



NESTCON BERHAD

**[Registration No. 202001008684 (1365004-W)]
(Incorporated in Malaysia)**

**Unaudited Interim Financial Report
For the First Quarter Ended
31 March 2024**

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

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Unaudited Current Year Quarter 31.03.2024 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2023 RM'000	Unaudited Current Year-to-date 31.03.2024 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2023 RM'000
Revenue		208,491	146,682	208,491	146,682
Cost of sales		(198,880)	(139,504)	(198,880)	(139,504)
Gross profit		9,611	7,178	9,611	7,178
Other income		589	436	589	436
Administrative expenses		(4,287)	(3,866)	(4,287)	(3,866)
Other operating expenses		(2)	(4)	(2)	(4)
Profit from operations		5,911	3,744	5,911	3,744
Finance costs		(3,523)	(2,790)	(3,523)	(2,790)
Profit before tax	B12	2,388	954	2,388	954
Tax expense	B5	(709)	(341)	(709)	(341)
Profit after tax/Total comprehensive income for the financial period		1,679	613	1,679	613
Profit after tax/Total comprehensive income for the financial period attributable to:					
Owners of the Company		1,578	518	1,578	518
Non-controlling interest		101	95	101	95
		1,679	613	1,679	613
Earnings Per Share attributable to Owners of the Company					
Basic/Diluted ⁽²⁾ (sen)	B11	0.22	0.08	0.22	0.08

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME⁽¹⁾ (CONTINUED)**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic and diluted earnings per share are calculated based on the Company's share capital of 708,204,000 ordinary shares (31 March 2023: 682,072,000 ordinary shares).

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION⁽¹⁾

	Unaudited As at 31.03.2024 RM'000	Audited As at 31.12.2023 RM'000
Note		
ASSETS		
Non-Current Assets		
Property, plant and equipment	92,308	88,922
Investment properties	1,739	1,749
Goodwill	1,075	1,075
Other financial assets	2,099	2,087
Deferred tax assets	1,589	1,383
	<u>98,810</u>	<u>95,216</u>
Current Assets		
Inventories	1,591	1,274
Trade receivables	234,563	240,715
Other receivables, deposits and prepayments	24,165	30,151
Contract assets	236,195	214,521
Tax recoverable	5,052	5,029
Other financial assets	8,203	2,154
Fixed deposits with financial institution	50,493	46,543
Cash and bank balances	83,494	70,391
	<u>643,756</u>	<u>610,778</u>
TOTAL ASSETS	<u>742,566</u>	<u>705,994</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	124,000	115,592
Merger reserve	(47,544)	(47,544)
Retained earnings	63,289	61,711
	<u>139,745</u>	<u>129,759</u>
Non-controlling interests	3,331	3,230
Total Equity	<u>143,076</u>	<u>132,989</u>
Non-Current Liabilities		
Bank borrowings	19,389	18,652
Lease liabilities	22,119	23,925
Deferred tax liabilities	835	647
	<u>42,343</u>	<u>43,224</u>
Current Liabilities		
Trade payables	312,894	317,976
Other payables and accruals	9,270	9,320
Contract liabilities	14,566	8,286
Bank borrowings	205,937	182,702
Lease liabilities	14,126	11,305
Tax liabilities	354	192
	<u>557,147</u>	<u>529,781</u>
Total Liabilities	<u>599,490</u>	<u>573,005</u>
TOTAL EQUITY AND LIABILITIES	<u>742,566</u>	<u>705,994</u>
NET ASSETS PER SHARE (RM)⁽²⁾	0.20	0.19

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION⁽¹⁾
(CONTINUED)**

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's number of ordinary shares as at 31 March 2024 of 708,204,000 shares (31 December 2023: 682,072,000 shares).

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY⁽¹⁾

	Attributable to Owners of the Company			Total	Non-controlling interest	Total Equity
	Non-distributable	Distributable				
	Share capital	Merger reserves	Retained earnings	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2023 (Audited)	110,953	(47,544)	58,218	121,627	396	122,023
<i>Contributions by and distribution to owners of the Company</i>						
- Issuance of shares	4,680	-	-	4,680	-	4,680
- Share issuance expenses	(41)	-	-	(41)	-	(41)
	4,639	-	-	4,639	-	4,639
Total comprehensive income for the financial period	-	-	518	518	95	613
Balance as at 31 March 2023 (Unaudited)	115,592	(47,544)	58,736	126,784	491	127,275

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY⁽¹⁾ (CONTINUED)

	Attributable to Owners of the Company			Total	Non-controlling interest	Total Equity
	Non-distributable	Distributable				
	Share capital	Merger reserves	Retained earnings	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2024 (Audited)	115,592	(47,544)	61,711	129,759	3,230	132,989
Contributions by and distribution to owners of the Company						
- Issuance of shares	8,493	-	-	8,493	-	8,493
- Share issuance expenses	(85)	-	-	(85)	-	(85)
	8,408	-	-	8,408	-	8,408
Total comprehensive income for the financial period	-	-	1,578	1,578	101	1,679
Balance as at 31 March 2024 (Unaudited)	124,000	(47,544)	63,289	139,745	3,331	143,076

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS⁽¹⁾

	Unaudited Current Year-to-date 31.03.2024 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2023 RM'000
Cash Flows From Operating Activities		
Profit before tax	2,388	954
Adjustments for:		
Depreciation of property, plant and equipment	4,335	3,979
Depreciation of investment properties	10	13
Gain on disposal of property, plant and equipment	-	(60)
Loss on remeasurement of lease liabilities	34	54
Interest expenses	3,523	2,790
Interest income	(517)	(320)
Operating profit before changes in working capital	9,773	7,410
Increase in inventories	(317)	(3,183)
Decrease in trade and other receivables	12,138	4,905
Decrease in trade and other payables	(5,132)	(1,238)
Increase in contract assets	(21,674)	(39,870)
Increase in contract liabilities	6,280	22,869
Cash generated from/(used in) operations	1,068	(9,107)
Interest received	248	134
Income tax paid	(588)	(755)
Net cash generated from/(used in) operating activities	728	(9,728)
Cash Flows From Investing Activities		
Addition of other investments	(12)	(12)
Interest received	12	12
Proceeds from disposal of property, plant and equipment	-	75
Purchase of property, plant and equipment	(7,755)	(5,773)
Net cash used in investing activities	(7,755)	(5,698)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS⁽¹⁾ (CONTINUED)

	Unaudited Current Year-to-date 31.03.2024 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2023 RM'000
Cash Flows From Financing Activities		
Interest paid	(3,523)	(2,790)
Interest received	257	174
Proceeds from issuance of shares, net of share issuance expenses	8,408	4,639
Placement of pledged deposits with financial institution	(3,950)	(1,580)
Movement in restricted cash at bank	319	(1,139)
Net drawdown of term loans	1,445	3,395
Net drawdown/(repayment) of lease liabilities	1,015	(1,061)
Net drawdown of short-term borrowings	9,181	8,979
Net cash generated from financing activities	13,152	10,617
Net increase/(decrease) in cash and cash equivalents	6,125	(4,809)
Cash and cash equivalents at beginning of the financial period	(495)	27,042
Cash and cash equivalents at end of the financial period	5,630	22,233
Cash and cash equivalents comprise of:		
Cash and bank balances	83,494	75,742
Other financial assets	8,203	2,100
Fixed deposits with financial institution	50,493	33,477
	142,190	111,319
Less: Bank overdrafts	(59,259)	(32,582)
Less: Pledged deposits with financial institution	(50,493)	(33,477)
Less: Restricted cash at bank	(26,808)	(23,027)
	5,630	22,233

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**A1. Basis of Preparation**

The interim financial report of Nestcon Berhad (“**Nestcon**” or “**the Company**”) and its subsidiaries (“**the Group**”) are unaudited and have been prepared in accordance with the requirements of MFRS No. 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“**MASB**”) and Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in preparation of the Group’s audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following new MFRSs and/or IC interpretations (including The Consequential Amendments) which became effective for the financial year beginning on or after 1 January 2024:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be announced

The adoption of the abovementioned accounting standards, amendments and interpretations, where applicable, do not have any material impact to the unaudited condensed consolidated financial statements of the Group upon their initial application.

A3. Auditors’ Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2023.

A4. Seasonal or Cyclical Factors

The Group’s performance has not been materially affected by any seasonal or cyclical factors during the current financial quarter under review.

A5. Items or Incidence of an Unusual Nature

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

A6. Material Changes in Accounting Estimates

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

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A7. Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

On 31 January 2024, the final tranche of 26,132,000 Placement Shares were listed and quoted on the ACE Market of Bursa Securities. The private placement was completed on the same day with the listing of total 64,382,000 new Nestcon Shares on the ACE Market of Bursa Securities.

A8. Dividends Paid

There were no dividends paid during the current financial quarter under review.

A9. Segment Information

The Group’s operating and reportable segments comprised of:

- (a) the provision of construction services for building and infrastructure; and
- (b) renewable energy activities and maintenance works.

The Group operates predominantly in Malaysia and hence, no geographical segment presented.

Unaudited Current Year Quarter/Year-to-date 31.03.2024	Building and Infrastructure RM’000	Renewable Energy RM’000	Total RM’000
Revenue	205,630	2,861	208,491
Results			
Depreciation of property, plant and equipment			(4,335)
Depreciation of investment properties			(10)
Interest expenses			(3,523)
Interest income			517
Other income			72
Unallocated expenses			(198,824)
Profit before tax			2,388
Tax expense			(709)
Profit after tax			1,679

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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)**A9. Segment Information (Continued)**

Unaudited Preceding Year Corresponding Quarter/Year-to-date 31.03.2023	Building and Infrastructure RM’000	Renewable Energy RM’000	Total RM’000
Revenue	144,198	2,484	146,682
Results			
Depreciation of property, plant and equipment			(3,979)
Depreciation of investment properties			(13)
Interest expenses			(2,790)
Interest income			320
Gain on disposal of property, plant and equipment			60
Other income			56
Unallocated expenses			(139,382)
Profit before tax			954
Tax expense			(341)
Profit after tax			613

A10. Valuation of Property, Plant and Equipment and Investment Properties

There was no valuation of property, plant and equipment and investment properties during the current financial quarter under review.

A11. Material Subsequent Events

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

A12. Changes in The Composition of The Group

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

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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)**A13. Contingent Liabilities**

Save as disclosed below, there were no other contingent liabilities as at the date of this interim financial report.

	Unaudited As at 31.03.2024 RM’000	Audited As at 31.12.2023 RM’000
Performance guarantee for construction contracts customer	69,728	64,328
Bank guarantee given by licensed banks as security for performance bond	<u>32,067</u>	<u>31,101</u>

A14. Capital Commitments

Save as disclosed below, there were no other material capital commitments incurred or known to be incurred as at the date of this interim financial report.

	Unaudited As at 31.03.2024 RM’000	Audited As at 31.12.2023 RM’000
Property, plant and equipment Authorised and contracted for	<u>2,779</u>	<u>4,676</u>

A15. Related Party Transactions

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.03.2024 RM’000	Unaudited Preceding Year Corresponding Quarter 31.03.2023 RM’000	Unaudited Current Year-to-date 31.03.2024 RM’000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2023 RM’000
Lease payment charged by a Director	<u>29</u>	<u>29</u>	<u>29</u>	<u>29</u>

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1. Review of Performance**

For the current financial quarter ended 31 March 2024 (“**1Q2024**”), the Group recorded higher revenue of RM208.49 million as compared to RM146.68 million in the preceding year’s corresponding quarter ended 31 March 2023 (“**1Q2023**”). The 1Q2024 revenue was mainly contributed by our building division of RM159.58 million, civil engineering and infrastructure division of RM46.05 million and renewable energy division of RM2.86 million.

The Group achieved a profit before tax (“**PBT**”) of RM2.39 million in 1Q2024, compared to RM0.95 million in 1Q2023. The increase in PBT was mainly attributed to the higher revenue generated as a result of higher level of construction activities.

B2. Comparison with Immediate Preceding Quarter’s Results

	INDIVIDUAL QUARTER		VARIANCE	
	Unaudited Current Quarter 31.03.2024 RM’000	Unaudited Preceding Quarter 31.12.2023 RM’000	RM’000	%
Revenue	208,491	219,590	(11,099)	(5.05)
PBT	2,388	1,186	1,202	101.35

The Group’s revenue was lower by RM11.10 million or 5.05% in the current quarter review compared to the immediate preceding quarter ended 31 December 2023 (“**4Q2023**”). The decrease in revenue was mainly attributable to certain contracts are near to completion stage, hence, lower level of construction activities being carried out.

Despite the lower revenue, the Group registered a PBT of RM2.39 million in the current quarter under review, almost doubled from RM1.19 million in 4Q2023. The increase in PBT was primarily attributable to certain contracts with lower gross margin are near to completion stage.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)
B3. Prospects and Outlook

The local and global economic continue to be affected by uncertainties with the ongoing geopolitical tensions, inflations, rising interest rates and recessionary environment. Despite the uncertainties, Malaysia economic conditions are expected to perform better as Bank Negara Malaysia projects a growth in our gross domestic product of 4.0% to 5.0% while the Ministry of Finance forecasts the construction industry to grow by 6.8% in 2024.

According to Kenanga research dated on 5 January 2024, the construction industry in Malaysia is expected to expand in tandem with the acceleration of infrastructure projects as Malaysia government allocated a gross development expenditure of RM90 billion to improve the country's infrastructure in Budget 2024. These projects will not only support the construction sector in the short term, but also underpin a more sustained orderbook growth phase.

Moving forward, the Group will continue focusing on the quality of our services and improving our operational efficiencies to maintain our competitiveness as well as our sustainability commitments. The Group will also leverage the opportunities initiated by the Government to strengthen our business and financial position by tendering for more projects, including building construction, civil engineering and infrastructure as well as renewable energy. The Group is cautiously optimistic of achieving an improve financial performance for the coming years, supported by our unbilled order book of approximately RM1.83 billion.

B4. Variance of Actual Profit from Forecast Profit

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

B5. Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.03.2024 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2023 RM'000	Unaudited Current Year-to-date 31.03.2024 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2023 RM'000
In respect of current period:				
Income tax ⁽¹⁾	726	883	726	883
Deferred tax	(17)	(542)	(17)	(542)
Tax expense	<u>709</u>	<u>341</u>	<u>709</u>	<u>341</u>
Effective tax rate ⁽²⁾ (%)	29.69	35.74	29.69	35.74
Statutory tax rate (%)	24.00	24.00	24.00	24.00

Notes:

- (1) Income tax is recognised based on management's estimate.
- (2) The effective tax rate of the Group for the current financial quarter and financial year-to-date were higher than the statutory tax rate mainly due to certain non-deductible expenses for tax purposes.

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B6. Status of Corporate Proposals

Saved as disclosed below, there were no corporate proposals announced but not completed as at the date of this interim financial report.

On 2 April 2024, the Company had proposed to undertake the diversification of Nestcon and its subsidiaries' existing business operations to include the engineering, procurement, construction and commissioning of solar photovoltaic ("**Solar PV**") systems, project management of renewable energy activities, as well as owning and operating Solar PV assets ("**Proposed Diversification**"). The Company had obtained approval from Bursa Securities via its letter dated 17 April 2024 for public release after updating all the information in the circular.

The Proposed Diversification is subject to the approval being obtained from the shareholders of Nestcon at the forthcoming EGM on 30 May 2024 and any other relevant authorities, if required.

B7. Utilisation of Proceeds

Private Placement

As at 31 March 2024, the status of the utilisation of proceeds arising from the private placement are as follows:

Details of Utilisation	Proceeds Raised	Actual Utilisation	Unutilised Amount	Intended Timeframe for the Utilisation Upon Placement of Shares
	RM'000	RM'000	RM'000	
Building, civil engineering, and infrastructure segments:				Within 12 months
• Rental of machineries and equipment	4,639	(4,639)	-	
• Purchase of reinforcement steel	8,161	(4,639)	3,522	
• Payment to subcontractors	7,171	(7,171)	-	
Purchase of solar panels for renewable energy segment	3,000	-	3,000	Within 12 months
Estimated expenses for the Proposed Private Placement	211	(211)	-	Within 1 month
Total	23,182	(23,182)	6,522	

The utilisation of proceeds disclosed above should be read in conjunction with the announcement of the Proposed Private Placement dated 13 July 2022 and 29 July 2022.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**B8. Bank Borrowings**

	Unaudited As at 31.03.2024 RM'000	Audited As at 31.12.2023 RM'000
Current		
Term loans	13,111	12,403
Bank overdrafts	59,259	45,913
Factoring payable	43,953	33,885
Invoice financing	58,895	60,344
Bankers' acceptance	308	2,247
Revolving credits	30,411	27,910
	<u>205,937</u>	<u>182,702</u>
Non-current		
Term loans	<u>19,389</u>	<u>18,652</u>

The bank borrowings are secured and denominated in Ringgit Malaysia.

B9. Material Litigation

There were no material litigations involving the Group as at 31 March 2024.

B10. Dividend

No dividend has been declared or recommended by the Board of Directors for the current financial quarter under review.

B11. Earnings Per Share

The basic and diluted earnings per share for the current financial quarter and financial year-to-date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.03.2024 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2023 RM'000	Unaudited Current Year-to-date 31.03.2024 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2023 RM'000
Profit attributable to the Owners of the Company	1,578	518	1,578	518
Number of ordinary shares (in thousand)	708,204	682,072	708,204	682,072
Basic ⁽¹⁾ /Diluted ⁽²⁾ EPS (sen)	<u>0.22</u>	<u>0.08</u>	<u>0.22</u>	<u>0.08</u>

PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**B11. Earnings Per Share (Continued)****Notes:**

- (1) Basic EPS is calculated based on the Company's share capital of 708,204,000 ordinary shares (31 March 2023: 682,072,000 ordinary shares).
- (2) Diluted EPS of the Company for the current financial quarter and financial year-to-date ended 31 March 2024 is equivalent to the basic earnings per share as the Company does not have any convertible options as at the end of the reporting period.

B12. Notes to the Condensed Consolidated Statement of Profit and Other Comprehensive Income

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.03.2024 RM'000	Unaudited Preceding Year Corresponding Quarter 31.03.2023 RM'000	Unaudited Current Year-to-date 31.03.2024 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.03.2023 RM'000
Depreciation of property, plant and equipment	4,335	3,979	4,335	3,979
Depreciation of investment properties	10	13	10	13
Rental of machineries	12,820	11,314	12,820	11,314
Rental of premises	32	33	32	33
Interest expenses	3,523	2,790	3,523	2,790
Loss on remeasurement of lease liabilities	34	54	34	54
Gain on disposal of property, plant and equipment	-	(60)	-	(60)
Interest income	(517)	(320)	(517)	(320)

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution passed by the Board of Directors on 30 May 2024.

**BY ORDER OF THE BOARD
NESTCON BERHAD
30 MAY 2024**