(149)	(159)
	(190)	982
<b>Cash generated from operations</b>	<b>7,291</b>	<b>7,915</b>
Interest paid	(2,405)	(1,782)
Interest received	207	183
Tax paid	(874)	(830)
Non-financing lease	(8)	(25)
Tax refund	-	-
<b>Net Cash flows from operating activities</b>	<b>4,211</b>	<b>5,461</b>

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## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

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

	YEAR-TO-DATE	
	30.09.2024	30.09.2023
<b>Investing Activities</b>	RM'000	RM'000
Dividends received	300	-
Increase/(decrease) in fixed deposits more than 3 months	(1,261)	(95)
Purchase of PPE	(1,119)	(421)
Purchase of ROU	(684)	(14,131)
Purchase of ROU – down payment	(8,454)	-
Proceeds from disposal of PPE	-	68
<b>Net Cash flows from/(used in) investing activities</b>	<b>(11,218)</b>	<b>(14,579)</b>
<b>Financing Activities</b>		
Dividends paid	(581)	(1,743)
Drawdown of term loan	(4,085)	-
Repayment of term loan	-	6,779
Net changes of revolving credit	1,800	2,132
Repayment of lease liabilities	(164)	(676)
Interest expenses on lease liabilities	(232)	-
Increase/(decrease) in fixed deposits pledged	56	5,049
<b>Net Cash flows used in financing activities</b>	<b>(3,206)</b>	<b>11,541</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(10,213)</b>	<b>2,423</b>
Effect of exchange translation differences on cash & cash equivalents	(13)	7
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>1,987</b>	<b>12,416</b>
<b>Cash and Cash Equivalents at the end of the year:</b>		
Cash and bank balances	1,537	3,268
Fixed deposits with licensed banks	4,066	11,577
Bank overdraft	-	-
	5,603	14,845
Less: Fixed deposits pledged with licensed banks	(1,429)	(1,429)
Less: Fixed deposits not for short-term fundings requirements	(2,187)	(1,000)
	<b>1,987</b>	<b>12,416</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 THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

### NOTES TO THE INTERIM FINANCIAL REPORT

#### A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 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 THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 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**

There are no dividend paid during the financial quarter under review.

### **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 THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 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			
	30.09.2024	30.09.2023	30.09.2024		30.09.2023	
	RM'000	RM'000	RM'000	%	RM'000	%
Sea freight	17,949	8,399	40,589	61.0	24,825	47.5
Container haulage	5,774	6,613	16,746	25.2	20,080	38.4
Warehousing	2,266	1,598	6,457	9.7	4,240	8.1
Freight forwarding	299	587	1,244	1.9	1,732	3.3
Air freight	330	253	1,164	1.8	1,193	2.3
Marine insurance	110	81	287	0.4	229	0.4
<b>Total Revenue</b>	<b>26,728</b>	<b>17,531</b>	<b>66,487</b>	<b>100</b>	<b>52,299</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			
	30.09.2024	30.09.2023	30.09.2024		30.09.2023	
	RM'000	RM'000	RM'000	%	RM'000	%
Malaysia	24,145	16,478	60,852	91.5	48,348	92.4
Overseas	2,583	1,053	5,635	8.5	3,951	7.6
<b>Total Revenue</b>	<b>26,728</b>	<b>17,531</b>	<b>66,487</b>	<b>100</b>	<b>52,299</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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## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

### 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	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
<b>(a) PT. Oriental Logistics Indonesia</b>				
Trade receivable	4	9	4	9
Trade payable	-	-	-	-
Net amount payable/(receivable)	(4)	(9)	(4)	(9)
Services income	4	10	18	21
Services expenses	-	-	57	-
<b>(b) Oriental Thailand</b>				
Trade receivable	-	-	-	-
Trade payable	-	2	-	2
Net amount payable/(receivable)	-	2	-	2
Services income	-	-	-	-
Services expenses	-	2	6	2

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## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

### Transaction with associated companies

Transaction with associates	3-MONTH ENDED		YEAR-TO-DATE	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
<b>(a) Atama Logistics (M) Sdn Bhd</b>				
Trade receivable	6,038	6,316	6,038	6,316
Trade payable	9,525	9,635	9,525	9,635
Net amount payable/(receivable)	3,487	3,319	3,487	3,319
Services income	2,325	2,426	6,436	7,846
Services expenses	3,796	4,023	10,741	13,232
<b>(b) Container Connections (M) Sdn Bhd</b>				
Trade receivable	-	-	-	-
Trade payable	7	7	7	7
Net amount payable/(receivable)	7	7	7	7
Services income	-	-	-	-
Services expenses	30	38	78	95
<b>(c) Oriental Freights Services (Vietnam) Co. Ltd.</b>				
Trade receivable	-	-	-	-
Trade payable	-	-	-	-
Net amount payable/(receivable)	-	-	-	-
Services income	-	-	-	-
Services expenses	-	-	-	-

### A15. Capital commitments

Save for the acquisition of 3 parcels of leasehold industrial lands of approximately 12.85 acres that announced in 31 January 2024, there were no material capital commitments during the quarter under review. The progress claims of the above acquisition will be financed by secured bank term loan and estimated delivery of vacant possession by 31 January 2027.

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## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

### 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	
	30.09.2024	30.09.2023	RM'000	%	30.09.2024	30.09.2023	RM'000	%
	RM'000	RM'000			RM'000	RM'000		
Revenue	26,728	17,531	9,197	52.46	66,487	52,299	14,188	27.13
GP	5,536	4,308	1,228	28.51	14,145	11,768	2,377	20.20
GP %	20.71%	24.57%		(3.86)	21.27%	22.50%		(1.23)
EBITDA <sup>(1)</sup>	3,212	2,737	475	17.35	7,939	7,338	601	8.19
EBITDA %	12.02%	15.61%		(3.59)	11.94%	14.03%		(2.09)
PBT	890	897	(7)	(0.78)	1,758	1,902	(144)	(7.57)
PBT %	3.33%	5.12%		(1.79)	2.64%	3.64%		(0.99)
PAT	857	709	148	20.87	1,487	1,452	35	2.41
PAT %	3.21%	4.04%		(0.84)	2.24%	2.78%		(0.54)

Notes:

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

The Group recorded revenue of RM26.73 million for the current financial quarter ended 30 September 2024, increased by 52.46% as compared to previous year corresponding quarter of RM17.53 million. Higher revenue contributed from sea freight and warehousing segment as stated in note A11.

Corresponding with higher revenue, GP increased by 28.51% from RM4.31 million to RM5.54 million. EBITDA increased by 17.35% from RM2.74 million to RM3.21 million. PBT decreased slightly by 0.78% mainly due to increase in financing interest expenses and provision of depreciation of warehouse 3, whereas PAT increased by 20.87% due to over provision of prior year tax adjustment.

Year to date revenue improved by 27.13% from RM52.30 million to RM66.49 million. Corresponding to increase in revenue, GP and EBITDA increased by 20.20% and 8.19% respectively. Whereas, PBT showed decrease by 7.57% mainly due to higher financing interest expenses and provision for depreciation.

Overall, the Group managed to improve its revenue and operational gross profitability performance for the current financial quarter and year to date ended 30 September 2024.

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(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

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

	3-MONTH ENDED		CHANGE	
	30.09.2024	30.06.2024		
(Unaudited)	RM'000	RM'000	RM'000	%
Revenue	26,728	17,531	9,197	52.46
PBT	890	897	(7)	(0.78)

For the current quarter ended 30 September 2024, the Group's revenue increased by 52.46% from RM17.53 million to RM26.73 million indicating progressively recovery of Malaysia economy. PBT reduced slightly by 0.78% as compared to immediate preceding quarter ended 30 June 2024 mainly due to increase in financing costs and depreciation provision for new warehouse 3.

### B3. Prospects

In October 2024, the International Monetary Fund ("IMF") in its World Economic Outlook report maintained the estimated global domestic product ("GDP") growth of 3.2% in 2024. The projection reflecting slow recovery of global economy due to the continuing of high borrowing costs, Russia-Ukraine war and uncertainty of middle east tension and trade barrier between US and China.

The IMF revised 2024 Malaysia economic growth upward to 4.8% from earlier projection of 4.4% in July 2024 following the stronger economic performance in the first half of 2024. The Malaysia government in its Budget 2025, forecasted that Malaysia GDP growth between 4.8%-5.3%, driven by robust domestic demand and recovery in exports.

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 operational profitability as at 30 September 2024 and we are positive the national economy will gradually recovery in the year of 2024.

New warehouse 3 is in full operation now, which expanded more than double our operational warehouse facilities from 113,000sf to 238,000sf. Current occupation rate at approximately 80%, we are positive to increase the occupation rate further by end of 2024. Additional fixed asset also resulted in higher provision of depreciation and financing costs which will lower our PBT. The management have implemented few measurement actions such as out-sourcing certain non-core business functions, improve our revenue margin, explore new customers, and cost reduction exercises to reduce the impact of the additional costs.

In line with our Group expansion pipe line, as announced, we have purchased 3 parcels of under development leasehold lands of approximately 12.85 acres which located in PIIP phase 3B, currently still under development stage by the developer and estimated delivery of vacant possession by January 2027, The Group intended to further expand warehousing services in the next 3 to 5 years.

# TRI-MODE SYSTEM (M) BERHAD

Registration No.: 199101018953 (229265-X)

(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

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 due to geographical political and war crisis. 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	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Current financial year:				
Income tax	94	165	297	415
Real property gain tax	-	-	-	-
Deferred tax	319	(29)	354	(17)
	<u>413</u>	<u>136</u>	<u>651</u>	<u>398</u>
Previous year provision:				
Income tax	85	127	85	127
Deferred tax	(465)	(75)	(465)	(75)
Total tax expense	<u>33</u>	<u>188</u>	<u>271</u>	<u>450</u>
Effective tax rate	3.71%	20.96%	15.42%	23.66%

Effective tax rate at approximately 15.42% for the year to date ended 30 September 2024.

**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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## TRI-MODE SYSTEM (M) BERHAD

Registration No.: 199101018953 (229265-X)

(Incorporated in Malaysia)

### INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

#### 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

	30.09.2024			30.09.2023		
	<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	6,779	4	6,783	5,128	5	5,133
1 month	6,070	-	6,070	3,294	4	3,298
2 months	2,275	-	2,275	1,399	-	1,399
3 months	361	-	361	400	-	400
More than 3 months	56	-	56	69	-	69
<b>Trade Receivables</b>	<b>15,541</b>	<b>4</b>	<b>15,545</b>	<b>10,290</b>	<b>9</b>	<b>10,299</b>

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

#### B8. Bank borrowings

The Group's bank borrowings were as follows:

	<b>AS AT</b>	<b>AS AT</b>
	<b>30.09.2024</b>	<b>30.09.2023</b>
	RM'000	RM'000
<b>Secured:</b>		
<b><u>Current:</u></b>		
Bank borrowings: overdraft	-	-
Bank borrowings: revolving credit		-
Bank borrowings: term loan	4,625	2,653
Lease liabilities	272	982
	<u>4,897</u>	<u>3,635</u>
<b><u>Non-current:</u></b>		
Bank borrowing: term loans	50,149	45,574
Lease liabilities	216	142
	<u>50,365</u>	<u>45,716</u>
<b>Total bank borrowings &amp; leases liabilities</b>	<b><u>55,262</u></b>	<b><u>49,351</u></b>

The weighted average interest rate of bank borrowings is 5.88% 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.



# TRI-MODE SYSTEM (M) BERHAD

Registration No.: 199101018953 (229265-X)

(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

### B9. Material litigation

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

### B10. Dividend proposed

On 28 November 2024, 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 2024. The entitlement to dividend to be determined based on the record of depositors as at 13 December 2024 whilst the payment date to be fixed on 30 December 2024.

### 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	
		30.09.2024	30.09.2023	30.09.2024	30.09.2023
Profit attributable to ordinary owners of the Company	(RM'000)	857	709	1,487	1,452
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)	0.52	0.43	0.90	0.87
Diluted earnings per share <sup>(2)</sup>	(Sen)	0.52	0.43	0.90	0.87

#### 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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# TRI-MODE SYSTEM (M) BERHAD

Registration No.: 199101018953 (229265-X)

(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>RD</sup>) QUARTER ENDED 30 SEPTEMBER 2024

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

	3-MONTH ENDED		YEAR-TO-DATE	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting) :-				
Interest income	(52)	(36)	(207)	(183)
Finance costs	871	598	2,405	1,782
Depreciation of PPE	749	642	2,236	1,927
Depreciation of ROU	754	636	1,748	1,909
Gain on disposal of PPE	-	(21)	-	(27)
Provision for Expected Credit Loss	17	-	36	30
Foreign exchange – unrealised (gain) / loss	34	50	17	11

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

### BY ORDER OF THE BOARD

Company Secretary

Date: 28 November 2024