



MASTER TEC GROUP BERHAD

(Registration No. 202201040911 (1486608-P))

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

MASTER TEC GROUP BERHAD

(Registration No. 202201040911 (1486608-P))

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2023⁽¹⁾⁽²⁾**

	Note	Individual Quarter		Cumulative Quarter	
		Unaudited	Audited	Unaudited	Audited
		30.09.2023	30.09.2022	30.09.2023	30.09.2022
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	65,215	N/A	203,254	N/A
Cost of sales		(54,411)	N/A	(168,613)	N/A
Gross profit		10,804	N/A	34,641	N/A
Other income		1,006	N/A	2,423	N/A
Administrative expenses		(1,948)	N/A	(4,908)	N/A
Selling and distribution expenses		(663)	N/A	(2,260)	N/A
Profit from operations		9,199	N/A	29,896	N/A
Finance costs		(1,018)	N/A	(3,264)	N/A
Profit before tax	B13	8,181	N/A	26,632	N/A
Income tax expense	B5	(2,406)	N/A	(7,225)	N/A
Profit after tax/Total comprehensive income		5,775	N/A	19,407	N/A
Profit after tax/Total comprehensive income attributable to:					
Owners of the Company		5,775	N/A	19,407	N/A
Earnings per share ("EPS")	B12				
Basic/Diluted ⁽³⁾ (sen)		0.67	N/A	2.25	N/A

Notes:

- (1) The basis of preparation of the above 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 Accountants' Report as disclosed in the Prospectus of the Company dated 28 December 2023 ("**Prospectus**") in relation to its initial public offering ("**IPO**") and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). There are no comparative figures for the preceding corresponding quarter and year-to-date as the Company will be listed on the ACE Market of Bursa Malaysia on 29 January 2024 and no interim financial report was prepared for the comparative financial period concerned.
- (3) Basic EPS is calculated based on the Company's share capital of 861,900,000 ordinary shares upon completion of the acquisition of Master Tec Wire & Cable Sdn Bhd ("**MTWC**") but before the IPO. The diluted EPS is equivalent to the basic EPS as the Company does not have any convertible options as at the end of the current quarter and financial year-to-date under review.
- (4) N/A – not applicable.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023⁽¹⁾**

		Unaudited	Audited
		As at 30.09.2023	As at 31.12.2022
	Note	RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		55,455	55,611
Right-of-use assets		556	593
Intangible asset		5,000	5,000
Total non-current assets		61,011	61,204
Current assets			
Inventories		41,648	27,190
Trade receivables		69,305	79,442
Other receivables, deposits and prepayments		8,205	2,237
Fixed deposits with licensed banks		12,015	13,790
Cash and bank balances		15,967	35,279
Total current assets		147,140	157,938
Total assets		208,151	219,142
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to owners of the Company			
Share capital		*	*
Invested capital		30,000	30,000
Retained profits		75,639	56,232
Total equity		105,639	86,232
LIABILITIES			
Non-current liabilities			
Loans and borrowings	B8	14,420	18,793
Deferred tax liabilities		5,547	5,971
Lease liabilities		417	471
Hire purchase payable	B8	131	175
Total non-current liabilities		20,515	25,410
Current liabilities			
Trade payables		25,813	18,288
Other payables and accruals		6,495	20,060
Loans and borrowings	B8	45,421	68,205
Lease liabilities		161	136
Hire purchase payable	B8	56	54
Current tax liabilities		4,051	757
Total current liabilities		81,997	107,500
Total liabilities		102,512	132,910
Total equity and liabilities		208,151	219,142
Net assets per ordinary share attributable to owners of the Company (sen) ⁽²⁾		12.26	10.00

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023 (CONT'D)⁽¹⁾

Notes:

- (1) *The basis of preparation of the above Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus in relation to its IPO and the accompanying notes attached to this interim financial report.*
- (2) *Net assets per ordinary share attributable to owners of the Company is calculated based on the Company's share capital of 861,900,000 ordinary shares upon completion of the acquisition of MTWC but before the IPO.*
- (3) ** Represents RM100 only.*

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2023⁽¹⁾⁽²⁾**

	<u>Non-distributable</u>		<u>Distributable</u>	<u>Total Equity</u>
	<u>Share Capital</u>	<u>Invested Capital</u>	<u>Retained Profits</u>	
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
As at 1 January 2023 (Audited)	*	30,000	56,232	86,232
Profit after tax/Total comprehensive income for the financial period	-	-	19,407	19,407
As at 30 September 2023 (Unaudited)	*	30,000	75,639	105,639

Notes:

- (1) *The basis of preparation of the above Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Accountants' Reports as disclosed in the Prospectus in relation to its IPO and the accompanying explanatory notes attached to this interim financial report.*
- (2) *This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date available as no interim financial report was prepared for the comparative financial period concerned.*
- (3) ** Represents RM100 only.*

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2023⁽¹⁾⁽²⁾**

	Current Year-To-Date 30.09.2023	Preceding Year-To-Date 30.09.2022
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	26,632	N/A
Adjustments for:-		
Depreciation of property, plant and equipment	2,680	N/A
Depreciation of right-of-use assets	123	N/A
Interest expenses	3,264	N/A
Interest income	(699)	N/A
Property, plant and equipment written off	2	N/A
Operating income before working capital changes	32,002	N/A
Changes in working capital:		
Increase in inventories	(14,458)	N/A
Decrease in trade and other receivables	10,752	N/A
Increase in trade and other payables	3,738	N/A
Cash generated from operations	32,034	N/A
Income tax paid	(4,728)	N/A
Income tax refund	373	N/A
Net cash from operating activities	27,679	N/A
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	699	N/A
Purchase of property, plant and equipment	(2,301)	N/A
Deposits paid for purchase of property, plant and equipment	(6,808)	N/A
Net cash for investing activities	(8,410)	N/A
CASH FLOWS FOR FINANCING ACTIVITIES		
Net decrease in short-term borrowings	(22,389)	N/A
Dividend paid	(9,778)	N/A
Interest paid	(3,264)	N/A
Repayment of term loans	(4,706)	N/A
Repayment of lease liabilities	(115)	N/A
Repayment of hire purchase payable	(42)	N/A
Withdrawal of fixed deposits pledged with licensed banks	1,775	N/A
Net cash for financing activities	(38,519)	N/A
NET DECREASE IN CASH AND CASH EQUIVALENTS	(19,250)	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	35,217	N/A
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	15,967	N/A

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2023 (CONT'D)⁽¹⁾⁽²⁾**

	Current Year-To-Date	Preceding Year-To-Date
	30.09.2023	30.09.2022
	RM'000	RM'000
Cash and cash equivalents at the end of the period are represented by:		
Fixed deposits with licensed banks	12,015	N/A
Cash and bank balances	15,967	N/A
	27,982	N/A
Less: Fixed deposits pledged to licensed banks	(12,015)	N/A
	15,967	N/A

Notes:

- (1) *The above Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Accountants' Reports as disclosed in the Prospectus in relation to its IPO and the accompanying explanatory notes attached to this interim financial report.*
- (2) *This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date available as no interim financial report was prepared for the comparative financial period concerned.*
- (3) *N/A – not applicable.*

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A1. Basis of Preparation

This condensed consolidated interim financial report of Master Tec Group Berhad (“**MTG**” or the “**Company**”) and its subsidiary (the “**Group**”) are unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“**MFRS**”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“**MASB**”) and Rule 9.22 and Appendix 9B of Listing Requirements of Bursa Securities.

This is the Company’s first interim financial report on the unaudited condensed consolidated financial results for the financial period ended 30 September 2023 announced by the Company in compliance with the Listing Requirements of Bursa Securities and as such, there are no comparative figures for the preceding year’s corresponding period.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus in relation to its IPO 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 Accountants’ Report as disclosed in the Prospectus in relation to its IPO 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 quarter:-

Amendments/improvements to MFRSs that have been issued, but yet to be effective

	<u>Effective Date</u>
Amendments to MFRS 16: <i>Lease Liabilities in a Sale and Leaseback</i>	1 January 2024
Amendment to MFRS 101: <i>Classification of Liabilities as Current or Non-current</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>	Deferred

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 combined financial statements of the Group upon their initial application.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**A3. Auditors' Report on Preceding Annual Financial Statements**

MTG was incorporated on 3 November 2022 under the Companies Act 2016. The Company completed the acquisition of its subsidiary, MTWC on 5 December 2023.

There was no auditors' report on the Group for preceding annual financial statements. In addition, the auditor's reports for the financial year ended 31 December 2022 of MTWC was not subject to any qualification. The financial statements of MTG for FYE 31 December 2022 was not audited as the Company was incorporated on 3 November 2022 and it was dormant.

The preceding audited financial statements are prepared based on combination or aggregation of all of the audited financial statements of the respective companies of the Group.

A4. Seasonal or Cyclical Factors

The Group's operation was not significantly affected by any unusual seasonal or cyclical factors in the current quarter and financial year-to-date under review.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the current quarter and financial year-to-date under review.

A6. Material Changes in Estimates

There were no material changes in estimates in the current quarter and financial year-to-date under review.

A7. Debt and Equity Securities

Save as disclosed in Note A11, there were no issuances, cancellations, repurchases, resales or repayments of debt and equity securities in the current quarter and financial year-to-date under review.

A8. Dividend Paid

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

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)****A9. Segmental Information**

The Group's revenue is segmented as follows:

Revenue by products

	Unaudited			
	Individual Quarter		Cumulative Quarter	
	30.09.2023	30.09.2022 ⁽¹⁾	30.09.2023	30.09.2022 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Manufacturing segment				
- low-voltage ("LV") power cables				
• copper-cored	37,636	N/A	99,976	N/A
• aluminium-cored	21,123	N/A	80,660	N/A
	58,759	N/A	180,636	N/A
- control and instrumentation cables	2,187	N/A	7,340	N/A
Sub-total	60,946	N/A	187,976	N/A
Trading segment	4,269	N/A	15,278	N/A
Total	65,215	N/A	203,254	N/A

Notes:

(1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date available as no interim financial report was prepared for the comparative financial period concerned.

(2) N/A – not applicable.

A10. Valuation of Property, Plant and Equipment

There were no valuations carried out on property, plant and equipment during the current financial quarter under review.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A11. Material Events Subsequent to the End of the Reporting Period

In conjunction with the Company's listing on the ACE Market of Bursa Securities ("**Listing**"), the Company undertook an IPO at an issue price of RM0.39 per share, comprising:

IPO of 285,600,000 ordinary shares in the Company (the "**Shares**") comprising a public issue of 158,100,000 Shares and offer for sale of 127,500,000 Shares in the following manner:

- 51,000,000 new Shares available for application by the Malaysian public by way of balloting;
- 2,144,000 new Shares available for application by the eligible directors and employees;
- 104,956,000 new Shares by way of private placement to selected investors; and
- Offer for sale of 127,500,000 existing shares by way of private placement to identified bumiputra investors approved by the Ministry of Investment, Trade and Industry.

Upon completion of the IPO, the issued share capital of the Company will increase to 1,020,000,000 shares. The Company is expected to be admitted to the Official List of Bursa Securities on 29 January 2024 and the Company's entire enlarged issued share capital shall be listed and quoted on the ACE Market of Bursa Securities.

Save as disclosed above, there were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

A12. Changes in the Composition of the Group

On 5 December 2023, the Company completed the acquisition of the entire equity interest of MTWC for a purchase consideration of RM86,189,990 which was fully satisfied via the issuance of 861,899,900 new ordinary shares of the Company at an issue price of RM0.10 each.

Save as disclosed above, there were no changes in the composition of the Group during the current quarter under review.

A13. Contingent Liabilities or Contingent Assets

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

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)****A14. Related Party Transaction Disclosures**

The related party transactions between the Group and related party are as follows:

	Unaudited	
	Individual Quarter	Cumulative Quarter
	30.09.2023	30.09.2023
	RM'000	RM'000
Company in which a director of the Group has substantial financial interests		
Sale of cables and wires	2,774	5,753

A15. Capital Commitments

The capital commitments of the Group as at the financial quarter ended 30 September 2023 under review are as follows:

	As at 30.09.2023
	RM'000
Approved and contracted for:	
Purchase of new machineries and equipment	16,529
Approved but not contracted for:	
Purchase of new machineries and equipment	1,051
Construction of manufacturing plants at Lot 1297 and Lot 1304	16,783
	17,834
Total	34,363

The capital commitments above will be fully financed by the IPO proceeds.

Save as disclosed above, there were no other material capital commitments during the end of the interim financial period.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)****B1. Review of Financial Performance**

	Unaudited			
	Individual Quarter		Cumulative Quarter	
	30.09.2023	30.09.2022 ⁽¹⁾	30.09.2023	30.09.2022 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Revenue	65,215	N/A	203,254	N/A
Gross profit	10,804	N/A	34,641	N/A
Profit before tax	8,181	N/A	26,632	N/A
Profit after tax/Total comprehensive income	5,775	N/A	19,407	N/A

Notes:

(1) This is the first interim financial report announced by the Company in compliance with the Listing Requirements of Bursa Securities. As such, there are no comparative figures for the preceding corresponding quarter and year-to-date available as no interim financial report was prepared for the comparative financial period concerned.

(2) N/A – not applicable.

The Group recorded revenue of approximately RM65.22 million for the current financial quarter under review mainly contributed from LV power cables which accounted for RM58.76 million, representing 90.10% of the total revenue.

For the current financial quarter under review, the Group registered gross profit of RM10.80 million with gross profit margin of 16.56%, profit before tax of RM8.18 million with profit before tax margin of 12.54% and profit after tax of RM5.78 million with profit after tax margin of 8.86%.

There are no comparative figures for the corresponding preceding quarter's results as this is the first interim financial report being announced by the Company in compliance with the Listing Requirements.

B2. Comparison with Immediate Preceding Quarter's Results

There are no comparative figures for the immediate preceding quarter as this is the first interim financial report on the unaudited condensed consolidated financial results announced by the Company.

B3. Prospects of the Group

As disclosed in the Prospectus dated 28 December 2023, the ex-factory sales of wires and cables in Malaysia are expected to increase from RM9,610.00 million in 2022 to RM11,205.00 million in 2025, yielding a compound annual growth rate of 5.25%. The demand for power cables is closely related to industrialisation and infrastructure spending. In addition, under the Twelfth Malaysia Plan 2021-2025, investments in generation capacity and reinforcement of transmission and distribution networks will be continued to ensure the efficiency and reliability of electricity supply in Malaysia.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)****B3. Prospects of the Group (Cont'd)**

The Group is principally involved in the manufacturing and distribution of a wide range of LV power cables, control and instrumentation cables, and other related products for the local and overseas customers. The Group's objective is to further grow the position as an established wires and cables solutions provider in the markets that the Group operates. The business and growth strategies of the Group include the following:

- (i) venture into the manufacturing of medium-voltage ("MV") power cables; and
- (ii) expand the market coverage through export sales.

B4. Variance of Actual Profits from Profit Forecast

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

B5. Taxation

	Unaudited			
	Individual Quarter		Cumulative Quarter	
	30.09.2023	30.09.2022 ⁽¹⁾	30.09.2023	30.09.2022 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
- Current tax	2,698	N/A	7,649	N/A
- Deferred tax	(292)	N/A	(424)	N/A
Total income tax expense	2,406	N/A	7,225	N/A
Effective tax rate (%)	29.41	N/A	27.13	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

Notes:

(1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date available as no interim financial report was prepared for the comparative financial period concerned.

(2) N/A – not applicable.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)****B6. Status of Corporate Proposals**

On 28 December 2023, the Company issued its Prospectus in relation to the IPO in conjunction with the listing of the Company on the ACE Market of Bursa Securities, comprising the public issue of 158,100,000 new Shares and offer for sale of 127,500,000 existing shares in the Company. The Listing is pending completion as the Company is expected to be listed on 29 January 2024.

Save as disclosed above, there were no other corporate proposals pending completion as at the date of this interim financial report.

B7. Utilisation of Proceeds from the Public Issue

The gross proceeds of RM61.66 million to be raised from Public Issue is intended to be utilised in the following manner:

Details of utilisation of proceeds	Proposed utilisation	Percentage of utilisation	Actual utilisation	Balance to be utilised	Estimated timeframe for utilisation⁽¹⁾
	RM'000	%	RM'000	RM'000	
Construction of new MV power cable manufacturing plants	16,783	27.22	-	16,783	Within 15 months
Purchase of new machineries and equipment	24,387	39.55	-	24,387	Within 15 months
General working capital	16,289	26.42	-	16,289	Within 15 months
Defray fees and expenses relating to Listing	4,200	6.81	-	4,200	Within 3 months
	61,659	100.00	-	61,659	

Notes:

(1) From the date of Listing of the Company expected on 29 January 2024.

(2) The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus. As at the date of this unaudited interim financial report, the IPO is pending completion.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)****B8. Group Borrowings and Debt Securities**

	Unaudited	Audited
	30.09.2023	31.12.2022
	RM'000	RM'000
Non-current:		
Term loan	14,420	18,793
Hire purchase payable	131	175
	<u>14,551</u>	<u>18,968</u>
Current:		
Term loan	5,719	6,052
Bankers' acceptance	39,702	62,091
Bank overdrafts	-	62
Hire purchase payable	56	54
	<u>45,477</u>	<u>68,259</u>
Total borrowings	<u>60,028</u>	<u>87,227</u>

B9. Derivative Financial Instruments

There were no outstanding derivatives as at 30 September 2023.

B10. Material Litigation

There were no material litigations by or against the Group as at 30 September 2023.

B11. Dividends

No dividend has been declared for the financial period under review.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)****B12. Earnings Per Share**

The basic and diluted EPS for the current financial quarter under review and financial year-to-date are computed as follows:

	Unaudited			
	Individual Quarter		Cumulative Quarter	
	30.09.2023	30.09.2022 ⁽¹⁾	30.09.2023	30.09.2022 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Company	5,775	N/A	19,407	N/A
Number of ordinary shares in issue ('000)	861,900	N/A	861,900	N/A
Basic/Diluted EPS (sen) ⁽²⁾	0.67	N/A	2.25	N/A

Notes:

- (1) *This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date available as no interim financial report was prepared for the comparative financial period concerned.*
- (2) *Basic EPS is calculated based on the Company's share capital of 861,900,000 ordinary shares upon completion of the acquisition of MTWC but before the IPO. The diluted EPS is equivalent to the basic EPS as the Company does not have any convertible options as at the end of the current quarter and financial year-to-date under review.*
- (3) *N/A – not applicable.*

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MASTER TEC GROUP BERHAD

(Registration No. 202201040911 (1486608-P))

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)****B13. Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income**

The following items have been charged/(credited) in arriving at the profit before tax for the current financial quarter and the profit before tax for the financial year-to-date:

	Unaudited			
	Individual Quarter		Cumulative Quarter	
	30.09.2023	30.09.2022 ⁽¹⁾	30.09.2023	30.09.2022 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
After charging:				
Depreciation of property, plant and equipment	895	N/A	2,680	N/A
Depreciation of right-of-use assets	42	N/A	123	N/A
Property, plant and equipment written off	-	N/A	2	N/A
Interest expense	1,018	N/A	3,264	N/A
Listing expenses	829	N/A	1,394	N/A
After crediting:				
Interest income	210	N/A	699	N/A
Realised gain on foreign exchange	34	N/A	197	N/A

Notes:

(1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date available as no interim financial report was prepared for the comparative financial period concerned.

(2) N/A – not applicable.

B14. Authorisation for Issue

This interim financial report was authorised for issue by the board of directors of MTG on 24 January 2024.