

**MASTER TEC GROUP BERHAD**  
(Registration No. 202201040911 (1486608-P))  
(Incorporated in Malaysia)  
**INTERIM FINANCIAL REPORT**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**



**MASTER TEC GROUP BERHAD**  
(Registration No. 202201040911 (1486608-P))  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024<sup>(1)(2)</sup>**

	Note	Unaudited			
		Individual Quarter		Cumulative Quarter	
		30.9.2024	30.9.2023	30.9.2024	30.9.2023
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	87,625	N/A	227,615	N/A
Cost of sales		(77,719)	N/A	(199,471)	N/A
<b>Gross profit</b>		<b>9,906</b>	<b>N/A</b>	<b>28,144</b>	<b>N/A</b>
Other income		971	N/A	4,148	N/A
Administrative expenses		(1,502)	N/A	(4,941)	N/A
Selling and distribution expenses		(1,484)	N/A	(3,995)	N/A
<b>Profit from operations</b>		<b>7,891</b>	<b>N/A</b>	<b>23,356</b>	<b>N/A</b>
Finance costs		(853)	N/A	(2,448)	N/A
<b>Profit before tax</b>	B13	<b>7,038</b>	<b>N/A</b>	<b>20,908</b>	<b>N/A</b>
Income tax expense	B5	(1,073)	N/A	(1,251)	N/A
<b>Profit after tax/Total comprehensive income for the period</b>		<b>5,965</b>	<b>N/A</b>	<b>19,657</b>	<b>N/A</b>

**Profit after tax/Total comprehensive income attributable to:**

Owners of the Company		5,965	N/A	19,657	N/A
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**Earnings per share ("EPS")**

Basic/Diluted <sup>(3)</sup> (sen)	B12	0.62	N/A	2.03	N/A
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**Notes:**

- (1) *The basis of preparation of the above Unaudited condensed consolidated statements of profit or loss and other comprehensive income is disclosed in Note A1 and should be read in conjunction with audited financial statement for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.*
- (2) *This is the 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 period-to-date as the Company was listed on the ACE Market of Bursa Securities on 29 January 2024 and no interim financial report was prepared for the comparative financial period concerned.*
- (3) *Basic EPS is calculated based on weighted average number of ordinary shares of the Company of 968,022,000 as at 30 September 2024. 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 period-to-date under review.*
- (4) *N/A – not applicable.*

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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024<sup>(1)</sup>**

	<u>Unaudited</u>	<u>Audited</u>
	<u>As at 30.9.2024</u>	<u>As at 31.12.2023</u>
Note	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	1,024	-
Property, plant and equipment	84,294	55,692
Right-of-use assets	482	512
Intangible asset	5,000	5,000
<b>Total non-current assets</b>	<b>90,800</b>	<b>61,204</b>
<b>Current assets</b>		
Inventories	36,605	29,983
Trade receivables	68,325	70,147
Other receivables, deposits and prepayments	4,241	9,268
Fixed deposits with licensed banks	46,527	12,058
Tax recoverable	1,195	-
Cash and bank balances	24,416	42,820
<b>Total current assets</b>	<b>181,309</b>	<b>164,276</b>
<b>Total assets</b>	<b>272,109</b>	<b>225,480</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	146,004	86,190
Retained profits	88,236	79,738
Merger deficits	(56,190)	(56,190)
<b>Total equity</b>	<b>178,050</b>	<b>109,738</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	7,543	13,092
Deferred tax liabilities	5,506	6,017
Lease liabilities	324	376
<b>Total non-current liabilities</b>	<b>13,373</b>	<b>19,485</b>
<b>Current liabilities</b>		
Trade payables	25,337	16,763
Other payables and accruals	9,550	10,802
Loans and borrowings	45,305	66,274
Lease liabilities	191	163
Current tax liabilities	303	2,255
<b>Total current liabilities</b>	<b>80,686</b>	<b>96,257</b>
<b>Total liabilities</b>	<b>94,059</b>	<b>115,742</b>
<b>Total equity and liabilities</b>	<b>272,109</b>	<b>225,480</b>
Net assets per ordinary share attributable to owners of the Company (sen) <sup>(2)</sup>	17.46	12.73

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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30  
SEPTEMBER 2024 (CONT'D)<sup>(1)</sup>**

**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 audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial statements.*
  
- (2) *Net assets per ordinary share attributable to owners of the Company is calculated based on 1,020,000,000 shares of the Company after the Public Issue for the financial period ended 30 September 2024 and 861,900,000 shares of the Company before the Public Issue for the financial year ended 31 December 2023.*

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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024<sup>(1)(2)</sup>**

	Non-distributable		Distributable	Total Equity RM'000
	Share Capital RM'000	Merger Deficits RM'000	Retained Profits RM'000	
<b>As at 1 January 2024 (Audited)</b>	<b>86,190</b>	<b>(56,190)</b>	<b>79,738</b>	<b>109,738</b>
Contributions by and distributions to owners of the Company :-				
Issuance of shares <sup>(3)</sup>	61,659	-	-	61,659
Listing expenses	(1,845)	-	-	(1,845)
Dividends	-	-	(11,159)	(11,159)
Total transactions with owners of the Company	59,814	-	(11,159)	48,655
Profit after tax/Total comprehensive income for the financial period	-	-	19,657	19,657
<b>As at 30 September 2024 (Unaudited)</b>	<b>146,004</b>	<b>(56,190)</b>	<b>88,236</b>	<b>178,050</b>

**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 audited financial statement for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and period-to-date available as no interim financial report was prepared for the comparative financial period concerned.
- (3) Issuance of new shares pursuant to the Company's IPO.

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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024<sup>(1)(2)</sup>**

	Unaudited	
	Current	Preceding
	Period -To-Date	Period-To-Date
	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	20,908	N/A
Adjustments for:-		
Depreciation of property, plant and equipment	2,491	N/A
Depreciation of right-of-use assets	135	N/A
Interest expenses	2,448	N/A
Write off of trade receivables	48	N/A
Impairment loss on trade receivables	263	N/A
Property, plant and equipment written off	123	N/A
Interest income	(1,668)	N/A
<b>Operating income before working capital changes</b>	<b>24,748</b>	<b>N/A</b>
Changes in working capital:		
Increase in inventories	(6,623)	N/A
Decrease in trade and other receivables	6,532	N/A
Increase in trade and other payables	7,323	N/A
Cash generated from operations	<b>31,980</b>	<b>N/A</b>
Income tax paid	(4,906)	N/A
<b>Net cash from operating activities</b>	<b>27,074</b>	<b>N/A</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	1,668	N/A
Purchase of property, plant and equipment	(30,676)	N/A
Addition to right-of-use assets	(104)	N/A
Deposits paid for purchase of property, plant and equipment	(1,018)	N/A
Placement of fixed deposits pledged with licensed banks	(34,469)	N/A
<b>Net cash for investing activities</b>	<b>(64,599)</b>	<b>N/A</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net decrease in short-term borrowings	(17,236)	N/A
Dividend paid	(11,159)	N/A
Interest paid	(2,448)	N/A
Repayment of term loans	(9,659)	N/A
Repayment of lease liabilities	(54)	N/A
Repayment of hire purchase payable	(137)	N/A
Proceeds from issuance of ordinary shares	61,659	N/A
Payment of share issuance expenses	(1,845)	N/A
<b>Net cash from financing activities</b>	<b>19,121</b>	<b>N/A</b>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024 (CONT'D)<sup>(1)(2)</sup>**

	Unaudited	
	Current	Preceding
	Period-To-Date	Period-To-Date
	30.9.2024	30.9.2023
	RM'000	RM'000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(18,404)	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	42,820	N/A
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>24,416</u>	<u>N/A</u>
Cash and cash equivalents at the end of the period are represented by:		
Fixed deposits with licensed banks	46,527	N/A
Cash and bank balances	24,416	N/A
	70,943	N/A
Less: Fixed deposits pledged to licensed banks	(46,527)	N/A
	<u>24,416</u>	<u>N/A</u>

**Notes:**

- (1) *The above Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with audited financial statement for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.*
- (2) *This is the interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and period-to-date available as no interim financial report was prepared for the comparative financial period concerned.*

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

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**A. NOTES TO THE INTERIM FINANCIAL REPORT**

**A1. Basis of Preparation**

This condensed consolidated interim financial report of Master Tec Group Berhad (“**MTG**” or “**Company**”) and its subsidiary, Master Tec Wire & Cable Sdn. Bhd. (“**MTWC**”) (collectively, 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 the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

This is the Group’s interim financial report on the unaudited condensed consolidated financial results for the financial period ended 30 September 2024 announced by the Group in compliance with the Listing Requirements of Bursa Securities and as such, there are no comparative figures for the preceding year’s corresponding period since the Company was listed on the ACE Market of Bursa Securities on 29 January 2024.

This interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 which were prepared under MFRS. These explanatory notes attached to the interim financial statements provide an explanation on events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

**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 but not yet effective for the Group:

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

	<u><b>Effective Date</b></u>
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 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

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 consolidated financial statements of the Group upon their initial application.



**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

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

**A3. Auditors' Report on Preceding Annual Financial Statements**

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

**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 period-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 period-to-date under review.

**A6. Material Changes in Estimates**

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

**A7. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resales or repayments of debt and equity securities in the current quarter and financial period-to-date under review.

**A8. Dividend Paid**

The amount of dividend paid by the Company are as follows:

	<b>RM'000</b>
In respect of the financial year ended 31 December 2023:	
Single tier final dividend of 0.704 sen per ordinary share declared on 21 February 2024 and paid on 29 April 2024	7,181
In respect of the financial year ended 31 December 2024:	
Single tier interim dividend of 0.390 sen per ordinary share declared on 19 August 2024 and paid on 27 September 2024	3,978
	<u>11,159</u>

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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

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

**A9. Segmental Information**

The Group's revenue is segmented as follows:

	Unaudited			
	Individual Quarter		Cumulative Quarter	
	30.9.2024	30.9.2023 <sup>(1)</sup>	30.9.2024	30.9.2023 <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000
Manufacturing segment				
- low-voltage ("LV") power cables				
• copper-cored	56,429	N/A	132,136	N/A
• aluminium-cored	23,553	N/A	81,155	N/A
	<u>79,982</u>	<u>N/A</u>	<u>213,291</u>	<u>N/A</u>
-control and instrumentation cables	2,186	N/A	7,154	N/A
<b>Sub-total</b>	<b>82,168</b>	<b>N/A</b>	<b>220,445</b>	<b>N/A</b>
Trading segment	5,457	N/A	7,170	N/A
<b>Total</b>	<b>87,625</b>	<b>N/A</b>	<b>227,615</b>	<b>N/A</b>

**Notes:**

(1) This is the interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding and period-to-date available as the Company was listed on the ACE Market of Bursa Securities on 29 January 2024 and 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 quarter under review.

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

Subsequent to the end of the reporting period, MTG had on 10 October 2024, entered into a share subscription agreement for the subscription of 1,040,817 new ordinary shares in Sediacom Sdn. Bhd. ("**Sediacom**"), representing 51.00% equity interest of the enlarged issued shares of Sediacom for RM3,737,000.00. The Share Subscription was completed on 23 October 2024.

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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

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

**A12. Changes in the Composition of the Group**

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.

**A14. Related Party Transaction Disclosures**

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

	<b>Unaudited</b>	
	<b>Individual Quarter</b>	<b>Cumulative Quarter</b>
	<b>30.9.2024</b>	<b>30.9.2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>A company owned substantially by a director of the Group</b>		
Sale of goods	<u>2,286</u>	<u>6,932</u>

**A15. Capital Commitments**

The capital commitments of the Group as at the quarter ended 30 September 2024 under review are as follows:

	<b>As at</b>
	<b>30.9.2024</b>
	<b>RM'000</b>
<b>Approved and contracted for:</b>	
Purchase of new machineries and equipment	2,941
Construction of rooftop solar at MTWC's factory	1,553
Construction of manufacturing plants at Lot 1297 and Lot 1304	7,074
Purchase of freehold land - Lot 1309	2,319
	<u>13,887</u>
<b>Approved but not contracted for:</b>	
Purchase of new machineries and equipment	928
	<u>928</u>
<b>Total</b>	<b><u>14,815</u></b>

Save for the construction of the rooftop solar at MTWC's factory which will be funded via the Group's internally generated funds, the other 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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**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B1. Review of Financial Performance**

	<b>Unaudited</b>			
	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>30.9.2024</b>	<b>30.9.2023<sup>(1)</sup></b>	<b>30.9.2024</b>	<b>30.9.2023<sup>(1)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	87,625	N/A	227,615	N/A
Gross profit	9,906	N/A	28,144	N/A
Profit before tax (" <b>PBT</b> ")	7,038	N/A	20,908	N/A
Profit after tax/Total comprehensive income (" <b>PAT</b> ")	5,965	N/A	19,657	N/A

Notes:

(1) This is the interim financial report announced in compliance with the Listing Requirements of Bursa Securities. As such, there are no comparative figures for the preceding corresponding quarter and period-to-date as the Company was listed on the ACE Market of Bursa Securities on 29 January 2024 and no interim financial report was prepared for the comparative financial period concerned.

(2) N/A – not applicable.

The Group achieved revenue of approximately RM87.63 million for the current quarter under review mainly contributed from LV power cables which amounted to RM79.98 million, representing 91.28% of the total revenue.

For the current quarter under review, the Group recognised gross profit of RM9.91 million with gross profit margin of 11.30%, PBT of RM7.04 million with PBT margin of 8.03% and PAT of RM5.97 million with PAT margin of 6.81%.

For the 9-month financial period ended 30 September 2024, the Group recorded revenue of RM227.62 million, gross profit of RM 28.14 million with gross profit margin of 12.36%, PBT of RM20.91 million with PBT margin of 9.19% and PAT of RM 19.66 million with PAT margin of 8.64%.

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**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

**B2. Comparison with Immediate Preceding Quarter's Results**

	<u>CURRENT</u> <u>QUARTER</u> 30.9.2024	<u>IMMEDIATE</u> <u>PRECEDING</u> <u>QUARTER</u> 30.6.2024	
	RM'000	RM'000	Changes %
Revenue	87,625	72,845	20.3%
Profit before tax	7,038	8,761	-19.7%
Profit after tax/Total comprehensive income	5,965	8,703	-31.5%

The Group's revenue for the current financial quarter increased by RM14.78 million or 20.3% to RM 87.63 million as compared with the immediate preceding quarter of RM72.85 million, which was mainly attributable to higher revenue contribution from LV power cables.

The Group recorded a Profit Before Tax (PBT) of RM7.04 million for the current quarter, representing a decrease of RM1.72 million compared to the preceding quarter. The decline is primarily due to lower administrative expenses in the preceding quarter, mainly related to IPO costs. Excluding these non-recurring IPO expenses, the current quarter's PBT would be comparable to the previous quarter.

**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.

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.

In addition, the Share Subscription which was completed on 23 October 2024, provides MTG with an opportunity to expand the Group's business into the power infrastructure utilities market, offering immediate access to new markets through Sediacom's extensive experience and specialised knowledge in drilling and underground cable laying, overhead lines installation, road safety management, back reaming pulling high-density polyethylene (HDPE) pipes, and providing freight transport by road.

Overall, the Share Subscription presents an opportunity for the MTG Group to expand its offerings and improve its competitive position in the market. By leveraging on the strengths of Sediacom and MTWC, the Group is able to enhance its ability to meet the needs of its customers and achieve long term growth and profitability.

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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

**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	
	30.9.2024	30.9.2023 <sup>(1)</sup>	30.9.2024	30.9.2023 <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000
Current year tax expense:				
- Current tax	692	N/A	1,460	N/A
- Under provision in prior year	299	N/A	299	N/A
Deferred tax:				
- relating to origination and reversal of temporary differences	82	N/A	(508)	N/A
<b>Total income tax expense</b>	<b>1,073</b>	<b>N/A</b>	<b>1,251</b>	<b>N/A</b>
Effective tax rate (%) <sup>(2)</sup>	15.25	N/A	5.98	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

**Notes:**

- (1) This is the interim financial report announced in compliance with the Listing Requirements of Bursa Securities. As such, there are no comparative figures for the preceding corresponding quarter and period-to-date as the Company was listed on the ACE Market of Bursa Securities on 29 January 2024 and no interim financial report was prepared for the comparative financial period concerned.
- (2) The Group's effective tax rate for the quarter and period-to-date ended 30 September 2024 were lower than the statutory tax rate of 24.00% mainly due to tax incentives in respect of capital commitments.
- (3) N/A – Not applicable.

**B6. Status of Corporate Proposals**

There were no other corporate proposals pending completion as at the date of this interim financial report.

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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

**B7. Utilisation of Proceeds from the Public Issue**

The status of utilisation of gross proceeds of RM 61.66 million from Public Issue are as follows:

<u>Details of utilisation of proceeds</u>	<u>Proposed utilisation</u> RM'000	<u>Percentage of utilisation</u> %	<u>Actual utilisation</u> RM'000	<u>Balance to be utilised</u> RM'000	<u>Estimated timeframe for utilisation<sup>(1)</sup></u>
Construction of new MV power cable manufacturing plants	16,783	27.22	5,624	11,159	Within 15 months
Purchase of new machineries and equipment	24,387	39.55	21,760	2,627	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
	<u>61,659</u>	<u>100.00</u>	<u>31,584</u>	<u>30,075</u>	

**Notes:**

- (1) From the date of Listing of the Company on 29 January 2024.
- (2) The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus dated 28 December 2023.

**B8. Group Borrowings and Debt Securities**

	<u>Unaudited</u> <u>30.9.2024</u> RM'000	<u>Audited</u> <u>31.12.2023</u> RM'000
<b>Non-current:</b>		
Term loans	7,194	12,975
Hire purchase payable	349	117
	<u>7,543</u>	<u>13,092</u>
<b>Current:</b>		
Term loans	1,757	5,633
Bankers' acceptances	43,349	60,585
Hire purchase payable	199	56
	<u>45,305</u>	<u>66,274</u>
<b>Total borrowings</b>	<u><b>52,848</b></u>	<u><b>79,366</b></u>

**B9. Derivative Financial Instruments**

There were no outstanding derivatives as at 30 September 2024.

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**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

**B10. Material Litigation**

There were no material litigations by or against the Group as at 30 September 2024.

**B11. Dividends**

The board of directors had declared first interim single-tier dividend of 0.39 sen per ordinary shares amounting to RM3.978million in respect of financial year ending 31 December 2024 on 19 August 2024, which has been paid on 27 September 2024.

For the current quarter under review, the board of directors declare a second interim single-tier dividend of 0.180 sen per ordinary share for the financial year ending 31 December 2024. The entitlement date and payment date for the second interim dividend shall be on 3 December 2024 and 16 December 2024 respectively.

**B12. Earnings Per Share**

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

	Unaudited			
	Individual Quarter		Cumulative Quarter	
	30.9.2024	30.9.2023 <sup>(1)</sup>	30.9.2024	30.9.2023 <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Company	5,965	N/A	19,657	N/A
Weighted average number of ordinary shares in issue ('000)	968,022	N/A	968,022	N/A
Basic/Diluted EPS (sen) <sup>(2)</sup>	0.62	N/A	2.03	N/A

**Notes:**

- (1) This is the interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and period-to-date as the Company was listed on the ACE Market of Bursa Securities on 29 January 2024 and no interim financial report was prepared for the comparative financial period concerned.
- (2) Basic EPS is calculated based on weighted average number of ordinary shares of the Company of 968,022,000 as at 30 September 2024. 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 period-to-date under review.
- (3) N/A – not applicable.



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**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 included in arriving the profit before tax for the current quarter and the profit before tax for the financial period-to-date:

	<b>Unaudited</b>			
	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>30.9.2024</b>	<b>30.9.2023<sup>(1)</sup></b>	<b>30.9.2024</b>	<b>30.9.2023<sup>(1)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>After charging:</b>				
Depreciation of property, plant and equipment	838	N/A	2,491	N/A
Depreciation of right-of-use assets	47	N/A	135	N/A
Impairment losses on trade receivables	158	N/A	263	N/A
Write off of trade receivables	-	N/A	48	N/A
Property, plant and equipment written off	123	N/A	123	N/A
Interest expense	853	N/A	2,448	N/A
Listing expenses	3	N/A	575	N/A
Realised loss on foreign exchange	202	N/A	44	N/A
	<u>202</u>	<u>N/A</u>	<u>44</u>	<u>N/A</u>
<b>After crediting:</b>				
Interest income	627	N/A	1,668	N/A
Other income	545	N/A	2,523	N/A
	<u>545</u>	<u>N/A</u>	<u>2,523</u>	<u>N/A</u>

Save as disclosed above, the other disclosure items pursuant to Item 16 of Appendix 9B of the Listing Requirements of Bursa Securities are not applicable.

**Notes:**

(1) This is the interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and period-to-date as the Company was listed on the ACE Market of Bursa Securities on 29 January 2024 and 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 18 November 2024.