



# **VOLCANO BERHAD**

Registration No: 201801004790 (1266804-D)  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 30 SEPTEMBER 2023**

# VOLCANO BERHAD

(Incorporated in Malaysia)

Registration No: 201801004790 (1266804-D)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2023

	Individual Quarter		Cumulative Period	
	Current Quarter 30.9.2023 (Unaudited) RM'000	Corresponding Preceding Quarter 30.9.2022 (Unaudited) RM'000	Current Year-To- Date 30.9.2023 (Unaudited) RM'000	Corresponding Preceding Year-To- Date RM'000
Revenue	19,212	19,432	19,212	N/A
Cost of goods sold	(13,166)	(13,604)	(13,166)	N/A
Gross profit	6,046	5,828	6,046	N/A
Other income	685	620	685	N/A
Administrative and general expenses	(4,083)	(3,254)	(4,083)	N/A
Distribution expenses	(335)	(132)	(335)	N/A
Finance costs	(10)	(15)	(10)	N/A
Profit before tax	2,303	3,047	2,303	N/A
Tax expense	(583)	(624)	(583)	N/A
<b>Profit for the period</b>	<b>1,720</b>	<b>2,423</b>	<b>1,720</b>	<b>N/A</b>
<b>Other comprehensive income</b>				
Exchange differences on translation	(685)	(856)	(685)	N/A
<b>Total comprehensive income</b>	<b>1,035</b>	<b>1,567</b>	<b>1,035</b>	<b>N/A</b>
<b>Profit attributable to:</b>				
Owners of the Company	1,720	2,423	1,720	N/A
Non-controlling interest	-	-	-	N/A
<b>Profit for the period</b>	<b>1,720</b>	<b>2,423</b>	<b>1,720</b>	<b>N/A</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	1,035	1,567	1,035	N/A
Non-controlling interest	-	-	-	N/A
<b>Total comprehensive income</b>	<b>1,035</b>	<b>1,567</b>	<b>1,035</b>	<b>N/A</b>
<b>Earnings per share attributable to owners of the Company:</b>				
Basic (sen)	1.01	1.47	1.01	N/A
Diluted (sen)	1.01	1.47	1.01	N/A

Notes :

- (1) The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of Volcano Berhad ("Company") and its subsidiary companies ("Group") for the financial period ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) The Company had on 26 May 2022 announced the change of its financial year end from 31 December to 30 June. The current quarter ended 30 September 2023 is the first quarter of the financial year ending 30 June 2024. As such, there are no comparative figures available for the corresponding cumulative periods of preceding year. The comparative figures for the corresponding individual quarter of preceding year are disclosed for reference purposes only.

N/A Not applicable.

# VOLCANO BERHAD

(Incorporated in Malaysia)

Registration No: 201801004790 (1266804-D)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	As at 30.9.2023 (Unaudited) RM'000	As at 30.6.2023 (Audited) RM'000
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	38,275	38,993
Intangible assets	357	389
Deferred tax assets	218	223
<b>TOTAL NON-CURRENT ASSETS</b>	<u>38,850</u>	<u>39,605</u>
<b>CURRENT ASSETS</b>		
Inventories	19,280	22,380
Trade and other receivables	19,053	19,170
Prepayments	7,050	863
Current tax assets	-	81
Cash and short-term deposits	29,341	16,824
<b>TOTAL CURRENT ASSETS</b>	<u>74,724</u>	<u>59,318</u>
<b>TOTAL ASSETS</b>	<u>113,574</u>	<u>98,923</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of Volcano Berhad</b>		
Share capital	93,656	78,750
Other reserves	(65,785)	(65,100)
Retained earnings	73,726	72,006
<b>TOTAL EQUITY</b>	<u>101,597</u>	<u>85,656</u>
<b>NON-CURRENT LIABILITIES</b>		
Loans and borrowings	210	349
Lease liabilities	18	18
Employee benefits	316	302
Deferred tax liabilities	840	840
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>1,384</u>	<u>1,509</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	8,720	10,054
Loans and borrowings	529	546
Lease liabilities	27	40
Current tax liabilities	1,102	738
Derivative financial liability	215	380
<b>TOTAL CURRENT LIABILITIES</b>	<u>10,593</u>	<u>11,758</u>
<b>TOTAL LIABILITIES</b>	<u>11,977</u>	<u>13,267</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>113,574</u>	<u>98,923</u>
<b>Net assets per share (sen) (2)</b>	55.94	51.91

Notes :

- (1) The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial period ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the Company's issued share capital of 181,630,000 ordinary shares as at 30.9.2023 and 165,000,000 ordinary shares as at 30.6.2023.

# VOLCANO BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2023

	I----- Attributable to the owners of Volcano Berhad-----I				
	Share capital	Exchange reserve	Reorganistion reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2022	78,750	5,001	(68,000)	63,766	79,517
Prior year adjustments	-	(3,545)	-	3,471	(74)
Profit for the financial period	-	-	-	9,059	9,059
Other comprehensive income for the financial period	-	1,444	-	-	1,444
Dividends paid on shares	-	-	-	(4,290)	(4,290)
Balance as at 30 June 2023	<u>78,750</u>	<u>2,900</u>	<u>(68,000)</u>	<u>72,006</u>	<u>85,656</u>
Balance as at 1 July 2023	78,750	2,900	(68,000)	72,006	85,656
Issuance of shares pursuant to private placement	15,133	-	-	-	15,133
Share issuance expenses	(227)	-	-	-	(227)
Profit for the financial period	-	-	-	1,720	1,720
Other comprehensive income for the financial period	-	(685)	-	-	(685)
Balance as at 30 September 2023	<u>93,656</u>	<u>2,215</u>	<u>(68,000)</u>	<u>73,726</u>	<u>101,597</u>

Note :

- (1) The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial period ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

# VOLCANO BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2023

	Current Year-To-Date Ended 30.9.2023 (Unaudited) RM'000	Corresponding Preceding Year-To-Date RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,303	N/A
Adjustments for:-		
Amortisation and Depreciation	1,143	N/A
Interest income	(165)	N/A
Interest expense	10	N/A
Employee benefits	21	N/A
Gain on disposal on property, plant and equipment	(25)	N/A
Unrealised loss on foreign exchange	643	N/A
Fair value gain on derivatives	(165)	N/A
Operating profit before working capital changes	3,765	N/A
Changes in:-		
Inventories	3,100	N/A
Receivables	(6,070)	N/A
Payables	(1,320)	N/A
Cash used in operations	(525)	N/A
Net income tax paid	(120)	N/A
<b>Net cash used in operating activities</b>	<b>(645)</b>	<b>N/A</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	165	N/A
Proceeds from disposal of property, plant and equipment	59	N/A
Purchase of property, plant and equipment	(1,809)	N/A
Purchase of intangible assets	(3)	N/A
<b>Net cash used in investing activities</b>	<b>(1,588)</b>	<b>N/A</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Changes in pledged deposit	(13)	N/A
Interests paid	(10)	N/A
Payment of lease liabilities	(19)	N/A
Repayment of term loans	(37)	N/A
Repayment of hire purchase liabilities	(118)	N/A
Proceeds from issuance of shares	15,133	N/A
<b>Net cash from financing activities</b>	<b>14,936</b>	<b>N/A</b>
<b>Net increase in cash and cash equivalents</b>	<b>12,703</b>	<b>N/A</b>
Cash and cash equivalents at the beginning of financial period	14,324	N/A
Effect of exchange rate changes on cash and cash equivalents	(198)	N/A
<b>Cash and cash equivalents at the end of the financial period</b>	<b>26,829</b>	<b>N/A</b>
<b>Analysis of cash and cash equivalents</b>		
Cash and short-term deposits	29,341	N/A
Less : Pledged deposits	(2,512)	N/A
	<b>26,829</b>	<b>N/A</b>

**Notes :**

- (1) *The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial period ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.*
- (2) *The Company had on 26 May 2022 announced the change of its financial year end from 31 December to 30 June. The current quarter ended 30 September 2023 is the first quarter of the financial year ending 30 June 2024. As such, there are no comparative figures available for the corresponding periods of preceding year.*

N/A Not applicable.

# **VOLCANO BERHAD**

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## **PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

### **A1. Basis of Preparation of Financial Statements**

This interim financial report has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This interim financial report should be read in conjunction with the Audited Financial Statements of the Group for the financial period ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

The Company had on 26 May 2022 announced the change of its financial year end from 31 December to 30 June. The current quarter ended 30 September 2023 is the first quarter of the financial year ending 30 June 2024. As such, there are no comparative figures available for the corresponding cumulative periods of preceding year. The comparative figures for the corresponding individual quarter of preceding year are disclosed for reference purposes only.

### **A2. Changes in Accounting Policies**

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial period ended 30 June 2023.

The amendments/improvements to the MFRS adopted by the Group with effect from 1 January 2023 are as follows:

MFRS 1 – First-time Adoption of Malaysian Financial Reporting Standards

MFRS 3 - Business Combinations

MFRS 7 – Financial Instruments : Disclosure

MFRS 9 - Financial Instruments

MFRS 10 - Consolidated Financial Statements

MFRS 16 – Leases

MFRS 101 – Presentation of Financial Statements

MFRS 107 – Statement of Cash Flows

MFRS 112 – Income Taxes

MFRS 116 – Property, Plant and Equipment

MFRS 121 – The Effects of Changes in Foreign Exchange Rate

MFRS 132 – Financial Instruments : Presentation

MFRS 137 - Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above MFRSs did not have any material impact on the consolidated financial statements of the Group.

### **A3. Auditors’ Report on Preceding Annual Financial Statements**

There was no qualification on the audited financial statements of the Group for the financial period ended 30 June 2023.

### **A4. Seasonal or Cyclical Factors**

The business operations of the Group were not materially affected by any seasonal or cyclical factor during the current quarter under review.

### **A5. Unusual Items**

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

# VOLCANO BERHAD

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## PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

### A6. Changes in Estimates

There were no changes in estimates that had any material effects on the current quarter under review.

### A7. Debt and Equity Securities

There were no issuances, repurchases or repayments of debt and equity securities during the current quarter under review except for the following issuance of new Shares pursuant to the Private Placement (refer to Note B6 of this interim financial report for further details):

Listing Date	Issue Price (RM)	No. of Shares Issued	Proceeds Raised (RM)
6 September 2023	0.91	16,630,000	15,133,300

### A8. Dividends Paid

No dividend was paid during the current quarter under review.

### A9. Segmental Information

The Group is organised into business units based on their nature of business and has the following operating segments:

- (i) Nameplates
- (ii) Plastic injection moulded parts

#### 3 months ended 30 September 2023

	Nameplates RM'000	Plastic injection moulded parts RM'000	Total RM'000
<b>Revenue</b>	12,857	6,355	19,212
<b>Results</b>			
EBITDA*	2,389	1,164	3,553
Interest income	165	-	165
Interest expenses	(2)	(8)	(10)
Depreciation and amortisation	(700)	(443)	(1,143)
Tax expenses	(474)	(109)	(583)
Profit after tax	1,378	604	1,982
<u>Holding company</u>			
Miscellaneous expenses			(262)
Total profit after tax			1,720

Note :

\* Earnings Before Interest, Tax, Depreciation and Amortisation.

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## PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

The Group generates revenue from the following geographical location of customers:

	Individual Quarter		Cumulative Period	
	Current Quarter 30.9.2023 RM'000	Corresponding Preceding Quarter 30.9.2022 RM'000	Current Year- To-Date 30.9.2023 RM'000	Corresponding Preceding Year-To-Date RM'000
Singapore	8,494	7,605	8,494	N/A
Thailand	8,388	9,443	8,388	N/A
United States of America	755	677	755	N/A
Malaysia	660	1,059	660	N/A
Indonesia	448	484	448	N/A
China	196	100	196	N/A
Others	271	64	271	N/A
	19,212	19,432	19,212	N/A

Note :

N/A Not applicable.

### A10. Related Party Transaction Disclosures

Save as disclosed below, there were no related party transactions during the current quarter under review.

	Individual Quarter		Cumulative Period	
	Current Quarter 30.9.2023 RM'000	Corresponding Preceding Quarter 30.9.2022 RM'000	Current Year-To- Date 30.9.2023 RM'000	Corresponding Preceding Year-To-Date RM'000
Recurrent related party transaction with a company which is controlled by a Director : - rental of marketing space at a monthly rental of RM1,000	3	3	3	N/A

Note :

N/A Not applicable.

### A11. Valuation of Property, Plant and Equipment

There were no valuation of property, plant and equipment during the current quarter under review.

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# VOLCANO BERHAD

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## PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

### A12. Capital Commitments

Save as disclosed below, there were no material capital commitments in respect of property, plant and equipment as at the end of the reporting quarter under review.

	<b>As at 30.9.2023 (Unaudited) RM'000</b>
Approved and contracted for: Purchase of property, plant and equipment	4,889
Approved and not contracted for: Purchase of property, plant and equipment	370

### A13. Derivatives Financial Instruments

There were no outstanding derivatives financial instruments entered into by the Group as at the date of this interim financial report save for the forward exchange contracts to hedge our foreign currency exposure against the United States Dollar ("USD") as below:

	<b>Notional Value as at 30.9.2023 RM'000</b>	<b>Fair Value Liability as at 30.9.2023 RM'000</b>
Foreign exchange contracts - Less than 1 year	2,600	215

There was no change to the cash requirements of the derivatives, related accounting policies, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the previous financial year.

### A14. Contingent Assets and Liabilities

Save for the corporate guarantees of Thai Baht 64 million and RM23.00 million provided by the Company to two banks for its subsidiaries' banking facilities, there were no contingent assets and contingent liabilities as at the date of this interim financial report.

### A15. Changes in Composition of The Group

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

### A16. Material Events Subsequent to The End of The Current Quarter

Save as disclosed in Note B6 below, there were no material events subsequent to the end of the current quarter under review.

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# VOLCANO BERHAD

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## PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B1. Review of Performance - Comparison with Corresponding Preceding Quarter and Cumulative Period

	Individual Quarter				Cumulative Period			
	Corresponding				Current Year-To- Date 30.9.2023 (Unaudited)	Corresponding		
	Current Quarter 30.9.2023 (Unaudited)	Preceding Quarter 30.9.2022 (Unaudited)	Variance			Preceding Year-To- Date	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	19,212	19,432	(220)	(1.13%)	19,212	N/A	-	-
Profit before tax	2,303	3,047	(744)	(24.42%)	2,303	N/A	-	-
Profit for the period	1,720	2,423	(703)	(29.01%)	1,720	N/A	-	-
Profit attributable to the owners of the Company	1,720	2,423	(703)	(29.01%)	1,720	N/A	-	-

Note :

N/A Not applicable.

For the current quarter under review, the Group recorded revenue of RM19.21 million and profit after tax of RM1.72 million. The nameplates segment and the plastic injection moulded parts segment contributed revenue of RM12.86 million (66.94%) and RM6.35 million (33.06%) respectively.

### B2. Performance Review - Comparison with Immediate Preceding Quarter

	Current Quarter 30.9.2023 (Unaudited)	Immediate Preceding Quarter 30.6.2023 (Unaudited)	Variance	
	RM'000	RM'000	RM'000	%
	Revenue	19,212	18,902	310
Profit before tax	2,303	1,908	395	20.70
Profit for the period	1,720	1,272	448	35.22
Profit attributable to the owners of the Company	1,720	1,272	448	35.22

The Group's revenue for the current quarter increased by RM0.31 million or 1.64% from RM18.90 million in the previous quarter to RM19.21 million in the current quarter. This was mainly due to higher sales of our products in the nameplates segment to our key customer in the electrical & electronics industry.

The Group's profit after tax for the current quarter increased by RM0.45 million or 35.22% from RM1.27 million in the previous quarter to RM1.72 million in the current quarter was mainly due to better profit margin as a result of the strengthening of USD against RM during the current quarter.

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## PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B3. Commentary on Prospects

The sales demand for the nameplates segment and the plastic injection moulding parts segment is expected to be challenging amid the rising global economic concerns over inflation and softening demand from our products' end-user industries. Barring any unforeseen circumstances such as disruption to the supply chain and potential economic slowdown, we are of the opinion that our financial results for the financial year ending 30 June 2024 will remain favourable.

### B4. Profit Forecast

Not applicable.

### B5. Tax Expense

	<b>Current Quarter 30.9.2023 RM'000</b>	<b>Current Year -To-Date 30.9.2023 RM'000</b>
Income tax	583	583
Deferred tax	-	-
<b>Total tax expense</b>	<b>583</b>	<b>583</b>
Effective tax rate (%)	25.31	25.31

The effective tax rate of the Group for the current quarter was higher than the statutory tax rates of 20% for Thailand and 24% for Malaysia. This was mainly due to non-deductible expenses.

### B6. Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this interim financial report except for the following:

- (1) The Company had on 15 March 2023, announced a private placement of up to 49,500,000 new ordinary shares in the Company ("Shares"), representing up to 30% of Shares in issue (excluding treasury shares, if any) ("Private Placement"). The Private Placement was approved by Bursa Securities on 6 July 2023 and shareholders of the Company at an extraordinary general meeting held on 15 August 2023. On 4 September 2023, the Company had issued and allotted the first tranche of 16,630,000 new Shares at an issue price of RM0.91 per Share, which was listed on the ACE Market of Bursa Securities on 6 September 2023.
- (2) On 26 April 2023 and 25 May 2023, Volcano Name Plate Sdn. Bhd., a wholly-owned subsidiary of the Company, had entered into a term sheet and a sale and purchase agreement with G2 Gold (M) Sdn. Bhd. to purchase a leasehold industrial land (for 60-year term expiring on 6 October 2054) identified as Lot 5999 (PN 7074), Mukim 11, District of Seberang Perai Tengah, Pulau Pinang measuring approximately 4,054 square metres (approximately 43,637 square feet ("sq ft") in land area, with a one-storey factory and a two-storey office with total built up area of approximately 29,753 sq ft erected thereon and bearing postal address No. 1589, Lorong Perusahaan Utama 2, Kawasan Perusahaan Bukit Tengah, 14000 Bukit Mertajam, Pulau Pinang for a cash purchase price of RM10,200,000. The transaction is now pending the financial institution's release of the balance purchase consideration of RM3.80 million.

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## PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B7. Utilisation of Proceeds from Private Placement

The status of utilisation of proceeds from the first tranche of the Private Placement as at the date of this interim financial report is as follows:

Details of utilisation	Proposed utilisation RM'000	Proceeds from the first tranche RM'000	Actual utilisation RM'000	Balance unutilised RM'000	Estimated timeframe for utilisation
		(A)	(B)	(A-B)	
Construction of a factory by Volcano Tec (Thailand) Co., Ltd.	32,800		-		Within 24 months
Proposed acquisition of a property by Volcano Name Plate Sdn Bhd	5,200		(5,200)		Within 12 months
Working capital	3,328		(894)		Within 24 months
Estimated expenses for the Private Placement	1,440		(377)		Within 1 month
<b>Total</b>	<b>42,768</b>	<b>15,133</b>	<b>(6,471)</b>	<b>8,662</b>	

### B8. Trade and Other Receivables

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

	As at 30.9.2023 (Unaudited) RM'000	As at 30.6.2023 (Audited) RM'000
Trade receivables	17,019	17,016
Less : Allowance for impairment	-	-
	17,019	17,016
Other receivables	2,034	2,154
<b>Total</b>	<b>19,053</b>	<b>19,170</b>
<u>Ageing analysis of trade receivables</u>		
Neither past due nor impaired	15,100	15,720
1 – 30 days	1,894	1,149
31 – 60 days	25	131
61 – 90 days	-	16
91 – 120 days	-	-
More than 120 days	-	-
	17,019	17,016
Less : Allowance for impairment	-	-
<b>Total</b>	<b>17,019</b>	<b>17,016</b>

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## PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B9. Borrowings

	As at 30.9.2023 (Unaudited) RM'000	As at 30.6.2023 (Audited) RM'000
Secured:		
Loans and borrowings	739	895
Lease liabilities	45	58
	784	953
Disclosed as:		
Current liabilities	556	586
Non-current liabilities	228	367
	784	953
Currency profile:		
RM	45	57
Thai Baht	739	896

The secured loans and borrowings are secured against the land bearing title deed no. 15241, Tambol Mabyangporn, Amphur Pluakdaeng, Rayong, Thailand owned by Volcano Tec (Thailand) Co. Ltd. (a wholly-owned subsidiary of the Company) with buildings erected thereon and a corporate guarantee by the Company. The effective interest rate of the borrowings ranged from 2.35% to 3.875% per annum (30 June 2023 : 2.35% to 3.875%).

### B10. Changes in Material Litigation

There is no litigation or arbitration against the Group, which has a material effect on the financial position of the Group, and the Board of Directors of the Company ("Board") is not aware of any material proceedings pending or of any fact likely to give rise to any proceedings as at the date of this interim financial report.

### B11. Dividend

No dividend was declared or recommended for payment during the current quarter under review.

On 6 October 2023, the Board proposed a final dividend of 0.32 sen per ordinary share in respect of the financial period ended 30 June 2023. This final dividend was approved by the shareholders at the fifth Annual General Meeting of the Company on 16 November 2023 and will be recognised in the financial statements of the Group for the financial year ending 30 June 2024.

### B12. Fair Value Changes of Financial Liabilities

Except for the derivate financial instruments as set out in Note A13 above, there were no gains/losses arising from fair value changes of financial liabilities for the current quarter and financial year-to-date under review.

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# VOLCANO BERHAD

(Incorporated in Malaysia)

Registration No: 201801004790 (1266804-D)

## PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B13. Earnings Per Share (“EPS”)

	Individual Quarter		Cumulative Period	
	Current Quarter 30.9.2023	Corresponding Preceding Quarter 30.9.2022	Current Year-To-Date 30.9.2023	Corresponding Preceding Year-To-Date
Profit attributable to Owners of the Company (RM'000)	1,720	2,423	1,720	N/A
Weighted average number of ordinary shares in issue ('000)	169,880	165,000	169,880	N/A
Basic EPS (sen) <sup>(1)</sup>	1.01	1.47	1.01	N/A
Diluted EPS (sen) <sup>(2)</sup>	1.01	1.47	1.01	N/A

Notes :

(1) *Basic EPS is calculated by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective periods.*

(2) *Diluted EPS is equivalent to the basic EPS as the Company did not have dilutive potential ordinary shares during the current quarter under review.*

N/A *Not applicable.*

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# VOLCANO BERHAD

(Incorporated in Malaysia)

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## PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B14. Notes to the Profit Before Tax

Profit before tax is arrived at after charging/ (crediting):

	Individual Quarter		Cumulative Period	
	Current Quarter 30.9.2023 RM'000	Corresponding Preceding Quarter 30.9.2022 RM'000	Current Year To-date 30.9.2023 RM'000	Corresponding Preceding Year-To-date RM'000
Interest expenses	10	14	10	N/A
Interest income	(165)	(31)	(165)	N/A
Dividend income	-	-	-	N/A
Depreciation and amortisation	1,143	941	1,143	N/A
Net impairment of inventories	-	-	-	N/A
Gain on disposal of property, plant and equipment	(25)	-	(25)	N/A
(Gain)/Loss on foreign exchange:				
- realised	(314)	(108)	(314)	N/A
- unrealised	643	(482)	643	N/A
Fair value gain on derivatives	(165)	(32)	-	N/A
Provision for and write off of receivables	-	-	-	N/A

Note :

N/A Not applicable.

**By Order of the Board**  
**17 November 2023**