



# **ACO GROUP BERHAD**

**Company No. 201901020410 (1329739-A)**

**(Incorporated in Malaysia)**

## **Interim Financial Report For the First Quarter Ended 31 May 2024**

# ACO GROUP BERHAD

(Company No.: 201901020410 (1329739-A))

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME QUARTERLY REPORT ON THE RESULTS FOR THE FIRST QUARTER ENDED 31 MAY 2024 <sup>(1)</sup>

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.05.2024 Unaudited RM'000	PRECEDING CORRESPOND- ING QUARTER 31.05.2023 Unaudited RM'000	CURRENT YEAR-TO- DATE 31.05.2024 Unaudited RM'000	PRECEDING YEAR-TO- DATE 31.05.2023 Unaudited RM'000
Revenue	39,228	31,113	39,228	31,113
Cost of sales	(33,301)	(26,802)	(33,301)	(26,802)
<b>Gross profit</b>	<b>5,927</b>	<b>4,311</b>	<b>5,927</b>	<b>4,311</b>
Other income	227	208	227	208
Administrative expenses	(3,940)	(3,603)	(3,940)	(3,603)
<b>Profit from operations</b>	<b>2,214</b>	<b>916</b>	<b>2,214</b>	<b>916</b>
Finance costs	(146)	(179)	(146)	(179)
Share of results of an associate	86	10	86	10
<b>Profit before tax</b>	<b>2,154</b>	<b>747</b>	<b>2,154</b>	<b>747</b>
Income tax expense	(618)	(287)	(618)	(287)
<b>Profit for the financial period/year, representing total comprehensive income for the financial period/year</b>	<b>1,536</b>	<b>460</b>	<b>1,536</b>	<b>460</b>
<b>Total comprehensive income attributable to:</b>				
Owner of the company	1,536	460	1,536	460
	<u>1,536</u>	<u>460</u>	<u>1,536</u>	<u>460</u>
Basic and diluted earnings per share (sen) <sup>(2) (3)</sup>	0.44	0.13	0.44	0.13

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(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME QUARTERLY REPORT ON THE RESULTS FOR THE FIRST QUARTER ENDED 31 MAY 2024<sup>(1)</sup>

Notes:-

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Computation on basic earnings per share is based on the Company's weighted average number of ordinary shares during the financial period under review.
- (3) The diluted earnings per share of the Group for the current quarter and year-to-date are equivalent to the basic earnings per share as the Group does not have any convertible options as at the end of the reporting period.

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# ACO GROUP BERHAD

(Company No.: 201901020410 (1329739-A))

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2024<sup>(1)</sup>

	<b>UNAUDITED</b> <b>31.05.2024</b> <b>RM'000</b>	<b>AUDITED</b> <b>29.02.2024</b> <b>RM'000</b>
<b>Non-Current Assets</b>		
Property, plant, and equipment	13,295	13,659
Right-of-use assets	13,602	13,540
Investment properties	6,200	6,200
Investment in an associate	19,069	18,983
Other investment	1,017	1,017
Deferred tax assets	98	98
	53,281	53,497
<b>Current Assets</b>		
Inventories	51,397	48,425
Trade and other receivables	38,929	37,465
Prepayments	484	400
Current tax assets	120	126
Cash and short-term deposits	17,912	18,036
	108,842	104,452
<b>Current Liabilities</b>		
Trade and other payables	43,823	42,878
Lease liabilities	226	142
Current tax liabilities	731	345
Loans and borrowings	13,019	11,731
	57,799	55,096
<b>Net current assets</b>	51,043	49,356
	104,324	102,853
<b>Financed by:</b>		
Share capital	67,622	67,622
Reorganisation reserve	(27,861)	(27,861)
Revaluation reserve	306	306
Retained earnings	53,568	52,032
	93,635	92,099
<b>Non-current liabilities</b>		
Deferred tax liabilities	746	758
Lease liabilities	207	116
Loans and borrowings	9,736	9,880
	10,689	10,754
	104,324	102,853
Number of issued shares ('000)	347,371	347,371
Net assets per share (RM)	0.27	0.27

# **ACO GROUP BERHAD**

(Company No.: 201901020410 (1329739-A))

(Incorporated in Malaysia)

## **UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2024<sup>(1)</sup>**

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 Company's Audited Financial Statements for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to this interim financial report.

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# ACO GROUP BERHAD

(Company No.: 201901020410 (1329739-A))

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY QUARTERLY REPORT ON THE RESULTS FOR THE FIRST QUARTER ENDED 31 MAY 2024<sup>(1)</sup>

	< -- ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY -->				TOTAL RM'000
	< --- NON-DISTRIBUTABLE --- >		DISTRIBUTABLE		
	SHARE CAPITAL RM'000	REVALUATION RESERVE RM'000	REORGANISA- TION RESERVE RM'000	RETAINED EARNINGS RM'000	
<b>Balance as at 1 March 2023</b>	67,622	-	(27,861)	49,703	89,464
Total comprehensive profit for the year	-	306	-	3,024	3,330
Transactions with owners:					
Interim Dividend	-	-	-	(695)	(695)
<b>Balance as at 29 February 2024 (audited)</b>	<b>67,622</b>	<b>306</b>	<b>(27,861)</b>	<b>52,032</b>	<b>92,099</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 Company's Audited Financial Statements for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to this interim financial report.

# ACO GROUP BERHAD

(Company No.: 201901020410 (1329739-A))

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY QUARTERLY REPORT ON THE RESULTS FOR THE FIRST QUARTER ENDED 31 MAY 2024 <sup>(1)</sup>

	< -- ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY -->				TOTAL RM'000
	< --- NON-DISTRIBUTABLE --- >		DISTRIBUTABLE		
	SHARE CAPITAL RM'000	REVALUATION RESERVE RM'000	REORGANISA- TION RESERVE RM'000	RETAINED EARNINGS RM'000	
<b>Balance as at 1 March 2024</b>	67,622	306	(27,861)	52,032	92,099
Total comprehensive profit for the year	-	-	-	1,536	1,536
<b>Balance as at 31 May 2024 (Unaudited)</b>	<b>67,622</b>	<b>306</b>	<b>(27,861)</b>	<b>53,568</b>	<b>93,635</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 Company's Audited Financial Statements for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to this interim financial report.

# ACO GROUP BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT QUARTERLY REPORT ON THE RESULTS FOR THE FIRST QUARTER ENDED 31 MAY 2024 <sup>(1)</sup>

	CURRENT YEAR- TO-DATE 31.05.2024 Unaudited RM'000	PRECEDING YEAR- TO-DATE 31.05.2023 Unaudited RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,154	747
Adjustments for:		
Bad debts recovered	-	(1)
Depreciation on property, plant and equipment	369	372
Depreciation on right-of-use assets	166	196
Finance costs	146	179
Gain on disposal of property, plant and equipment	(1)	(69)
Impairment losses on trade receivables	-	45
Interest income	(53)	(49)
Reversal of impairment losses on trade receivables	(6)	(12)
Share of results of an associate	(86)	(10)
Operating profit before changes in working capital	2,689	1,398
Changes in working capital:		
Inventories	(2,972)	(971)
Prepayments	(84)	84
Trade and other payables	3,060	1,747
Trade and other receivables	(1,458)	(2,430)
Net cash generated from/(used in) operations	1,235	(172)
Income tax paid	(237)	(373)
Interest paid	(2)	(2)
Interest received	53	49
<b>Net cash flows generated from/(used in) operating activities</b>	<b>1,049</b>	<b>(498)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment in an associate	(2,115)	-
Change in pledged deposits	111	(83)
Proceeds from disposal of property, plant and equipment	1	69
Purchase of property, plant and equipment	(5)	(52)
<b>Net cash flows used in investing activities</b>	<b>(2,008)</b>	<b>(66)</b>



# ACO GROUP BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT (CONT'D) QUARTERLY REPORT ON THE RESULTS FOR THE FIRST QUARTER ENDED 31 MAY 2024 <sup>(1)</sup>

	<b>CURRENT YEAR- TO-DATE 31.05.2024 Unaudited RM'000</b>	<b>PRECEDING YEAR- TO-DATE 31.05.2023 Unaudited RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of term loans	(140)	(198)
Repayment of finance lease liabilities	(22)	(34)
Proceeds from banker's acceptances	5,449	4,410
Repayment of banker's acceptances	(6,343)	(2,626)
Proceeds from trust receipts	2,993	5,218
Repayment of trust receipts	(794)	(5,842)
Payment of lease liabilities	(53)	(54)
Interest paid	(144)	(177)
<b>Net cash flows generated from financing activities</b>	<b>946</b>	<b>697</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(13)</b>	<b>133</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>16,905</b>	<b>19,686</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>16,892</b>	<b>19,819</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD:-</b>		
Cash and bank balances	16,345	19,699
Fixed deposits with licensed banks	1,567	1,612
	17,912	21,311
Less: Deposits pledged	(1,020)	(1,492)
	16,892	19,819

Note:-

- (1) The basis of preparation of Unaudited Condensed Consolidated Cash Flow Statement are disclosed in Note A1 and should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to this interim financial report.

# ACO GROUP BERHAD

## **A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING**

### **A1 Basis of preparation**

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standard Board (“MASB”) and Rule 9.22 of the ACE Market Listing Requirements (“Listing Requirements”).

The interim financial report should be read in conjunction with the Company’s Audited Financial Statements for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to this interim financial report.

### **A2 Material Accounting Policies**

The accounting policies adopted by the Group in this interim financial report are consistent with those as disclosed in the Audited Financial Statements of the Company for the financial year ended 29 February 2024, save for the following:-

#### **MFRS and Amendments to MFRSs in issue but not yet effective**

The Group has not adopted the following Standards and Amendments to MFRS effective for annual periods beginning on or after 1 January 2024:

- Amendments to MFRS 16 *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101 *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 101 *Presentation of Financial Statements – Non-current Liabilities with Covenants*
- Amendments to MFRS 107 *Statement of Cash Flows* and MFRS 7 *Financial Instruments: Disclosure - Supplier Finance Arrangements*

The Group has not adopted the following Standards and Amendments to MFRS effective for annual periods beginning on or after 1 January 2025:

- Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*

The Group has not adopted the following Standards and Amendments to MFRS effective for annual periods beginning on or after 1 January 2027:

- MFRS 18 *Presentation and Disclosure in Financial Statements*

#### **MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after a date yet to be confirmed**

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

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect on the financial statements of the Group upon their initial application.

## **ACO GROUP BERHAD**

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**A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)**

**A3 Auditors' report on preceding annual financial statements**

The auditors' report for the financial year ended 29 February 2024 was not subject to any qualifications.

**A4 Seasonal or cyclical factors**

The Group's operations for the current financial quarter under review were not subject to any seasonal or cyclical factors.

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

There were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence for the financial quarter under review.

**A6 Changes in estimates, significant accounting estimates and judgements.**

There were no changes in the nature and estimates of amounts reported which have a material effect on the results for the financial quarter under review.

**A7 Debts and equity securities**

There were no significant issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial quarter under review.

**A8 Dividends paid**

There was no dividend paid during the current financial quarter under review.

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# ACO GROUP BERHAD

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## A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

### A9 Segment information

Segmental reporting of the Group's result are as follows: -

#### Current year to date ended 31 May 2024 (Unaudited)

BUSINESS SEGMENT	INDUSTRIAL USERS RM'000	RESELLERS RM'000	ADJUSTMENT AND ELIMINATIONS RM'000	TOTAL RM'000
<b>Revenue</b>				
Revenue from external customers	30,680	8,548	-	39,228
Internal-segment revenue	3,062	-	(3,062)	-
External revenue	<u>33,742</u>	<u>8,548</u>	<u>(3,062)</u>	<u>39,228</u>
<b>Segment profit</b>	5,169	758	-	5,927
Other income				227
Administrative expenses				(3,940)
Finance costs				(146)
Share of results of an associate				86
Income tax expense				(618)
Profit for the financial year				<u>1,536</u>

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## A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

### A9 Segment information

Segmental reporting of the Group's result are as follows: -

#### Preceding year to date ended 31 May 2023

(Unaudited)

BUSINESS SEGMENT	INDUSTRIAL USERS RM'000	RESELLERS RM'000	ADJUSTMENT AND ELIMINATIONS RM'000	TOTAL RM'000
<b>Revenue</b>				
Revenue from external customers	24,890	6,223	-	31,113
Internal-segment revenue	1,449	-	(1,449)	-
External revenue	<u>26,339</u>	<u>6,223</u>	<u>(1,449)</u>	<u>31,113</u>
<b>Segment profit</b>	3,621	690	-	4,311
Other income				208
Administrative expenses				(3,603)
Finance costs				(179)
Share of results of an associate				10
Income tax expense				(287)
Profit for the financial year				<u>460</u>

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# **ACO GROUP BERHAD**

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## **A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)**

### **A10 Significant events subsequent to the end of the interim financial period**

There were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

### **A11 Changes in the composition of the Group**

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

### **A12 Fair value of financial instruments**

There were no gain or loss arising from fair value changes for all financial assets and liabilities for the current financial quarter under review.

### **A13 Capital commitments**

There were no capital commitments at the end of the financial quarter under review.

### **A14 Contingent assets and contingent liabilities**

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

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# ACO GROUP BERHAD

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## A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

### A15 Significant related party transactions

The related party transactions of the Group have been entered into in the normal course of business. Listed below are the significant transactions with related parties of the Group during the current quarter under review:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.05.2024 Unaudited RM'000	PRECEDING CORRESPON- DING QUARTER 31.05.2023 Unaudited RM'000	CURRENT YEAR-TO-DATE 31.05.2024 Unaudited RM'000	PRECEDING YEAR-TO-DATE 31.05.2023 Unaudited RM'000
<b>Associated company</b>				
Sales of goods	149	337	149	337
Purchase of goods	141	65	141	65

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# ACO GROUP BERHAD

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

### B1 Review of performance

#### Current quarter (Q1 FYE2025) against preceding year corresponding quarter (Q1 FYE2024)

The Group's revenue increased by 26.08%, or RM8.115 million, to RM39.228 million in the first quarter ("Q1") of the financial year ending ("FYE") 28 February 2025, up from RM31.113 million in Q1 FYE2024. The growth is attributed to both improvements in the current quarter's performance and a lower revenue base in the preceding year corresponding quarter. Driven mainly by the higher revenue, the current quarter's Group's gross profit ("GP") increased by 37.49%, or RM1.616 million, to RM5.927 million, compared to RM4.311 million in Q1 FYE2024.

Consequently, the Group recorded a higher profit before tax ("PBT") in Q1 FYE2025, rising by 188.4% or RM1.407 million, from RM0.747 million to RM2.154 million. The slightly higher administrative expenses, due to increased business volume, were partially offset by a marginal improvement from the share of results of an associate.

### B2 Current quarter (Q1 FYE2025) against preceding quarter (Q4 FYE2024)

	INDIVIDUAL QUARTER		Variance	
	CURRENT QUARTER	PRECEDING QUARTER	RM'000	%
	31.05.2024	29.02.2024		
	RM'000	RM'000		
Revenue	39,228	35,651	3,577	10.03
PBT	<u>2,154</u>	<u>1,009</u>	1,145	113.48

The Group's revenue in Q1 FYE2025 increased by 10.03%, or RM3.577 million, from RM35.651 million to RM39.228 million. The improved revenue, due to better performance this quarter and a lower revenue base in the previous quarter, and subsequently improved GP led to a PBT of RM2.154 million. This marks a 113.48%, or RM1.145 million, increase compared to the PBT of RM1.009 million in the preceding quarter.

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## **B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

### **B3 Prospects**

The Malaysian economy grew at a higher rate of 4.2% in the first quarter of 2024 (4Q 2023: 3%), supported by increased household spending, a positive turnaround in exports, and stronger investment activities. These factors are expected to continue driving the country's economy, alongside sustained growth in employment and wages, and improvements in tourism activities. However, the growth outlook faces downside risks from weaker-than-expected external demand, further escalation of geopolitical conflicts, and larger declines in commodity production. (Source: Bank Negara Malaysia's Quarterly Bulletin 1Q 2024).

Continuing on this trajectory, the Group will remain focused on improving its operational efficiencies and sales performance, while also exploring new business opportunities to expand its customer base and product range. Additionally, the Group is prepared to seize opportunities from promising economic developments driven by major construction and infrastructure projects in the southern region, where the Group primarily operates.

Meanwhile, the Group's operations in the East Coast region has shown consistent performance in the past two quarters. The Group remains optimistic about stronger performance and better contributions from its associate company in the coming quarters. On the other hand, EV Connection Sdn Bhd ("EVC"), a company in which the Group has acquired a stake, continues to thrive through new collaborations and efforts in leading the adoption of EVs in Malaysia.

The Board acknowledges the forthcoming challenges and maintains a prudent outlook regarding the Group's prospects. Barring any unforeseen circumstances, the Board anticipates the Group's financial performance for the upcoming quarter to be satisfactory, with appropriate measures in place.

### **B4 Profit forecast**

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

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## B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

### B5 Income tax expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.05.2024 Unaudited RM'000	PRECEDING CORRESPON- DING QUARTER 31.05.2023 Unaudited RM'000	CURRENT YEAR- TO-DATE 31.05.2024 Unaudited RM'000	PRECEDING YEAR- TO-DATE 31.05.2023 Unaudited RM'000
In respect of the current period:				
Income tax expense	630	287	630	287
Deferred tax expense	(12)	-	(12)	-
<b>Total</b>	<b>618</b>	<b>287</b>	<b>618</b>	<b>287</b>
<b>Effective tax rate (%)</b>	<b>29%</b>	<b>38%</b>	<b>29%</b>	<b>38%</b>

The effective tax rate for the current financial quarter was slightly higher than the statutory rate of 24% due to non-deductible expenses, while the deferred tax benefit is attributable to reversal of provisions made in prior quarters. In comparison, the preceding corresponding quarter's effective tax rate was 38%, also due to non-deductible expenses.

Income tax expense is recognised based on management's best estimate.

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## **B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

### **B6 Status of corporate proposals**

There are no other corporate proposals announced but not yet completed as at the date of this interim financial report.

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# ACO GROUP BERHAD

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## B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

### B7 Utilisation of proceeds raised from the Private Placement

On 31 December 2021, the Company completed a private placement exercise involving the issuance of 43.871 million new ordinary shares (“Private Placement”). The total funds raised from the Private Placement, amounting to approximately RM14.604 million, have been fully utilised as of 31 May 2024 in the following manner:

PURPOSES	PROPOSED UTILISATION (BASED ON ANNOUNCEMENT MADE ON 17 SEPTEMBER 2020)	REVISED UTILISATION (PURSUANT TO THE COMPLETION OF THE PRIVATE PLACEMENT)	ACTUAL UTILISATION	BALANCE UNUTILISED	ESTIMATED TIME FRAME FOR UTILISATION (FROM THE DATE OF LISTING OF THE PLACEMENTS SHARES)
	RM'000	RM'000	RM'000	RM'000	
Acquisition of Focus Electrical	5,145	5,145	5,145	-	Within 36 months
Capital injection in Focus Electrical	6,370	6,370	6,370	-	Within 12 months
Repayment of bank borrowings	2,435	-	-	-	Not applicable
Investment in new business	5,000	-	-	-	Not applicable
Working capital	3,000	2,439	2,439	-	Within 12 months
Estimated expenses in relation to the Proposals	650	650	650	-	Upon completion of the Proposal
	22,600	14,604	14,604	-	

The utilisation of proceeds for the purpose of the Acquisition should be read together with the Company’s announcements dated 17 September 2020, 25 September 2020, 16 October 2020, 23 October 2020, 17 November 2020, 27 November 2020, 30 November 2020 and 29 December 2023.

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## B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

### B8 Group's borrowings and debt securities

The Group's borrowings are as follows:-

	PAYABLE WITHIN 12 MONTHS RM'000	PAYABLE AFTER 12 MONTHS RM'000	TOTAL OUTSTANDING RM'000
<b><u>Secured borrowings</u></b>			
Banker's acceptances	7,578	-	7,578
Trust receipts	4,764	-	4,764
Hire purchases	21	-	21
Term loans	656	9,736	10,392
	<u>13,019</u>	<u>9,736</u>	<u>22,755</u>

The secured bank borrowings and other facilities are secured by way of:-

- Legal charges over freehold land and buildings of subsidiaries;
- Legal charges over leasehold land and buildings of subsidiaries;
- Legal charges over fixed deposits of a subsidiary;
- Legal charges over investment properties; and
- Corporate Guarantee by the Company.

The bank borrowings and other facilities are denoted in local currency.

# ACO GROUP BERHAD

(Company No.: 201901020410 (1329739-A))

(Incorporated in Malaysia)

## B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

### B9 Material litigations

As at the date of this report, the Group is not engaged in any material litigation.

### B10 Proposed dividends

On 20 June 2024, the Board approved the declaration and payment of a first interim single-tier dividend of 0.20 sen per ordinary share in respect of the financial year ending 28 February 2025. The entitlement to the dividend will be based on the Record of Depositors as at 17 July 2024, with the payment to be made on 29 July 2024.

### B11 Basic and diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.05.2024	PRECEDING CORRESPON -DING QUARTER 31.05.2023	CURRENT YEAR TO-DATE 31.05.2024	PRECEDING YEAR-TO-DATE 31.05.2023
Profit for the period attributable to ordinary equity holders of the company (RM'000)	<u>1,536</u>	<u>460</u>	<u>1,536</u>	<u>460</u>
Weighted average number of shares in issue ('000)	<u>347,371</u>	<u>347,371</u>	<u>347,371</u>	<u>347,371</u>
Basic and diluted earnings per share (sen) <sup>(1) (2)</sup>	<u>0.44</u>	<u>0.13</u>	<u>0.44</u>	<u>0.13</u>

Notes:-

- (1) The basic earnings per share is computed based on profit attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue during the financial period under review.
- (2) The diluted earnings per share of the Group is equivalent to the basic earnings per share as the Group does not have any convertible options as at the end of the reporting period.

# ACO GROUP BERHAD

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## B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

### B12 Notes to the statement of comprehensive income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31.05.2024 Unaudited RM'000	PRECEDING CORRESPON- DING QUARTER 31.05.2023 Unaudited RM'000	CURRENT YEAR-TO-DATE 31.05.2024 Unaudited RM'000	PRECEDING YEAR-TO-DATE 31.05.2023 Unaudited RM'000
The following amounts have been included in arriving at profit before tax:-				
Finance costs	146	179	146	179
Depreciation on property, plant and equipment	369	372	369	372
Depreciation on right-of-use assets	166	196	166	196
Impairment losses on trade receivables	-	24	-	24
Equipment rental expenses	20	14	20	14
	<hr/>	<hr/>	<hr/>	<hr/>
and after crediting:				
Interest income	53	48	53	48
Rental income	90	77	90	77
Bad debts recovered	-	1	-	1
Reversal of impairment losses on trade receivables	6	12	6	12
	<hr/>	<hr/>	<hr/>	<hr/>

By Order of the Board

Date: 25 July 2024