

PLYTEC[®]

PLYTEC HOLDING BERHAD

Registration No: 201801020016 (1282035 - P)

**Interim Financial Report
For the Third Quarter Ended
30 September 2024**

PLYTEC HOLDING BERHAD

Registration No: 201801020016 (1282035 - P)
(Incorporated in Malaysia under the Companies Act 2016)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024⁽¹⁾

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Unaudited Current Year Quarter 30.9.2024 RM	Unaudited Preceding Year Quarter 30.9.2023 RM	Unaudited Current Year-To-Date 30.9.2024 RM	Unaudited Preceding Year-To-Date 30.9.2023 RM
REVENUE	A9	54,494,980	45,638,504	146,763,033	123,075,193
COST OF SALES		(40,401,520)	(32,339,004)	(108,337,111)	(91,097,788)
GROSS PROFIT		14,093,460	13,299,500	38,425,922	31,977,405
OTHER INCOME		639,789	165,227	1,390,102	711,893
		14,733,249	13,464,727	39,816,024	32,689,298
SELLING AND DISTRIBUTION EXPENSES		(581,054)	(473,344)	(1,557,437)	(1,072,096)
ADMINISTRATIVE EXPENSES		(5,489,535)	(5,134,895)	(15,331,725)	(13,995,945)
OTHER EXPENSES		(494,568)	(471,486)	(1,530,249)	(1,473,649)
FINANCE COSTS		(1,060,249)	(1,169,880)	(3,038,990)	(3,304,306)
(IMPAIRMENT LOSS)/ REVERSAL OF IMPAIRMENT LOSS ON FINANCIAL ASSETS		-	-	(160,446)	37,449
PROFIT BEFORE TAXATION	B5	7,107,843	6,215,122	18,197,177	12,880,751
INCOME TAX EXPENSE	B6	(1,978,539)	(1,822,316)	(5,535,539)	(3,255,533)
PROFIT AFTER TAXATION/ TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		5,129,304	4,392,806	12,661,638	9,625,218
PROFIT AFTER TAXATION/TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD:-					
Owners of the Company		5,109,559	4,355,210	12,605,895	9,526,516
Non-controlling interests		19,745	37,596	55,743	98,702
		5,129,304	4,392,806	12,661,638	9,625,218
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY:-					
- Basic (sen)	B12	0.84	0.87	2.08	1.91
- Diluted (sen)	B12	0.84	0.87	2.08	1.91

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CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024⁽¹⁾ (CONT'D)**Note:**

- (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.

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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024⁽¹⁾

	Unaudited 30.9.2024	Audited 31.12.2023
	RM	RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	118,522,338	103,086,085
Investment properties	2,552,007	2,419,564
Right-of-use assets	3,046,808	3,020,108
Other investments	567,050	573,245
Goodwill	2,026,168	1,955,898
	<u>126,714,371</u>	<u>111,054,900</u>
CURRENT ASSETS		
Inventories	12,986,505	6,266,239
Trade receivables	91,806,099	74,326,297
Other receivables, deposits and prepayments	8,310,721	5,748,771
Current tax assets	106,421	647,746
Fixed deposits with licensed banks	21,307,993	20,761,922
Cash and bank balances	9,209,052	14,018,191
	<u>143,726,791</u>	<u>121,769,166</u>
Asset classified as held for sale	-	479,498
	<u>143,726,791</u>	<u>122,248,664</u>
TOTAL ASSETS	<u>270,441,162</u>	<u>233,303,564</u>

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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024⁽¹⁾ (CONT'D)

	Unaudited 30.9.2024 RM	Audited 31.12.2023 RM
EQUITY AND LIABILITIES		
EQUITY		
Share capital	85,565,822	85,565,822
Merger deficit	(38,490,399)	(38,490,399)
Retained profits	91,047,964	78,442,069
	<hr/>	<hr/>
Equity attributable to owners of the Company	138,123,387	125,517,492
Non-controlling interests	553,847	497,104
	<hr/>	<hr/>
TOTAL EQUITY	138,677,234	126,014,596
	<hr/>	<hr/>
NON-CURRENT LIABILITIES		
Lease liabilities	273,977	253,165
Hire purchase payables	7,703,930	14,975,387
Term loans	4,301,759	5,053,236
Deferred tax liabilities	2,600,263	2,358,209
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	14,879,929	22,639,997
	<hr/>	<hr/>
CURRENT LIABILITIES		
Trade payables	13,222,497	15,742,997
Other payables and accruals	22,344,708	15,700,539
Lease liabilities	106,476	70,612
Hire purchase payables	12,175,324	11,699,100
Short-term borrowings	55,987,681	40,112,001
Term loans	922,914	1,147,662
Bank overdrafts	9,638,587	-
Current tax liabilities	2,485,812	176,060
	<hr/>	<hr/>
	116,883,999	84,648,971
	<hr/>	<hr/>
TOTAL LIABILITIES	131,763,928	107,288,968
	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES	270,441,162	233,303,564
	<hr/>	<hr/>
Net assets per share	0.23	0.21
	<hr/>	<hr/>

Note:

- (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.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024⁽¹⁾

	Share Capital RM	Non- Distributable Merger Deficit RM	Distributable Retained Profits RM	Attributable to the Owners of the Company RM	Non- controlling Interest RM	Total Equity RM
<u>Unaudited</u>						
Balance as at 1 January 2023	50,000,000	(38,490,399)	71,981,341	83,490,942	369,481	83,860,423
Profit after taxation/Total comprehensive income for the financial period	-	-	9,526,516	9,526,516	98,702	9,625,218
Balance as at 30 September 2023	50,000,000	(38,490,399)	81,507,857	93,017,458	468,183	93,485,641
Balance as at 1 January 2024	85,565,822	(38,490,399)	78,442,069	125,517,492	497,104	126,014,596
Profit after taxation/Total comprehensive income for the financial period	-	-	12,605,895	12,605,895	55,743	12,661,638
Issuance of shares to non-controlling interests by a subsidiary	-	-	-	-	1,000	1,000
Balance as at 30 September 2024	85,565,822	(38,490,399)	91,047,964	138,123,387	553,847	138,677,234

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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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024⁽¹⁾

	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	18,197,177	12,880,751
Adjustments for:-		
Bad debts written off	1,540	1,438
Depreciation of investment properties	35,997	18,320
Depreciation of property, plant and equipment	10,252,811	7,731,676
Depreciation of right-of-use assets	82,631	82,633
Interest expense on lease liabilities	10,346	12,703
Other interest expense	3,028,644	3,273,303
Impairment losses on trade receivable	160,446	-
Property, plant and equipment written off	66,465	55,577
Gain on disposal of an investment property	(20,502)	-
Gain on disposal of other investments	(33,391)	-
Gain on disposal of property, plant and equipment	(70,000)	(73,833)
Dividend income	(480)	-
Interest income	(592,193)	(251,323)
Operating profit before working capital changes	31,119,491	23,731,245
(Increase)/Decrease in inventories	(4,458,787)	1,685,634
Increase in trade and other receivables	(20,020,073)	(16,694,653)
Increase in trade and other payables	2,911,654	6,345,820
CASH FROM OPERATIONS	9,552,285	15,068,046
Interest paid	(378,763)	(305,043)
Interest received	216,122	-
Income tax paid	(2,699,355)	(3,439,479)
NET CASH FROM OPERATING ACTIVITIES	6,690,289	11,323,524
CASH FLOWS FOR INVESTING ACTIVITIES		
Dividend received	480	-
Increase in pledged fixed deposits with licensed banks	(170,000)	(500,000)
Proceeds from disposal of an investment property	500,000	-
Proceeds from disposal of other investments	39,586	-
Proceeds from disposal of property, plant and equipment	71,914	95,500
Proceeds from issuance of shares to non-controlling interests	1,000	-
Acquisition of a subsidiary	(172,012)	-
Purchase of investment properties	(168,440)	(1,087,407)
Purchase of property, plant and equipment	(24,642,661)	(18,096,819)
NET CASH FOR INVESTING ACTIVITIES	(24,540,133)	(19,588,726)

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024⁽¹⁾ (CONT'D)

	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Drawdown of bankers' acceptances	84,880,001	85,768,012
Drawdown of hire purchases	1,530,962	370,454
Drawdown of revolving credits	33,337,550	34,162,469
Drawdown of term loans	2,246,000	164,215
Interests paid	(2,660,227)	(2,980,963)
Repayment of bankers' acceptances	(74,441,001)	(81,943,012)
Repayment of lease liabilities	(52,655)	(50,297)
Repayment of hire purchase	(10,315,417)	(6,529,943)
Repayment of revolving credits	(27,900,870)	(27,081,582)
Repayment of term loans	(3,222,225)	(2,146,034)
NET CASH FROM/(FOR) FINANCING ACTIVITIES	3,402,118	(266,681)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(14,447,726)	(8,531,883)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	14,018,191	374,188
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	(429,535)	(8,157,695)
Cash and cash equivalents at end of the financial period comprises the following:-		
Cash and bank balances	9,209,052	690,912
Fixed deposits with licensed banks	21,307,993	20,591,236
Bank overdrafts	(9,638,587)	(8,848,607)
	20,878,458	12,433,541
Less: Fixed deposits pledged to licensed banks	(21,307,993)	(20,591,236)
	(429,535)	(8,157,695)

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.

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**A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

A1 Basis of Preparation

The interim financial report of PLYTEC and its subsidiaries is unaudited and has been prepared in accordance with the requirements of MFRS 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**") and Appendix 9B of the Listing Requirements of Bursa Securities.

This 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 annual audited financial statements for the financial year ended 31 December 2023, except for the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the current financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

A3 Auditors' Report on Preceding Annual Financial Statements

The audited consolidated financial statements of the Group for the financial year ended 31 December 2023 was not subject to any qualification.

A4 Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by seasonal or cyclical factors.

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**A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

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 and financial year-to-date.

A6 Material Changes in Estimates

There were no significant changes in estimates that have a material effect on the current financial quarter under review.

A7 Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale or repayments of debt and equity securities during the current financial quarter under review.

A8 Dividends

There were no dividend declared or paid during the current financial quarter under review.

A9 Segmental Reporting

(a) *Business segments*

The Group is originated into five (5) main reportable segments as follows:-

No	Business segments	Principal activities
1.	Construction method engineering solutions (“ CME ”)	Provision of new and refurbished temporary works equipment for sale and rental together with the provision of solutions that support the forming of safe erection of concrete structures.
2.	Trading and distribution of building materials (“ BMD ”)	Trade and distribute building materials for construction projects.
3.	Digital design and engineering solutions (“ DDE ”)	Provision of digital construction designs and engineering solutions.
4.	Prefabricated construction solutions (“ PC ”)	Planning, designing, production planning and coordination throughout the manufacturing process of prefabricated components, trading of lifting and connection accessories for precast concrete construction.
5.	Polymer Material Compounding and Product (“ PMCP ”)*	Trading and compounding of plastic materials for various applications and manufacturing and extrusion of plastic panel for construction sector.

* *Commencement of business in October 2024.*

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**A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

A9 Segmental Reporting (Cont'd)

(a) *Business segments (Cont'd)*

The segmental information based on five (5) business segments for the cumulative quarter ended 30 September 2024 are as follows:-

	CUMULATIVE QUARTER ENDED 30 SEPTEMBER 2024						
	CME	BMD	DDE	PC	Others	Consolidation	Total
	RM	RM	RM	RM	RM	Adjustments	RM
Revenue							
External revenue	68,327,260	71,911,896	4,448,342	2,075,535	-	-	146,763,033
Inter-segment revenue	2,647,248	1,274,088	57,440	-	2,000,000	(5,978,776)	-
Total revenue	70,974,508	73,185,984	4,505,782	2,075,535	2,000,000	(5,978,776)	146,763,033
Results							
Profit from operations							21,236,167
Finance costs							(3,038,990)
Profit before taxation							18,197,177
Income tax expense							(5,535,539)
Profit after taxation for the financial period							12,661,638

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**A. NOTES TO THE INTERIM FINANCIAL REPORT
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A9 Segmental Reporting (Cont'd)

(a) *Business segments (Cont'd)*

The segmental information based on four (4) business segments for the cumulative quarter ended 30 September 2023 are as follows:-

	CUMULATIVE QUARTER ENDED 30 SEPTEMBER 2023					Total RM
	CME RM	BMD RM	DDE RM	PC RM	Consolidation Adjustments RM	
Revenue						
External revenue	47,357,670	69,011,232	4,645,476	2,060,815	-	123,075,193
Inter-segment revenue	448,259	1,157,783	-	-	(1,606,042)	-
Total revenue	47,805,929	70,169,015	4,645,476	2,060,815	(1,606,042)	123,075,193
Results						
Profit from operations						16,185,057
Finance costs						(3,304,306)
Profit before taxation						12,880,751
Income tax expense						(3,255,533)
Profit after taxation for the financial period						9,625,218

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**A. NOTES TO THE INTERIM FINANCIAL REPORT
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A9 Segmental Reporting (Cont'd)

(b) *Geographical information*

The segmental information based on two (2) geographical locations are as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM
Domestic	54,393,934	44,280,000	146,232,940	119,883,143
Overseas ⁽¹⁾	101,046	1,358,504	530,093	3,192,050
Total	54,494,980	45,638,504	146,763,033	123,075,193

Note:

(1) Overseas comprise Australia, Hungary, Singapore and Thailand.

A10 Valuation of Property, Plant and Equipment

There was no valuation of the property, plant and equipment performed in the current financial quarter under review.

A11 Material Events Subsequent to the End of the Current Financial Quarter

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

A12 Changes in Composition of the Group

On 24 September 2024, the Company incorporated a subsidiary named PLYTEC Polymer Sdn. Bhd. ("PPSB"), with an issued and paid-up capital of RM10,000 comprising 10,000 ordinary shares. The Company hold 90% equity interest in PPSB with a cash subscription of RM9,000. The balance of 10% equity interest in PPSB is hold by two individual shareholders.

On 8 October 2024, the Company further subscribed for an additional 891,000 ordinary shares with total consideration of RM891,000 in PPSB. The Company will maintain its controlling stake of 90% in PPSB.

A13 Contingent Assets and Contingent Liabilities

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

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**A. NOTES TO THE INTERIM FINANCIAL REPORT
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A14 Capital Commitments

The capital commitments as at end of the current financial quarter as follows:-

	Unaudited 30.9.2024 RM	Audited 31.12.2023 RM
Purchase of investment properties	-	168,440
Purchase of property, plant and equipment	15,631,704	6,652,497
Construction of factories and labour quarters	12,323,545	19,609,833
	<u>27,955,249</u>	<u>26,430,770</u>

A15 Related Party Transactions

The Group's transactions with companies in which our directors or substantial shareholders have an interest in for the individual and cumulative financial quarter ended 30 September 2024 were as follows:-

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM
<u>Related Parties</u>				
Purchases from ⁽¹⁾	16,812	108,608	141,744	260,104
Short-term lease expenses paid or payables to	9,600	9,600	28,800	28,800
	<u>9,600</u>	<u>9,600</u>	<u>28,800</u>	<u>28,800</u>

Note:

- (1) The transactions have been entered into in the normal course of business and have been established under negotiated terms agreed by both parties.

A16 Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current financial quarter.

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B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B1 Review of Performance

(a) Review of performance

The Group's performance for the current financial quarter and year-to-date against the corresponding quarter and year-to-date of the preceding year are tabled below:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM
Revenue	54,494,980	45,638,504	146,763,033	123,075,193
Segments:				
- CME	27,032,140	19,580,724	68,327,260	47,357,670
- BMD	25,239,058	24,029,526	71,911,896	69,011,232
- DDE	1,522,637	1,269,866	4,448,342	4,645,476
- PC	701,145	758,388	2,075,535	2,060,815
Gross Profit ("GP")	14,093,460	13,299,500	38,425,922	31,977,405
Profit Before Taxation ("PBT")	7,107,843	6,215,122	18,197,177	12,880,751

The Group recorded a total revenue of RM54.49 million for Q3 FYE2024, an increase of RM8.85 million or 19.39% compared to RM45.64 million for Q3 FYE 2023. In Q3 FYE2024, the Group revenue mainly derived from CME segment of RM27.03 million or 49.61%, followed by BMD segment which contributed RM25.24 million or 46.32%, DDE segment of RM1.52 million or 2.79%, PC segment of RM0.70 million or 1.28% of total revenue whilst more than 99.00% of total revenue generated in Malaysia.

Segments

In Q3 FYE2024, CME segment recorded higher revenue amounting to RM27.03 million, with an increase of RM7.45 million or 38.05%, mainly derived from the sales of temporary works equipment, which amounting to RM16.26 million or 60.16% of the segment's total revenue. This was largely attributed to significant increase in sales of modular shoring systems due to stricter standards and requirements for the safe use of scaffolding and falsework on construction sites imposed by CIDB.

The remaining revenue generated by CME segment derived from the rental of temporary works equipment, which amounting to RM10.77 million or 39.84% of the segment's total revenue. In Q3 FYE 2024, slight decrease in rental revenue was mainly due to the completion of certain projects for rental of Aluminium Formwork during the financial year, partially offset with increase in rental of self-climbing platform and modular shoring system.

In Q3 FYE2024, BMD segment recorded higher revenue, reporting RM25.24 million, with an increase of RM1.21 million or 5.04% as compared to RM24.03 million in the corresponding financial quarter. The BMD segment's revenue in the current quarter remained stable.

For the remaining segments, DDE and PC, there were no significant movement during current financial quarter and year-to-date.

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B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B1 Review of Performance (Cont'd)**(a) Review of performance (Cont'd)**Gross Profit

In Q3 FYE2024, the Group registered higher GP of RM14.09 million but lower GP margin of 25.86%, as compared to GP of RM13.30 million and GP margin of 29.14% in the corresponding financial quarter. During current financial quarter, the increase in GP was mainly attributed to higher revenue generated from sales of modular shoring system and lower GP margin was mainly due to higher depreciation arise from capital expenditure and higher labour costs incurred for refurbishment of temporary works equipment during the financial period.

Profit Before Taxation

The Group recorded higher PBT for the current financial quarter compared to the corresponding financial quarter. This increase in PBT was primarily due to higher revenue and gross profit.

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B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B2 Review of Current Financial Quarter Performance against Immediate Preceding Financial Quarter

The Group's performance for current financial quarter ended 30 September 2024 compared to the preceding financial quarter ended 30 June 2024 are tabled below:-

	INDIVIDUAL QUARTER			
	Unaudited 30.9.2024 RM	Unaudited 30.6.2024 RM	Variance + / (-) RM	%
Revenue	54,494,980	46,776,602	7,718,378	16.50
Segments:				
- CME	27,032,140	21,854,011	5,178,129	23.69
- BMD	25,239,058	22,850,128	2,388,930	10.45
- DDE	1,522,637	1,346,555	176,082	13.08
- PC	701,145	725,908	(24,763)	(3.41)
Gross Profit ("GP")	14,093,460	12,269,818	1,823,642	14.86
Profit before taxation ("PBT")	7,107,843	5,877,486	1,230,357	20.93

The Group recorded the revenue of RM54.49 million for the current financial quarter representing an increase of RM7.72 million or 16.50% as compared to RM46.78 million in the preceding financial quarter. The Group has recorded the PBT of RM7.11 million for the current financial quarter representing an increase of RM1.23 million or 20.93% as compared to RM5.88 million in the preceding financial quarter.

The increase in revenue was mainly attributable to higher revenue generated from CME and BMD segments. Revenue for CME and BMD segments increased by RM5.18 million or 23.69% and RM2.39 million or 10.45% respectively, as compared to preceding financial quarter. Addition, DDE segment's revenue increased by RM0.18 million or 13.08% as compared to the preceding financial quarter.

The GP has increased by RM1.82 million or 14.86%, mainly contributed by higher sales revenue of CME segment, particularly sales of modular shoring systems from various projects during the financial quarter under review.

Increase in PBT mainly arise from increase in GP during the financial quarter under review.

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B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B3 Prospects

The construction sector maintained strong momentum, recording a 22.9% growth in Q3 2024, compared to a 20.2% increase in Q2 2024. This marks the tenth consecutive period of growth and represents the sector's strongest expansion since Q3 2022. The consistent growth across these quarters highlights the resilience and ongoing recovery of Malaysia's construction sector. Malaysia's economy is expected to continue its growth momentum, supported by domestic and export-driven factors, with a positive outlook for the remainder of the year.

In CME segment, with the stricter standards and requirements for the safe use of scaffolding and falsework on construction sites imposed by CIDB, we anticipate that the demand for our temporary works equipment will remain robust. This is supported by a secured order book for modular shoring systems to fulfil stringent certification and compliance requirements. Included in our CME segment, Dansea is currently focuses on manufacturing Pecaform, a flexible and versatile sacrificial formwork designed for radius specifications. This innovation is not only environmentally friendly but also groundwater neutral. To further promote this innovation, our Group is participating in international exhibitions to attract and explore opportunities for global sales. Recently, our Group has also strengthened our presence in Indonesia, by appointing an exclusive distributor to provide high-quality construction materials and systems, tailored to meet their growing infrastructure demands.

The BMD segment is maintaining a stable performance with potential growth anticipated to be boosted by upcoming government infrastructure projects. Looking ahead, we anticipate sustained strong demand for our building materials, driven by the construction industry's expectations for significant project rollouts under Budget 2024. Bank Negara Malaysia's decision to maintain the Overnight Policy Rate at 3.00% in the near term is likely to reduce the cost burden for the segment.

In DDE segment, our Group anticipates more opportunities as starting in August 2024, Malaysia's government will mandate the use of Building Information Modelling (BIM) for all major construction projects valued at RM10 million or more, marking a significant shift towards digital methodologies in the industry, supported by the Construction Industry Development Board (CIDB). As a well-established entity in this market segment, our Group is strategically positioned to leverage on these new opportunities.

PC segment primarily serving the southern region of Malaysia market. The precast concrete market continues to witness robust growth globally. Factors such as urbanisation, population growth and infrastructure development are driving the demand for precast concrete products.

PMCP segment, a new segment within our Group, was incorporated in September 2024. This segment is involved in the business of trading and compounding of polymer materials, manufacturing and extrusion of plastic panel. The plastic panel is a product that complements our existing Deck Formwork System by incorporating more durable plastic materials. Designed with sustainable plastics, it contributes to greener construction practices through its innate recyclability and extended lifespan.

Our Group will continue to maintain its operational efficiency, making prudent capital investments, remain competitive, and actively pursuing growth opportunities.

B4 Profit Forecast or Profit Guarantee

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement during the current financial quarter under review.

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B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B5 Profit Before Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM
Profit before taxation is arrived at after charging/ (crediting):-				
Bad debts written off	-	-	1,540	1,438
Depreciation of investment properties	13,122	9,159	35,997	18,320
Depreciation of property, plant and equipment	3,608,832	2,927,663	10,252,811	7,731,676
Depreciation of right-of-use assets	27,545	27,544	82,631	82,633
Impairment losses on trade receivables	-	-	160,446	-
Interest expense on lease liabilities	3,248	3,542	10,346	12,703
Other interest expense	1,057,001	1,161,859	3,028,644	3,273,303
Property, plant and equipment written off	-	-	66,465	55,577
Gain on disposal of an investment property	-	-	(20,502)	-
Gain on disposal of other investments	-	-	(33,391)	-
Gain on disposal of property, plant and equipment	-	-	(70,000)	(73,833)
Dividend income	(480)	-	(480)	-
Interest income	(133,658)	(56,054)	(592,193)	(251,323)

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B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B6 Income Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM
Current tax:				
- current financial period	1,834,000	1,794,500	5,391,000	3,592,800
- under/(over) provision in the previous financial year	144,539	27,816	144,539	(337,267)
Income tax expense	1,978,539	1,822,316	5,535,539	3,255,533
Effective tax rate (%)	27.84	29.32	30.42	25.27
Statutory tax rate (%)	24.00	24.00	24.00	24.00

Income tax expense in the form of provision is recognised based on the management's best estimate.

The Group's effective tax rate of 27.84% for individual quarter ended 30 September 2024 were higher than the statutory tax rate of 24% mainly due to certain expenses which are not deductible for tax purposes.

B7 Status of Corporate Proposals

There were no other corporate proposals announced by the Group but not completed as at the date of this interim financial report.

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B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B8 Utilisation of Proceeds from the Public Issue

The status of the utilisation of proceeds from the Initial Public Offering as at 30 September 2024 is as follows:-

Purpose	Proposed Utilisation RM	Actual Utilisation RM	Balance Unutilised RM	Estimated timeframe for utilisation from the listing date
Capital expenditure	8,000,000	6,021,745	1,978,255	Within 24 months
Repayment of borrowings	9,000,000	9,000,000	-	Within 12 months
Construction of factories and centralised labour quarters on the Olak Lempit Land	7,800,000	2,638,216	5,161,784	Within 24 months
Purchase of software systems and hardware	2,000,000	740,266	1,259,734	Within 24 months
Working capital	6,321,210	6,321,210	-	Within 12 months
Estimated listing expenses	4,000,000	4,000,000	-	Immediate
Total	37,121,210	28,721,437	8,399,773	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company.

B9 Borrowings

The details of the Group's borrowings are as follows:-

	Unaudited 30.9.2024 RM	Audited 31.12.2023 RM
Current:-		
<i>Secured and guaranteed</i>		
Hire purchase payables	12,175,324	11,699,100
Bankers' acceptances	38,076,000	27,637,000
Revolving credits	17,911,681	12,475,001
Term loans	922,914	1,147,662
Bank overdrafts	9,638,587	-
	78,724,506	52,958,763
Non-Current:-		
<i>Secured and guaranteed</i>		
Hire purchase payables	7,703,930	14,975,387
Term loans	4,301,759	5,053,236
	12,005,689	20,028,623
	90,730,195	72,987,386

All the borrowings are secured and denominated in Ringgit Malaysia.

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B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B10 Material litigation

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

B11 Proposed Dividends

On 21 November 2024, the Company declared an interim single tier dividend of 0.50 sen per ordinary share amounting to approximately RM3.03 million in respect of financial year ending 31 December 2024, to be paid on 23 December 2024 to shareholders of the Company whose name appear in the Record of Depositors on 13 December 2024.

B12 Basic and Diluted Earnings per Share (“EPS”)

The basic and diluted EPS for the individual and cumulative financial quarter are computed as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM	Unaudited 30.9.2024 RM	Unaudited 30.9.2023 RM
Profit attributable to owners of the Company	5,109,559	4,355,210	12,605,895	9,526,516
Number of ordinary shares in issue	606,060,600	500,000,000	606,060,600	500,000,000
Basic EPS (sen)	0.84	0.87	2.08	1.91
Diluted EPS ⁽¹⁾ (sen)	0.84	0.87	2.08	1.91

Note:

(1) Diluted EPS is equivalent to the basic EPS as the Company does not have convertible securities at end of the current financial quarter.

B13 Approval of Interim Financial Report

The interim financial report as set out above was approved by the Board of Directors of PLYTEC Holding Berhad in accordance with a resolution dated 21 November 2024.

**BY ORDER OF THE BOARD
PLYTEC HOLDING BERHAD
21 November 2024**