



ECA INTEGRATED SOLUTION BERHAD

[*Company No. 202101031471 (1431771-P)*]
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED
31 OCTOBER 2023**

ECA INTEGRATED SOLUTION BERHAD

(Company No. 202101031471 (1431771-P))

(Incorporated in Malaysia)



Interim Financial Report on Consolidated Results For the Fourth Quarter Ended 31 October 2023

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

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 12 MONTHS ENDED	
	31/10/2023 RM '000	31/10/2022 RM '000	31/10/2023 RM '000	31/10/2022 RM '000
Revenue	4,704	7,861	35,601	27,530
Cost of sales	(3,209)	(3,423)	(17,250)	(15,823)
Gross profit	1,495	4,438	18,351	11,707
Other operating incomes	12	1,361	124	1,795
Selling and administrative expenses	(1,446)	(2,777)	(7,596)	(5,412)
Profit from operations	61	3,022	10,879	8,090
Interest income	134	6	395	8
Interest expense	(85)	(62)	(354)	(196)
Net finance expenses	49	(56)	41	(188)
Profit before taxation	110	2,966	10,920	7,902
Tax expense	(96)	-	(96)	(96)
Profit for the financial period	14	2,966	10,824	7,806
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial year	14	2,966	10,824	7,806
Net Profit / Total comprehensive income for the financial period attributable to:				
Owners of the parent	14	2,966	10,824	7,806
Non-controlling interests	-	-	-	-
	14	2,966	10,824	7,806
Basic earning per share (sen) ⁽²⁾	0.00	0.69	1.87	1.83
Diluted earning per share (sen) ⁽³⁾	0.00	0.69	1.87	1.83

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Interim Financial Report on Consolidated Results For the Fourth Quarter Ended 31 October 2023

Notes:

- (1) *The basis of preparation of the Unaudited Condensed Consolidated Statement 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 the year ended 31 October 2022 as disclosed in the Annual Report and the accompanying explanatory notes attached to this condensed interim financial report.*
- (2) *Basic earning per share ("**EPS**") is calculated based on the weighted average number of ordinary shares referred to in Note B11.*
- (3) *The diluted EPS is equivalent to the basic EPS as the Company does not have any convertible options at the end of the reporting period.*

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾

	(Unaudited) As at 31/10/2023 RM '000	(Audited) As at 31/10/2022 RM '000
ASSETS		
Non-Current Assets		
Plant and equipment	9,725	974
Right of use assets	1,706	1,661
Total Non-Current Assets	11,431	2,635
Current Assets		
Inventories	7,323	5,681
Trade receivables	18,210	16,791
Other receivables, deposits and prepayments	1,561	3,833
Current tax asset	3	3
Deposits with licensed banks	9,000	-
Cash and bank balances	23,549	6,918
Total Current Assets	59,646	33,226
TOTAL ASSETS	71,077	35,861
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	42,610	17,100
Merger reserve	(16,100)	(16,100)
Retained profits	34,670	23,846
Total Equity	61,180	24,846
Non-Current Liabilities		
Bank borrowings	2,585	1,329
Deferred taxation	23	23
Lease liabilities	801	926
Total Non-Current Liabilities	3,409	2,278
Current Liabilities		
Trade payables	2,144	1,498
Other payables and accruals	1,011	2,823
Bank borrowings	2,920	4,020
Lease liabilities	413	396
Total Current Liabilities	6,488	8,737
TOTAL LIABILITIES	9,897	11,015
TOTAL EQUITY & LIABILITES	71,077	35,861
Number of ordinary shares ('000)	579,040	427,500
Net assets per ordinary share (RM) ⁽²⁾	0.11	0.06

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Notes:

- (1) *The basis of preparation of the Unaudited Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the year ended 31 October 2022 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.*
- (2) *Net assets per shares is calculated based on net assets divided by the Company's enlarged share capital of 579,040,425 ordinary shares after Company was listed on the ACE Market of Bursa Malaysia Securities Berhad on 23 November 2022 and allotment of special issues of ordinary shares to Bumiputera investors identified and/or approved by the Ministry of International Trade and Industry ("MITI") on 24 October 2023.*

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY⁽¹⁾

	<u>Share Capital</u> RM '000	<u>Invested Equity</u> RM '000	<u>Merger Reserve</u> RM '000	<u>Retained Profits</u> RM '000	<u>Total Equity</u> RM '000
Balance as at 01 November 2022	17,100	-	(16,100)	23,846	24,846
Profit for the financial period	-	-	-	10,824	10,824
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the financial year	-	-	-	10,824	10,824
Contribution by and Distribution to Owners of the parent					
- Issuance of Shares	26,686	-	-	-	26,686
- Share issuance expenses	(1,176)	-	-	-	(1,176)
Total Transaction with Owners of the parent	25,510	-	-	-	25,510
Balance as at 31 October 2023	42,610	-	(16,100)	34,670	61,180
Balance as at 01 November 2021	^	1,000	-	16,040	17,040
Profit for the financial period	-	-	-	7,806	7,806
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the financial year	-	-	-	7,806	7,806
Contribution by and Distribution to Owners of the parent					
- Acquisition of subsidiary	17,100	(1,000)	(16,100)	-	-
Total Transaction with Owners of the parent	17,100	(1,000)	(16,100)	-	-
Balance as at 31 October 2022	17,100	-	(16,100)	23,846	24,846

Notes:

⁽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 Group's audited financial statements for the year ended 31 October 2022 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.

⁽²⁾ ^ - denote RM9.00

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Interim Financial Report on Consolidated Results For the Fourth Quarter Ended 31 October 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾

	(Unaudited) Current Year to Date 31/10/2023 RM '000	(Audited) Preceding Corresponding Year to Date 31/10/2022 RM '000
Cash flows from operating activities		
Profit before taxation	10,920	7,902
Adjustment for:-		
Depreciation of plant and equipment	645	157
Depreciation of right of use assets	318	247
Interest expense	354	196
Interest income	(395)	(8)
Unrealised loss/(gain) on foreign exchange	398	(1,423)
Operating profit before working capital	12,240	7,071
Net changes in inventories	(1,641)	666
Net changes in trade and other receivables	(630)	(6,447)
Net changes in trade and other payables	(1,214)	(334)
Cash flows for operations	8,755	956
Interest paid	(354)	(196)
Interest received	395	8
Tax refund/(paid)	(96)	1
Net cash generated from operating activities	8,700	769
Cash flows from investing activities		
Purchase of plant and equipments	(9,395)	(92)
Purchase of right of use assets	(48)	(48)
Net cash used in investing activities	(9,443)	(140)
Cash flows from financing activities		
Drawdown/(repayment) of borrowings	156	1,664
Repayment of lease liabilities	(423)	(371)
Proceed from issue of share capital	26,686	-
Net cash generated from financing activities	26,419	1,293
Net increase in cash and cash equivalents	25,676	1,922
Effect of exchange rate changes	(45)	-
Cash and cash equivalents at the beginning of the financial period	6,918	4,996
Cash and cash equivalents at the end of the financial period	32,549	6,918

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾

	(Unaudited) Current Year to Date 31/10/2023 RM '000	(Audited) Preceding Corresponding Year to Date 31/10/2022 RM '000
Cash and cash equivalents		
Fixed deposits with licensed banks	9,000	-
Cash and bank balances	23,549	6,918
	32,549	6,918

Note:

- ⁽¹⁾ The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the year ended 31 October 2022 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.

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Interim Financial Report on Consolidated Results For the Fourth Quarter Ended 31 October 2023

NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS 134”), INTERIM FINANCIAL REPORT

A1 BASIS OF PREPARATION

The condensed interim financial report of ECA Integrated and its subsidiary (“**ECA Group**” or the “**Group**”) is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standards (“**MFRS**”) 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“**MASB**”), International Financial Reporting Standard (“**IFRSs**”), requirements of the Companies Act, 2016 in Malaysia, Rule 9.22 and Appendix 9B of the Listing Requirements.

This condensed interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 October 2022 as disclosed in the Annual Report of the Company, and the accompanying explanatory notes are an integral part of this condensed interim financial report.

A2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial report are consistent with those adopted in preparation of the Group’s audited financial statements for the financial year ended 31 October 2022 as disclosed in the Annual Report of the Company.

At the date of authorisation for the issuance of this condensed interim financial report, the Group has not applied in advance the following new standards and amendments to the published standards, which were issued but not yet effective and have not been early adopted by the Group:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, Insurance Contracts
- Amendment to MFRS 17, Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information
- Amendments to MFRS 101, Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current and Disclosure of Accounting Policies
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Error – Definition of Accounting Estimates
- Amendments to MFRS 112, Income Tax – Deferred Tax related Assets and Liabilities arising from a Single Transaction

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NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS 134”), INTERIM FINANCIAL REPORT (Cont'd)

A2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, Leases – Lease Liability in a Sale and Leaseback

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

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts on the condensed interim financial report of the Group.

A3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements of the Group for the financial year ended 31 October 2022 were not subject to any qualification.

A4 SEASONAL AND CYCLICAL FACTORS

The nature of the Group's business was not subject to any significant seasonal and cyclical factors.

A5 MATERIAL UNUSUAL ITEMS

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

A6 MATERIAL CHANGES IN ESTIMATES

There were no changes in estimates amount that had a material effect for the current financial quarter under review.

A7 DEBT AND EQUITY SECURITIES

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

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NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS 134”), INTERIM FINANCIAL REPORT (Cont'd)

A8 DIVIDEND PAID

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

A9 SEGMENTAL INFORMATION

12 months ended 31 October 2023

	Investment Holding RM '000	Manufactur-ing RM '000	Total RM '000	Eliminat-ion RM '000	Consolidated Total RM '000
Revenue					
External sales	-	35,601	35,601	-	35,601
- Malaysia	-	16,404	16,404	-	16,404
- Outside Malaysia	-	19,197	19,197	-	19,197
	-	35,601	35,601	-	35,601
Segmental result	(1,437)	12,316	10,879	-	10,879
Interest expense	-	(354)	(354)	-	(354)
Interest income	279	116	395	-	395
Profit before taxation	(1,158)	12,078	10,920	-	10,920
Tax expenses			(96)	-	(96)
Profit for the financial period			10,824	-	10,824

12 months ended 31 October 2022

	Investment Holding RM '000	Manufactur-ing RM '000	Total RM '000	Eliminat-ion RM '000	Consolidated Total RM '000
Revenue					
External sales	-	27,530	27,530	-	27,530
- Malaysia	-	9,840	9,840	-	9,840
- Outside Malaysia	-	17,690	17,690	-	17,690
	-	27,530	27,530	-	27,530
Segmental result	(711)	8,801	8,090	-	8,090
Interest expense	-	(196)	(196)	-	(196)
Interest income	-	8	8	-	8
Profit before taxation	(711)	8,613	7,902	-	7,902
Tax expenses			(96)	-	(96)
Profit for the financial period			7,806	-	7,806

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NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS 134”), INTERIM FINANCIAL REPORT (Cont'd)

A10 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTER

Save as disclosed in Note B6 “Status of Corporate Proposals”, there are no other material events subsequent to the end of the current financial quarter under review.

A11 CHANGES IN THE COMPOSITION OF THE GROUP

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

A12 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no other material contingent liabilities and contingent assets of the Group as at the end of the current financial quarter under review.

A13 CAPITAL COMMITMENTS

Other than as disclosed below, there are no other material capital commitments as at the end of the current financial quarter under review:

	Unaudited As at 31/10/2023 RM '000
Acquisition of machineries	<u>788</u>

A14 RELATED PARTY TRANSACTIONS

The Group’s related party transactions for current financial quarter under review are as follows:

Transacting party	Relationship	Nature of transactions	Current quarter RM	Financial Year-to-date RM
ECA Advance Automation Sdn Bhd	A company in which certain directors have substantial interest	Rental	93,000	372,000

A15 DISCLOSURE OF DERIVATIVES

There were no outstanding derivative financial instruments at the end of the current financial quarter under review.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B1 REVIEW OF PERFORMANCE

	Current Quarter 3 Months Ended			Cumulative Quarter Financial Period-To-Date		
	31/10/2023 RM '000	31/10/2022 RM '000	Changes %	31/10/2023 RM '000	31/10/2022 RM '000	Changes %
Revenue	4,704	7,861	-40.2%	35,601	27,530	29.3%
Profit before taxation	110	2,966	-96.3%	10,920	7,902	38.2%

In the year 2023, the Group has achieved remarkable and unprecedented growth, reaching its highest-ever levels of revenue and profit before tax (“PBT”). As for the year-to-year comparison, the Group’s revenue increased by 29.3% as compared to the revenue of the preceding year, mark a rising from RM27.53 million to RM35.60 million. PBT also demonstrated significant growth, increasing by 38.2% from RM7.90 million to RM10.92 million. This favourable result is attributed to the consistent growth in our core products throughout the years.

In the fourth quarter of 2023, the Group faced a challenging quarter with a significant decline in both revenue and PBT compared to the previous quarter. In the current quarter, the Group's revenue recorded a 40.2% reduction to RM4.70 million in the current quarter as compared to RM7.86 million in the preceding year corresponding quarter. PBT is also declined by 96.3% from RM2.97 million in the preceding year corresponding quarter to RM0.11 million in the current quarter under review. Despite the Group's prudent approach to operational expenses, including costs of sales and other operational expenditures, the substantial decline of the Group performance during the current quarter under review was the result of the slowdown in demand especially from the semiconductor industry, due to current global issues.

Overall, while the quarterly results reflect the challenges posed by market volatility, the year-on-year performance underscores the Group’s ability to navigate the evolving landscape of the automated manufacturing solutions industry. The Group's diversified approach across our core products position it well for continued growth and resilience in the face of sector-specific challenges.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B2 COMPARISON WITH IMMEDIATE PRECEDING QUARTER

	Current Quarter 31/10/2023 RM '000	Immediate Preceding Quarter 31/07/2023 RM '000	Changes %
Revenue	4,704	10,911	-56.9%
Profit before taxation	110	3,147	-96.5%

In the current quarter under review, there is a significant decline by 56.9% in the revenue to RM4.70 million as compared to the immediate preceding quarter of RM10.91 million.

Concurrently, the profit before tax (“PBT”) is also reduced by 96.5% from RM3.15 million to RM0.11 million, in line with the reduction in revenue. The lower performance in both revenue and PBT is due to the slowdown in semiconductor industry in general. Additionally, increase in the cost of sales due to changes made to the product mix at a later stage as well as the rise in selling and administrative expenses in which directly affecting the bottom line.

B3 PROSPECTS

During the financial year under review, the Group achieved commendable growth, reaching its highest-ever levels of revenue and profit. This notable upswing in annual revenue is underpinned by the Group's sustained and robust order inflow from both existing and new customers within the integrated production solutions and standalone automated equipment sectors.

Looking forward, the Group acknowledges potential challenges in the global semiconductor industry persisting until the first half of 2024. Nevertheless, the Group remains resolutely committed to its long-term strategies, aiming to diversify through the introduction of innovative products, while concurrently emphasizing the improvement of operational efficiency and the expansion of its market presence. A robust and gradual recovery is anticipated in the second half of the financial year 2024. The Group's strategic priorities include diversifying our core products, securing new projects, onboarding additional customers, and formulating a comprehensive long-term growth plan to capitalize on potential business opportunities. By doing so, the Group aims to expedite time-to-market for products and introduce new significant revenue streams alongside the existing product offerings.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B3 PROSPECTS (Cont'd)

Barring any unforeseen circumstances, the Group maintains an optimistic outlook for both its business and the industries it operates in, with current signs pointing towards recovery.

B4 VARIANCE FROM PROFIT FORECAST

There is no profit forecast issued for the current financial period under review.

B5 TAX EXPENSE

	Current Quarter RM '000	Cumulative Quarter RM '000
Income tax expenses:		
Current financial period	(96)	(96)
Movement in deferred tax:		
Relating to origination of temporary differences	-	-
Total tax expense	(96)	(96)

Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated assessable profits for the fiscal year. Tax expense is recognised based on management's best estimate.

The Group's effective tax rate for the current quarter under review is negligible mainly due to ECA Advanced Solutions Sdn. Bhd. ("**ECA Solutions**") being granted full tax exemption on its statutory income from pioneer activities.

B6 STATUS OF CORPORATE PROPOSALS

On 28 April 2023, UOB Kay Hian Securities (M) Sdn Bhd ("**UOBKH**") had, on behalf of the Board of Directors of the Company, announced that the Company proposes to undertake a special issue of up to 83,000,000 Special Issue Shares, representing approximately 12.57% of the enlarged share capital or 14.37% of the existing share capital of the Company to Bumiputera investors to be identified and/or approved by the Ministry of Investment, Trade and Industry ("**MITI**") at an issue price to be determined later after obtaining all relevant approvals ("**Proposed Special Issue**").

On 22 May 2023, UOBKH have submitted the application in relation to the Proposed Special Issue to Bursa Securities.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B6 STATUS OF CORPORATE PROPOSALS (Cont'd)

On 15 June 2023, UOBKH announced that Bursa Securities had vide its letter dated 15 June 2023 approved the Proposed Special Issue.

The shareholders of the Company had at its Extraordinary General Meeting held on 21 July 2023 approved the Proposed Special Issue.

On 6 October 2023, UOBKH announced that the Board had resolved to fix the issue price for the Special Issue at RM0.77 per Special Issue Share.

On 24 October 2023, UOBKH announced that 1,540,200 Special Issue Shares issued pursuant to the Special Issue were listed and quoted on the ACE Market of Bursa Securities, which marks the completion of the Special Issue.

Save as disclosed above, there were no other corporate proposals announced but not yet implemented as at the date of this interim financial report.

B7a UTILISATION OF PROCEED RAISED FROM THE IPO

The gross proceeds of RM25.50 million to be raised from the IPO via Public Issue are intended to be utilised in the following manner:

Detail of utilisation	Estimated timeframe for the utilisation upon listing	Proposed Utilisation RM '000	Actual Utilisation RM '000	Utilisation Rate %
Acquisition of machineries	Within 24 months	7,700	7,700	100.0%
Repayment of bank borrowings	Within 6 months	1,000	1,000	100.0%
Working capital	Within 24 months	14,000	14,000	100.0%
Estimated listing expenses	Within 3 months	2,800	2,800	100.0%
		25,500	25,500	100.0%

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B7b UTILISATION OF PROCEED RAISED FROM THE SPECIAL BUMI ISSUES

The gross proceeds of RM1.19 million to be raised from the Special Bumi Issue is intend to be utilised in the following manner:

Detail of utilisation	Estimated timeframe for the utilisation upon listing	Proposed Utilisation RM '000	Actual Utilisation RM '000	Utilisation Rate %
Working capital	Within 24 months	886	-	0.0%
Estimated listing expenses	Upon completion of exercise	300	175	58.3%
		1,186	175	14.8%

B8 GROUP BORROWINGS AND DEBT SECURITIES

The details of the Group's borrowings are as follow:

	Unaudited As at 31/10/2023 RM '000	Audited As at 31/10/2022 RM '000
Current liabilities		
Bankers' acceptance	2,124	3,645
Term loans	796	377
	2,920	4,022
Non-Current liabilities		
Term loans	2,585	1,327
	2,585	1,327
Total bank borrowings	5,505	5,349

All the Group's borrowings are denominated in RM, secured and interest-bearing.

B9 MATERIAL LITIGATION

The Group is not engaged in any material litigation either as plaintiff or defendant, and the Directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B10 DIVIDEND PROPOSED

No dividend has been declared or proposed during the current financial quarter under review and for the financial period to date.

B11 EARNINGS PER SHARE

	Current Quarter 3 Months Ended		Cumulative Quarter Current Year-to-Date	
	31/10/2023 ⁽¹⁾	31/10/2022 ⁽²⁾	31/10/2023 ⁽¹⁾	31/10/2022 ⁽²⁾
Profit attributable to owners of the Company (RM'000)	14	2,966	10,824	7,806
Weighted average number of Shares in issue ('000)	577,534	427,500	577,534	427,500
Basic EPS (sen)	0.00	0.69	1.87	1.83
Diluted EPS (sen)	0.00	0.69	1.87	1.83

Notes:

- (1) Basic and diluted EPS are calculated by dividing the profit after tax attributable to owners of the Company by weighted average number of shares pursuant to the completion of the Initial Public Offering (“IPO”) of the Company on 23 November 2022 and allotment of special issues of ordinary shares to Bumiputera investors identified and/or approved by the Ministry of International Trade and Industry (“MITI”) on 24 October 2023.
- (2) For comparative purpose, basic and diluted EPS is calculated by dividing the profit after tax attributable to owners of the Company by the number of shares in issue after acquisition of ECA Solutions but before the IPO.

There are no dilutive instruments for the current financial period under review.

ECA INTEGRATED SOLUTION BERHAD

(Company No. 202101031471 (1431771-P))
(Incorporated in Malaysia)



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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B12 NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

	Current Quarter 31/10/2023 RM '000	Cumulative Quarter 31/10/2023 RM '000
Depreciation of plant and equipment	275	645
Depreciation of right of use assets	86	318
Interest expense	85	354
Interest income	(134)	(395)
(Gain)/Loss in foreign currency exchange		
- Realised	(409)	(521)
- Unrealised	395	398

Save for the above, the other disclosure items as required under Rule 16, part A of Appendix 9B of the Listing Requirements are not applicable.

By Order of the Board

Chin Wai Yi (MAICSA 7069783)
Company Secretary
Penang