

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

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

(The figures have not been audited)

	Note	<-- Individual Quarter -->		<-- Cumulative Quarter -->	
		Current year quarter 30 September 2023 RM'000	Preceding year quarter 30 September 2022 RM'000	Current year quarter 30 September 2023 RM'000	Preceding year quarter 30 September 2022 RM'000
Revenue	A7	41,440	37,155	106,141	82,104
Cost of Sales		(33,263)	(30,395)	(83,676)	(67,254)
Gross Profit		8,177	6,760	22,465	14,850
Other income		375	229	678	1,064
Finance income		23	114	226	375
Selling and distribution expenses		(305)	(178)	(709)	(563)
Administrative expenses		(3,049)	(2,937)	(8,626)	(7,907)
Other operating expenses		(1)	(1)	(84)	(100)
Finance costs		(543)	(251)	(1,428)	(404)
Profit before taxation		4,677	3,736	12,522	7,315
Taxation	B5	(1,111)	(400)	(3,111)	(600)
Profit for the financial period		3,566	3,336	9,411	6,715
Attributable to:					
- Owners of the Company		3,569	3,346	9,434	6,737
- Non-controlling interests		(3)	(10)	(23)	(22)
		3,566	3,336	9,411	6,715
Earnings per share attributable to owners of the Company (sen):					
- Basic ⁽²⁾	B10	0.36	0.36	0.95	0.72
- Diluted ⁽³⁾	B10	0.32	0.36	0.84	0.72

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 the accompanying explanatory notes attached to this interim financial report.
- (2) Basic earnings per share is calculated based on the weighted average number of ordinary shares in issuance for the comparative current quarter and cumulative quarter.
- (3) Diluted earnings per share of the Groupe have been calculated by dividing the Group's earnings attributable to owners of the Company for the financial year by the weighted average number of ordinary shares that would have been in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares.

MESTRON HOLDINGS BERHAD
Registration No: 201801018716 (1280732 – K)
(Incorporated in Malaysia)

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

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

(The figures have not been audited)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023 ⁽¹⁾

(The figures have not been audited)

	(Unaudited) As at 30 September 2023	(Audited) As at 31 December 2022
Note	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	53,212	47,248
Right-of-use assets	21,585	14,360
Land held for property development	3,862	3,862
Investment in associates	6,034	6,034
Goodwill on consolidation	3,973	3,973
TOTAL NON-CURRENT ASSETS	88,666	75,477
CURRENT ASSETS		
Inventories	24,867	21,971
Trade receivables	35,616	30,251
Other receivables	9,547	18,942
Fixed deposit with licensed banks	133	130
Cash and bank balances	36,078	33,143
Tax recoverable	1,979	730
TOTAL CURRENT ASSETS	108,220	105,167
TOTAL ASSETS	196,886	180,644
EQUITY AND LIABILITIES		
EQUITY		
Share capital	102,009	84,365
Merger deficit	(29,100)	(29,100)
Retained earnings	58,289	50,326
Total shareholders' funds	131,198	105,591
Non-controlling interests	941	964
TOTAL EQUITY	132,139	106,555
NON-CURRENT LIABILITIES		
Borrowings	B7 15,582	12,827
Lease liabilities	B7 4,118	4,389
Deferred tax liabilities	1,303	1,303
Government grants	206	206
TOTAL NON-CURRENT LIABILITIES	21,209	18,725

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023 (cont'd) ⁽¹⁾
(The figures have not been audited)

	Note	(Unaudited) As at 30 September 2023 RM'000	(Audited) As at 31 December 2022 RM'000
CURRENT LIABILITIES			
Trade payables		28,711	26,894
Other payables		11,243	23,500
Borrowings	B7	2,234	3,504
Lease liabilities	B7	1,300	1,416
Government grants		50	50
TOTAL CURRENT LIABILITIES		43,538	55,364
TOTAL LIABILITIES		64,747	74,089
TOTAL EQUITY AND LIABILITIES		196,886	180,644
Net assets per share (RM) ⁽²⁾		0.13	0.11

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the ordinary shares in Mestron of 995,711,400 shares and 933,301,000 as at 30 September 2023 and 31 December 2022 respectively.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

MESTRON HOLDINGS BERHAD
Registration No: 201801018716 (1280732 – K)
(Incorporated in Malaysia)

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

(The figures have not been audited)

	←-Non-distributable-→		Distributable		Non-controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Merger Deficit RM'000	Retained Earnings RM'000	Total RM'000		
As at 1 January 2023	84,365	(29,100)	50,326	105,591	964	106,555
Total comprehensive income for the year	-	-	9,434	9,434	(23)	9,411
<i>Transactions with owners:-</i>						
Issuance of ordinary shares	17,644	-	-	17,644	-	17,644
Dividend	-	-	(1,471)	(1,471)	-	(1,471)
Total transaction with owners	17,644	-	(1,471)	16,173	-	16,173
As at 30 September 2023	102,009	(29,100)	58,289	131,198	941	132,139

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

MESTRON HOLDINGS BERHAD
Registration No: 201801018716 (1280732 – K)
(Incorporated in Malaysia)

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

(The figures have not been audited)

	<-- Cumulative Quarter -->	
	30 September 2023	31 December 2022
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before tax	12,522	11,988
Adjustments for:-		
Bad debts written off	-	203
Depreciation of property, plant and equipment	4,043	2,485
Depreciation of right-of-use asset	169	470
Amortisation of government grants	-	(99)
Gain on disposal of property, plant and equipment	-	(92)
Interest expenses	818	707
Interest income	(204)	(45)
Share of result of an associate	-	(34)
Waiver of debts	-	(104)
Reversal of allowance for expected credit losses on receivables	-	(48)
Operating profit before working capital changes	<u>17,348</u>	<u>15,431</u>
Changes in working capital:-		
Inventories	(2,897)	(6,207)
Receivables	4,030	(26,677)
Payables	(13,772)	26,368
Cash generated from operations	<u>4,709</u>	<u>8,915</u>
Interest received	204	45
Tax refunded	-	51
Tax paid	(1,028)	(1,725)
Net cash generated from operating activities	<u>3,885</u>	<u>7,286</u>
Cash Flows From Investing Activities		
Acquisition of subsidiaries and associates, net of cash	-	(6,000)
Proceeds from disposal of property, plant and equipment	-	100
Proceeds from government grants	-	355
Placement of fixed deposits	(3)	(2)
Purchase of property, plant and equipment	(17,092)	(14,438)
Purchase of land held for property development	-	(340)
Net cash used in investing activities	<u>(17,095)</u>	<u>(20,325)</u>

MESTRON HOLDINGS BERHAD
Registration No: 201801018716 (1280732 – K)
(Incorporated in Malaysia)

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd) ⁽¹⁾
(The figures have not been audited)

	<-- Cumulative Quarter -->	
	30 September 2023 RM'000	31 December 2022 RM'000
Cash Flows From Financing Activities		
Repayment to directors	-	28
Proceeds from issuance of share capital	17,644	813
Drawdown of lease liabilities	-	6,033
Repayment of lease liabilities	(694)	(1,049)
Drawdown of borrowings	9,707	16,870
Repayment of borrowings	(8,223)	(4,888)
Interests paid	(818)	(707)
Dividend paid	(1,471)	(1,210)
Net cash generated from financing activities	16,145	15,890
Cash and cash equivalents		
Net changes	2,935	2,851
At the beginning of the year	33,143	30,292
At the end of the year	36,078	33,143

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

NOTES TO THE INTERIM FINANCIAL REPORT
EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* and Paragraph 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirement").

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

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2022. The Group has adopted those standards, amendments and interpretations that have become effective and such adoptions do not have material impact on the financial position and performance of the Group.

Adoption of new and amended standard

During the financial period, the Group has adopted the following amendments for MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial period.

- Amendments to MFRS 101 Presentation of Financial Statements – Disclosure of Accounting Policies
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to MFRS 123 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Adoption of the above standards and interpretations did not have any material impact to the financial statements of the Group.

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

A1. Basis of preparation (cont'd)

Standards issued but not yet effective

At the date of authorisation for issue of this interim financial report, the new and revised Standards and Amendments, which were in issue but not yet effective and have not been early adopted by the Group are as follow:-

- Amendments to MFRS 16 Leases – Lease Liability in a Sale and Leaseback
- Amendments to MFRS 10 Presentation of Financial Statements - Non-current Liabilities with Covenants

The Directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and Amendments are not expected to have any material impact on the financial statements of the Group in the period of initial application.

A2. Auditors' report of preceding annual audited financial statements

The audited combined financial statements of the Group for the financial year ended 31 December 2022 was not subject to any qualification.

A3. Seasonal or cyclical factors

The Group's operations are not significantly affected by seasonal or cyclical effects, albeit marginal slowdown during festive periods such as Chinese New Year and Hari Raya as most of the Group's customers do not operate during these periods and large lorries are not allowed to transport goods due to traffic control. Nevertheless, the impact of the marginal slowdown is unlikely to be significant to the Group.

A4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial period-to-date.

A5. Material changes in estimates

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

A6. Debt and equity securities

There were no issuance and repayment of the debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial year to-date.

MESTRON HOLDINGS BERHAD
Registration No: 201801018716 (1280732 – K)
(Incorporated in Malaysia)

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

A7. Segmental information

The Group's segmental information for the current financial quarter ended 30 September 2023 is as follows:-

(a) Analysis of revenue by business segments

	<-- Individual Quarter -->		<-- Cumulative Quarter -->	
	(Unaudited) 30 September 2023 RM'000	(Unaudited) 30 September 2022 RM'000	(Unaudited) 30 September 2023 RM'000	(Unaudited) 30 September 2022 RM'000
Manufacturing	33,078	32,314	91,010	68,635
Trading	8,102	4,841	14,730	13,469
Renewable Energy	260	-	401	-
Total	41,440	37,155	106,141	82,104

(b) Analysis of revenue by geographical location

	<-- Individual Quarter -->		<-- Cumulative Quarter -->	
	(Unaudited) 30 September 2023 RM'000	(Unaudited) 30 September 2022 RM'000	(Unaudited) 30 September 2023 RM'000	(Unaudited) 30 September 2022 RM'000
Malaysia	39,256	35,503	100,762	77,788
Australia	788	444	1,713	2,068
Singapore	1,396	1,203	3,606	2,160
Korea	-	5	60	6
New Zealand	-	-	-	82
Total	41,440	37,155	106,141	82,104

A8. Dividends Paid

On 24 February 2023, the Directors declared a first interim single tier dividend of RM0.0015 per ordinary share in respect of the financial year ended 31 December 2022. The dividend has been paid on 21 April 2023 to shareholders registered in the Register of Members at the close of business on 7 April 2023.

A9. 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.

A10. Capital commitments

There were no material capital commitments of the Group as at 30 September 2023.

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

A11. Changes in the composition of the Group

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

A12. Contingent liabilities and contingent assets

There are no material contingent liabilities and contingent assets to be disclosed as at the date of this interim financial.

A13. Material events subsequent to the end of the quarter

There are no material events subsequent to the end of the quarter to be disclosed as at the date of this interim financial.

A14. Related party transactions

There were no material related party transactions during the current financial quarter under review.

MESTRON HOLDINGS BERHAD
Registration No: 201801018716 (1280732 – K)
(Incorporated in Malaysia)

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of performance

	<-- Individual Quarter -->			<-- Cumulative Quarter -->		
	(Unaudited) 30 September 2023 RM'000	(Unaudited) 30 September 2022 RM'000	Changes %	(Unaudited) 30 September 2023 RM'000	(Unaudited) 30 September 2022 RM'000	Changes %
Revenue	41,440	37,155	11.53	106,141	82,104	29.28
Gross profit	8,177	6,760	20.96	22,465	14,850	51.28
Profit before tax	4,677	3,736	25.19	12,522	7,315	71.18
Profit after tax	3,566	3,336	6.89	9,411	6,715	40.15

Current quarter (3 months)

For the current financial quarter ended 30 September 2023, the Group recorded revenue of RM41.44 million as compared to the revenue of RM37.16 million recorded for the previous year's financial quarter ended 30 September 2022. The increase in revenue was mainly due increase in sales demands of standard poles and specialty poles mainly for the telecommunication segment for the current year's financial quarter ended 30 September 2023.

The Group's revenue was principally derived from the manufacturing segment which accounts for approximately 79.8% of the total revenue for the current financial quarter ended 30 September 2023. The revenue from manufacturing segment is mainly driven by the sale of standard poles and specialty poles mainly for the telecommunication segment.

The Malaysian market remains as the largest market contributing to the Group's revenue accounting for approximately 94.7% of the total revenue for the current financial quarter ended 30 September 2023.

Overall, the Group registered a higher profit before tax of RM4.68 million in the current financial quarter under review as compared with a profit before tax of RM3.74 million recorded in previous financial quarter ended 30 September 2022 due to the reduction in the price of raw materials (i.e. steel plates and steel pipes) and higher sales demand for specialty poles mainly for the telecommunication segment.

Cumulative quarter (9 months)

The Group recorded revenue of RM106.14 million for the current financial quarter ended 30 September 2023 as compared to the revenue of RM82.11 million recorded for the previous year's financial quarter ended 30 September 2022. The increase in sales demands of standard poles and specialty poles mainly for the telecommunication segment for the current year's financial quarter ended 30 September 2023.

The Group's revenue was principally derived from the manufacturing segment which accounts for approximately 85.7% of the total revenue for the current financial quarter ended 30 September 2023. The revenue from manufacturing segment is mainly driven by the sale of standard poles and specialty poles mainly for the telecommunication segment.

The Malaysian market remains as the largest market contributing to the Group's revenue accounting for approximately 94.9% of the total revenue for the current financial quarter ended 30 September 2023.

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

B1. Review of performance (cont'd)

Cumulative quarter (9 months) (cont'd)

Overall, the Group registered a higher profit before tax of RM12.52 million in the current financial quarter under review as compared with a profit before tax of RM7.32 million recorded in previous financial quarter ended 30 September 2022 due to the reduction in the price of raw materials (i.e. steel plates and steel pipes) and higher sales demand for specialty poles mainly for the telecommunication segment.

B2. Comparison with immediate preceding quarter's results

	<-- Individual Quarter -->		<-- Changes -->	
	(Unaudited)	(Unaudited)		
	30 September	30 June		
	2023	2023		
	RM'000	RM'000	RM'000	%
Revenue	41,440	37,805	3,635	9.62
Profit before tax	4,677	5,513	(836)	(15.16)

For the current financial quarter ended 30 September 2023, the Group recorded higher revenue of RM41.44 million and lower profit before tax of RM4.68 million as compared to revenue of RM37.81 million and profit before tax of RM5.51 million respectively in the immediate preceding financial quarter ended 30 June 2023.

The decrease in profit before tax is mainly due to the reduction in the sales demand for specialty poles and lantern which generally command higher sales margin for current financial quarter ended 30 September 2023.

B3. Prospects and outlook

With the current uncertainty in the local and international economy due to the foreign exchange volatility and increase in competition with lower quality products, the performance of the Group for the financial year ending 31 December 2023 will remain challenging. However, the Group will exercise extra vigilance in the business and will strive to deliver satisfactory performance for the year. The group will explore other opportunities and is looking to diversify the business to expand our sources of revenue and include other sources of recurring income as a source of our business income.

B4. Profit forecast or profit guarantee

The Group does not have any profit forecast or profit guarantee for the current quarter under review in any public documents.

MESTRON HOLDINGS BERHAD
Registration No: 201801018716 (1280732 – K)
(Incorporated in Malaysia)

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

B5. Taxation

	<-- Individual Quarter -->		<-- Cumulative Quarter -->	
	(Unaudited) 30 September 2023 RM'000	(Unaudited) 30 September 2022 RM'000	(Unaudited) 30 September 2023 RM'000	(Unaudited) 30 September 2022 RM'000
Income tax expense:				
Current tax expense	1,111	400	3,111	600
Total tax expense	<u>1,111</u>	<u>400</u>	<u>3,111</u>	<u>600</u>
Effective tax rate (%)	23.8	10.7	24.8	8.2

Note:

- (1) The Group's effective tax rate is lower than the statutory income tax rate as the Group entitled for higher allowances and incentives due to completion of biogas plant and office in Gua Musang and Puchong respectively.

B6. Status of corporate proposals and utilisation of proceeds

Status of corporate proposals

On 18 August 2020, the Company had announced that the Company wishes to undertake the private placement exercise of up to 158,000,000 new ordinary shares in Mestron ("**Placement Shares**"), representing up to approximately 20% of the total number of issued shares of Mestron, to independent third-party investor(s) to be identified later at an issue price to be determined later ("**Private Placement**") ("**Announcement**").

The additional listing application for the Placement Shares was approved by Bursa Securities on 7 September 2020. The Company have since issued a total of 140,450,000 Placement Shares and raised total gross proceeds of RM28.32 million. The Private Placement has lapsed on 30 September 2021.

On 20 August 2021, the Company has completed the bonus issue of warrants exercise following the listing and quotation for 453,450,000 Warrants on the ACE Market of Bursa Securities.

Save for the Private Placement and bonus issue of warrants, the Group does not have any corporate exercises which have been announced.

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

B6. Status of corporate proposals and utilisation of proceeds (cont'd)

Status of corporate proposals (cont'd)

Utilisation of proceeds

(a) Public Issue

On 26 May 2019, the Company issued its prospectus in relation to the public issue of 158,000,000 new ordinary shares ("**Public Issue**") at issue price of RM0.16 per ordinary share. The listing exercise of the Company's enlarged share capital of 790,000,000 shares on the ACE Market of Bursa Securities was completed on 18 September 2019.

The gross proceeds raised from the Public Issue amounting to RM25.28 million are fully utilised in 1st quarter of FY 2023.

(b) Private Placement

Private Placement of up to 20% of the issued shares of the Company, involving up to 158,000,000 Placement Shares was approved on 7 September 2020.

140,450,000 new Placement Shares were issued pursuant to the Private Placement and were subsequently listed and quoted on the Ace Market of Bursa Malaysia Securities Berhad.

On 30 September 2021, Mestron has resolved to withdraw the Extension of Time ("EOT") Application. As such, the Private Placement has lapsed on 30 September 2021.

The status of the utilisation of total gross proceeds of private placement are fully utilised in 1st quarter of FY 2023.

MESTRON HOLDINGS BERHAD
Registration No: 201801018716 (1280732 – K)
(Incorporated in Malaysia)

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

B7. Finance Lease Payable & Borrowings

The Group's finance lease payable and borrowings were as follows:-

	As at 30 September 2023 RM'000	As at 31 December 2022 RM'000
Secured:		
Current		
Lease liabilities	1,300	1,416
Term loan	1,200	919
Banker acceptance	1,034	2,585
	<u>3,534</u>	<u>4,920</u>
Secured:		
Non-current		
Lease liabilities	4,118	4,389
Term loan	15,582	12,827
	<u>19,700</u>	<u>17,216</u>
Total bank borrowings	<u>23,234</u>	<u>22,136</u>

Note:

- (1) All the Group borrowings are denominated in Ringgit Malaysia and there are no foreign currency denomination borrowings.

B8. Changes in material litigation

As at the date of this report, the Group is not involved in any litigations or arbitrations either as a defendant or plaintiff, which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

B9. Dividends Proposed

There are no dividends proposed during the current financial quarter under review.

MESTRON HOLDINGS BERHAD
Registration No: 201801018716 (1280732 – K)
(Incorporated in Malaysia)

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

B10. Earnings per share

The basic and diluted earnings per share for the current quarter and financial period is calculated as follows:-

	<-- Individual Quarter -->		<-- Cumulative Quarter -->	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	30 September	30 September	30 September	30 September
	2023	2022	2023	2022
Profit attributable to owners of the Company (RM'000)	3,569	3,346	9,434	6,737
Weighted average number of ordinary shares ('000) ⁽¹⁾	1,120,486	930,450	1,120,486	930,450
Basic earnings per share (sen) ⁽²⁾	0.36	0.36	0.95	0.72
Diluted earnings per share (sen) ⁽³⁾	0.32	0.36	0.84	0.72

Notes:

- (1) Weighted average number of ordinary shares is based on the weighted average number of ordinary shares in issuance for the financial year and financial quarter.
- (2) Basic earnings per share for the current quarter and financial year is calculated based on the net profit divided by the weighted average number of ordinary shares.
- (3) Diluted earnings per share of the Groupe have been calculated by dividing the Group's earnings attributable to owners of the Company for the financial year by the weighted average number of ordinary shares that would have been in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares.

MESTRON HOLDINGS BERHAD
Registration No: 201801018716 (1280732 – K)
(Incorporated in Malaysia)

FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2023

B11. Disclosure on selected expense/(income) items as required by the Listing Requirements

	<-- Individual Quarter -->		<-- Cumulative Quarter-->	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	30 September	30 September	30 September	30 September
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):-				
Depreciation of property, plant and equipment	1,043	106	4,043	962
Depreciation of right-of-use assets	56	153	169	449
Realised (gain)/loss on foreign exchange	(25)	284	(185)	481
Interest income	(22)	(111)	(204)	(370)
Interest expenses	207	250	818	399

Note:

- (1) Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Listing Requirements are not applicable. The Group does not have the following items for the financial period under review:-
- (i) amortisation of investment properties;
 - (ii) rental income;
 - (iii) provision for and write off of receivables;
 - (iv) provision for and write off of inventories;
 - (v) gain or loss on disposal of quoted or unquoted investments or properties;
 - (vi) impairment of assets; and
 - (vii) gain or loss on derivatives.