

IQ GROUP HOLDINGS BERHAD
(200301034523)(636944-U)
(Incorporated in Malaysia under the Companies Act, 1965)

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2024**

	Individual Quarter		Cumulative Quarter	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to-date for 6 months ended	Preceding year corresponding period of 6 months ended
	30 September 2024 RM'000	30 September 2023 RM'000	30 September 2024 RM'000	30 September 2023 RM'000
Revenue	26,208	24,746	49,204	58,701
Investment revenue	176	174	311	280
Other gains and losses	(6,063)	357	(6,169)	3,343
Changes in inventories of finished goods and work-in-progress	624	739	2,478	(739)
Raw materials and consumables used	(10,029)	(11,257)	(20,564)	(26,966)
Purchase of trading goods	(8)	(159)	(55)	(210)
Employee benefits expense	(9,383)	(9,471)	(19,411)	(19,141)
Depreciation and amortisation of non-current assets	(1,007)	(1,148)	(2,152)	(2,355)
Finance costs	(44)	(48)	(95)	(102)
Other operating expenses	(5,223)	(3,707)	(10,609)	(7,257)
Development cost written off	-	-	-	-
Profit/(loss) before tax	(4,749)	226	(7,062)	5,554
Tax income/(expense)	(145)	(233)	(247)	(788)
Profit/(loss) for the period	(4,894)	(7)	(7,309)	4,766
Profit/(loss) for the period attributable to:				
Owners of the Company	(4,894)	(7)	(7,309)	4,766
Non-controlling interests	-	-	-	-
	(4,894)	(7)	(7,309)	4,766
Earnings/(loss) per ordinary share attributable to owners of the Company (sen):				
Basic	(5.56)	(0.01)	(8.30)	5.41
Diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 March 2024 and the accompanying explanatory notes attached to this interim financial report.

IQ GROUP HOLDINGS BERHAD
(200301034523)(636944-U)
(Incorporated in Malaysia under the Companies Act, 1965)

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2024**

	Individual Quarter		Cumulative Quarter	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to-date for 6 months ended	Preceding year corresponding period of 6 months ended
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) for the period	(4,894)	(7)	(7,309)	4,766
Exchange differences on translating foreign operations	(4,238)	18	(4,566)	(80)
Total comprehensive income/(loss) for the period	<u>(9,132)</u>	<u>11</u>	<u>(11,875)</u>	<u>4,686</u>
Total comprehensive income/(loss) attributable to:				
Owners of the Company	(9,132)	11	(11,875)	4,686
Non-controlling interests	-	-	-	-
	<u>(9,132)</u>	<u>11</u>	<u>(11,875)</u>	<u>4,686</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2024 and the accompanying explanatory notes attached to this interim financial report.

IQ GROUP HOLDINGS BERHAD
(200301034523)(636944-U)
(Incorporated in Malaysia under the Companies Act, 1965)

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at end of current quarter 30 September 2024 Unaudited RM'000	As at preceding financial year ended 31 March 2024 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	9,085	9,716
Right-of-use assets	3,658	4,464
Product development costs	4,142	4,465
Deferred tax assets	1,079	1,191
Total non-current assets	17,964	19,836
Current assets		
Inventories	31,377	34,505
Trade and other receivables	33,519	46,753
Current tax assets	364	472
Other assets	1,603	1,802
Short-term deposits with licensed banks	24,795	27,995
Cash and bank balances	32,982	25,041
Total current assets	124,640	136,568
Total assets	142,604	156,404
EQUITY AND LIABILITIES		
Capital and reserves		
Issued capital	96,177	96,177
Reserves	2,685	7,251
Retained earnings/(accumulated losses)	20,473	27,782
Total equity attributable to Owners of the Company	119,335	131,210
Non-controlling interest	-	-
Total equity	119,335	131,210
Non-current liabilities		
Deferred tax liabilities	-	-
Lease liabilities	1,589	2,225
Bank Borrowings	-	491
Total non-current liabilities	1,589	2,716
Current liabilities		
Trade and other payables	18,883	19,139
Lease liabilities	933	1,070
Bank Borrowings	992	1,002
Tax liabilities	872	1,267
Total current liabilities	21,680	22,478
Total liabilities	23,269	25,194
Total equity and liabilities	142,604	156,404
Net assets per share attributable to owners of the Company (RM)	1.36	1.49

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2024 and the accompanying explanatory notes attached to this interim financial report.

IQ GROUP HOLDINGS BERHAD
(200301034523)(636944-U)
(Incorporated in Malaysia under the Companies Act, 1965)

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

	-----Attributable to owners of the Company -----				
	Non-Distributable			Distributable	
	Issued Capital RM'000	Translation Reserve RM'000	Legal Reserve RM'000	Retained Earnings RM'000	Total RM'000
Balance as of 1 April 2024	96,177	7,126	125	27,782	131,210
Profit/(Loss) for the year	-	-	-	(7,309)	(7,309)
Other comprehensive income/(loss) for the period	-	(4,566)	-	-	(4,566)
Total comprehensive income/(loss) for the period	-	(4,566)	-	(7,309)	(11,875)
Transfer to legal reserve	-	-	-	-	-
Balance as of 30 September 2024	96,177	2,560	125	20,473	119,335
Balance as of 1 April 2023	96,177	6,658	125	21,360	124,320
Profit/(Loss) for the year	-	-	-	4,766	4,766
Other comprehensive income/(loss) for the period	-	(80)	-	-	(80)
Total comprehensive income/(loss) for the period	-	(80)	-	4,766	4,686
Transfer to legal reserve	-	-	-	-	-
Balance as of 30 September 2023	96,177	6,578	125	26,126	129,006

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2024 and the accompanying explanatory notes attached to this interim financial report.

IQ GROUP HOLDINGS BERHAD

(200301034523)(636944-U)

(Incorporated in Malaysia under the Companies Act, 1965)

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

	Current year ended 30 September 2024 RM'000	Preceding year ended 30 September 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) for the year	(7,309)	4,766
Adjustments for :		
Tax expense/ (income) recognised in profit or loss	247	788
Depreciation and amortisation of non-current assets	2,152	2,355
Unrealised (gain)/loss on foreign exchange	4,711	(835)
(Gain)/Loss on disposal of property, plant and equipment	-	(65)
Inventories written off	250	208
Property, plant and equipment written off	10	-
Finance costs	95	102
Interest income	(311)	(280)
Other non-cash items	(322)	(24)
Operating profit/(loss) before working capital changes	(477)	7,015
(Increase) / Decrease in:		
Inventories	2,878	494
Trade and other receivables	8,728	6,645
Other assets	198	(1,333)
Increase / (Decrease) in:		
Trade and other payables	677	(103)
Cash generated from operations	12,004	12,718
Tax refunded	124	1,408
Tax paid	(546)	(1,804)
Net cash (used in)/generated from operating activities	11,582	12,322
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	311	280
Proceeds from disposal of property, plant and equipment	-	75
Purchase of property, plant and equipment	(652)	(1,082)
Addition to capitalised development costs	(341)	(685)
Net cash (used in)/generated from investing activities	(682)	(1,412)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(496)	(565)
Interest paid	(95)	(102)
Repayment of borrowings	(501)	(1,442)
Net cash (used in)/generated from financing activities	(1,092)	(2,109)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	9,808	8,801
Effect of foreign exchange rate changes	(5,067)	341
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	53,036	48,510
CASH AND CASH EQUIVALENTS AT END OF PERIOD	57,777	57,652

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 March 2024 and the accompanying explanatory notes attached to this interim financial report.

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2024

**PART A : EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134
- INTERIM FINANCIAL REPORTING**

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting, Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities).

The accounting policies and methods of computation adopted by the Group for the interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 March 2024.

The preparation of an interim financial report in conformity with MFRS 134, Interim Financial Reporting requires management to make judgement, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

At the date of authorisation of these interim financial statements, the following MFRSs and Amendments to MFRS were issued but not yet effective and have not been applied by the Group.

MFRS and Amendments to MFRS	Effective for annual period beginning on or after
Amendments to MFRS 121 Lack of Exchangeability	1 January 2025
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRS 10 Sale or Contribution of Assets between an Investor and its Associate or and MFRS 128 Joint Venture	Deferred to a date to be announced by MASB

During the current financial year, the Group has adopted all the new and revised MFRSs that are relevant and effective for the current financial year. The adoption of the new and revised MFRSs has no significant impact on the financial statements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2024.

2. AUDIT REPORT ON THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the preceding annual financial statements was not subject to any qualification.

3. SEASONAL OR CYCLICAL FACTORS

The Group serves a wide customer base in Europe, Japan, Australasia and USA with localised seasonal and model mix requirements. Hence fluctuations in demand during the year are normal and expected.

4. UNUSUAL MATERIAL EVENTS

There was no unusual material event during the reporting quarter.

5. MATERIAL CHANGES IN ESTIMATES

There were no changes in estimates that have a material effect in the current quarter results.

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

6. CHANGES IN DEBT AND EQUITY SECURITIES

Proposed Authority for the Company to purchase its own shares

At the Annual General Meeting of the Company held on 29 August 2024, the shareholders of the Company had granted a mandate for the Company to purchase its own ordinary shares as may be determined by the Directors of the Company up to maximum of 10% of the issued and paid-up capital of the Company. The mandate will expire upon the conclusion of the next Annual General Meeting of the Company.

There were no cancellations, repurchases, resale and repayment of debt and equity securities, share buy-back or shares held as treasury shares during the quarter ended 30 September 2024.

7. DIVIDENDS PAID

No dividend has been paid by the Company for the quarter ended 30 September 2024.

8. SEGMENT REPORTING

**Cumulative quarter ended
30 September 2024**

	Investment holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Total RM'000
<u>Revenue</u>					
External revenue	-	42,786	6,418	-	49,204
Inter-segment revenue	3,229	45,851	-	(49,080)	-
Total revenue	<u>3,229</u>	<u>88,637</u>	<u>6,418</u>	<u>(49,080)</u>	<u>49,204</u>

	Investment holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Total RM'000
<u>Results</u>					
Profit/(loss) from operations	(275)	(6,651)	(508)	61	(7,373)
Investment revenue	286	25	-	-	311
Profit/(loss) before tax					(7,062)
Income tax income/(expense)					(247)
Profit/(loss) after tax					<u>(7,309)</u>

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation. There was no revaluation of property, plant and equipment for the current quarter.

10. MATERIAL SUBSEQUENT EVENT

There were no material events subsequent to the current financial quarter ended 30 September 2024 up to the date of this report.

11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter.

12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material contingent liabilities or contingent assets as at date of issue of this interim financial report.

IQ GROUP HOLDINGS BERHAD
(200301034523)(636944-U)
(Incorporated in Malaysia under the Companies Act, 1965)

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2024

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. PERFORMANCE REVIEW

Financial review for current quarter and financial year to date

	Individual Quarter		Changes	Cumulative Quarter		Changes
	Current year quarter ended	Preceding year corresponding quarter ended		Current year to-date for 6 months ended	Preceding year corresponding period of 6 months ended	
	30 September 2024	30 September 2023		30 September 2024	30 September 2023	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	26,208	24,746	6%	49,204	58,701	-16%
Operating Profit/(Loss)	1,182	(257)	560%	(1,109)	2,033	-155%
Profit/(Loss) Before Interest and Tax	(4,705)	274	-1817%	(6,967)	5,656	-223%
Profit/(Loss) Before Tax	(4,749)	226	-2201%	(7,062)	5,554	-227%
Profit/(Loss) After Tax	(4,894)	(7)	-69814%	(7,309)	4,766	-253%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	(4,894)	(7)	-69814%	(7,309)	4,766	-253%

For the current quarter under review, the Group's revenue increased by RM1.46 million or 5.9% as compared to the second quarter ended 30 September 2023.

The Group recorded a loss before taxation of RM4.75 million for the quarter under review, representing a decrease in profit before tax by RM4.98 million as compared to that of the preceding year quarter. Despite increase in revenue, profit before tax decrease mainly due to higher foreign exchange loss of RM6.20 million in current year quarter as compared to preceding year quarter resulting from strengthening of the Ringgit Malaysia against the US Dollar and Renminbi.

IQ GROUP HOLDINGS BERHAD
(200301034523)(636944-U)
(Incorporated in Malaysia under the Companies Act, 1965)

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

Segmental Analysis

The performance of the respective operating segments are analysed as follows:-

	Individual Quarter		Cumulative Quarter	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to-date for 6 months ended	Preceding year corresponding period of 6 months ended
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
	RM'000	RM'000	RM'000	RM'000
Revenue				
Investment holding	1,676	1,437	3,229	2,915
Manufacturing	45,853	43,501	88,637	108,036
Trading	3,958	6,009	6,418	12,354
Total	51,487	50,947	98,284	123,305
Eliminations	(25,279)	(26,201)	(49,080)	(64,604)
Revenue after eliminations	26,208	24,746	49,204	58,701
Profit/(loss) before tax				
Investment holding	80	62	10	237
Manufacturing	(5,109)	333	(6,626)	5,938
Trading	16	(342)	(507)	(320)
Total	(5,013)	53	(7,123)	5,855
Eliminations	264	173	61	(301)
Profit/(Loss) before tax after eliminations	(4,749)	226	(7,062)	5,554

Investment Holdings

Q2 FY2025 vs. Q2 FY2024

The investment holding segment profit increased by RM0.02 million in the current quarter as compared to preceding year quarter, mainly due to higher revenue and higher interest income in current year quarter as compared to preceding year quarter.

However, the positive impact was offset by foreign exchange loss of RM0.10 million in current year quarter as compared to foreign exchange gain of RM0.01 million in preceding year quarter.

Q2 YTD FY2025 vs. Q2 YTD FY2024

The investment holding segment YTD profit decreased by RM0.23 million in the current year as compared to preceding year, mainly due to foreign exchange loss of RM0.10 million in current year as compared to foreign exchange gain of RM0.11 million in preceding year.

However, the negative impact was offset by higher revenue and higher interest income in current year as compared to preceding year.

Manufacturing

Q2 FY2025 vs. Q2 FY2024

The manufacturing segment profit is decreased by RM5.44 million in the current year quarter as compared to preceding year quarter, mainly due to foreign exchange loss by RM6.47 million in current year quarter as compared to foreign exchange gain of RM0.06 million in preceding year quarter.

However, the negative impact was offset by higher gross profit as a result of higher revenue in current year quarter as compared to preceding year quarter.

IQ GROUP HOLDINGS BERHAD
(200301034523)(636944-U)
(Incorporated in Malaysia under the Companies Act, 1965)

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

Q2 YTD FY2025 vs. Q2 YTD FY2024

The manufacturing segment YTD profit decreased by RM12.56 million in the current year as compared to preceding year, mainly due to the following:

- a. Decrease in revenue in current year as compared to preceding year due to economic slow down in the industry.
- b. Foreign exchange loss of RM6.48 million in current year as compared to foreign exchange gain of RM2.58 million in preceding year.

Trading

Q2 FY2025 vs. Q2 FY2024

The trading segment profit increased by RM0.36 million in the current year quarter as compared to preceding year quarter. The profit increased mainly due to foreign exchange gain of RM0.37 million in current year quarter as compared to foreign exchange loss of RM0.06 million in preceding year quarter.

However, the positive impact was offset by decrease in revenue in current year quarter as compared to preceding year quarter.

Q2 YTD FY2025 vs. Q2 YTD FY2024

The trading segment YTD profit decreased by RM0.19 million in the current year as compared to preceding year. The profit decreased mainly due to decrease in revenue in current year as compared to preceding year.

However, the negative impact was offset by foreign exchange gain of RM0.22 million in current year as compared to foreign exchange loss of RM0.02 million in preceding year.

2. COMPARISON WITH THE IMMEDIATE PRECEDING QUARTER'S RESULTS

Financial review for current quarter compared to immediate preceding quarter

	Current Year Quarter ended 30 September 2024 RM'000	Immediate Preceding Quarter ended 30 June 2024 RM'000	Changes %
Revenue	26,208	22,996	14.0%
Operating Profit/(Loss)	1,182	(2,291)	151.6%
Profit/(Loss) Before Interest and Tax	(4,705)	(2,262)	-108.0%
Profit/(Loss) Before Tax	(4,749)	(2,313)	-105.3%
Profit/(Loss) After Tax	(4,894)	(2,415)	-102.7%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	(4,894)	(2,415)	-102.7%

The Group's revenue for the current quarter was RM26.21 million, representing an increase of RM3.21 million or 14% as compared to that of the immediate preceding quarter ended 30 June 2024, mainly due to delay in preceding quarter sales to this quarter.

The Group recorded a loss before taxation of RM4.75 million for the quarter under review. The Group's loss before tax increased by RM2.44 million as compared to that of the immediate preceding quarter, mainly due to higher foreign exchange loss by RM6.06 million in current year quarter as compared to immediate preceding quarter.

However, the negative impact was offset by the following:

- a. Higher gross profit due to higher revenue in current year quarter as compared to immediate preceding quarter.
- b. Some cost of quality incurred in immediate preceding quarter.

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

3. COMMENTARY ON PROSPECTS

The industry, of which IQ-group's core ODM business is a part, continues to transit through more challenging circumstances.

Geo-political tensions, rising construction costs and economic slowdowns are having an impact on multiple key territories. The German economy remains very much subdued with implications across Europe and Japan remains under similar pressure due to sustained foreign exchange realities. These scenarios have direct consequences to the local construction industries, where many building projects are being delayed, paused, scaled-back or even cancelled - a position highlighted to us by several of our key customers in recent weeks. This situation has an obvious knock-on effect to IQ-group, where our customers' forecasts are being modified, resulting in a slowdown, hence a reduction of orders.

Recent conversations with key customers suggest more positive conditions are hoped for in late 2025, but too many uncertainties remain for them to make more precise predictions. It is of note that we have been made aware that IQ-group's competition, as well as the competitors of our customers are under similar pressure - where the negative implications have in cases been worse than our own, or those of the customers we support.

In the midst of the above mentioned backdrop, our forward looking confidence is rooted both in our maintained ambition and in our response (Organisationally, Strategically & Tactically): The recently formed IQ ODM Business Unit is embarked upon aggressive engagement with IQ-group's ODM customer base - against a plan for growth - exploring, proposing and collaborating on areas which target hastened sales recovery and subsequent growth. In parallel, the recently formed Lumiqs+ Business Unit - responsible for both Lumiqs Pro (intelligent commercial lighting) & Lumiqs Home (global retail business) is exploring viable routes to target consolidated global volume business - scale economy and optimised manufacturing to drive the resulting opportunity and prospects for increasingly profitable results.

Despite the external conditions, with the above mentioned Business Unit initiatives, with IQ-group's cash position permitting related investment and with a Group-wide commitment and determination to deliver against these objectives, we remain both realistic about the short term realities and challenges, but also upbeat and positive with regard to what we believe IQ-group can ultimately achieve going forward.

4. VARIANCE OF ACTUAL AND FORECASTED PROFIT AND SHORTFALL IN PROFIT GUARANTEE

The disclosure requirements for explanatory notes for the variance of actual profit after tax and forecast profit after tax are not applicable.

The Group did not announce any profit guarantee.

5. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended 30 Sep 2024 RM'000	Current year- to-date ended 30 Sep 2024 RM'000
Interest income	(176)	(311)
Other expense/ (income) including investment income **	(150)	(195)
Interest expense	44	95
Depreciation and amortisation	1,007	2,152
Provision for and written off of receivables *	-	-
Provision for and written off of inventories	113	250
(Gain)/Loss on disposal of quoted/unquoted investments *	-	-
(Gain)/Loss on disposal of properties *	-	-
Impairment of assets #	-	-
Foreign exchange (gain) or loss	6,213	6,364
(Gain) or loss on derivatives *	-	-
Exceptional item charged / (credited) *	-	-

* Not applicable during the period

Product development cost written off

** Exclude interest income

IQ GROUP HOLDINGS BERHAD
(200301034523)(636944-U)
(Incorporated in Malaysia under the Companies Act, 1965)

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

6. INCOME TAX EXPENSE

	Quarter ended 30 Sep 2024 RM'000	Current year- to-date ended 30 Sep 2024 RM'000
Estimated income tax expense:		
Current tax expense/(income)	102	235
Under/(over)-provision in prior year	-	-
Deferred tax	43	12
	<u>145</u>	<u>247</u>

The Group's current quarter income tax reflects an effective tax rate which is higher than the statutory income tax rate mainly due to interest income of the company is subjected to corporate tax and losses of certain subsidiaries which cannot be offset against taxable profits made by other subsidiaries.

The Group's financial year to-date income tax reflects an effective tax rate which is higher than the statutory income tax rate mainly due to interest income of the company is subjected to corporate tax and losses of certain subsidiaries which cannot be offset against taxable profits made by other subsidiaries.

7. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT YET TO BE COMPLETED

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

8. GROUP BORROWINGS AND DEBT SECURITIES

Bank borrowings

	As at 30 Sep 2024 RM'000	As at 31 Mar 2024 RM'000
<u>Short term</u>		
Term loan (secured)	992	1,002
<u>Long term</u>		
Term loan (secured)	-	491
Term loan (unsecured)	-	-
	<u>992</u>	<u>1,493</u>

The currency profile of borrowings are as follows:

	As at 30 Sep 2024 RM'000	As at 31 Mar 2024 RM'000
Ringgit Malaysia	992	1,493
Japanese Yen	-	-
	<u>992</u>	<u>1,493</u>

9. FINANCIAL INSTRUMENTS

As at 30 September 2024, there is no foreign currency contract which have been entered into by the Group to hedge its foreign receivables.

10. MATERIAL LITIGATION

There was no material litigation pending as at date of issue of this interim financial report.

IQ GROUP HOLDINGS BERHAD
(200301034523)(636944-U)
(Incorporated in Malaysia under the Companies Act, 1965)

SECOND QUARTER REPORT ENDED 30 SEPTEMBER 2024

11. DIVIDENDS DECLARED OR PAYABLE

No interim dividend has been declared by the Company for the quarter ended 30 September 2024.

12. EARNINGS PER SHARE

a. Basic earnings per share

Basic earnings/(loss) per share is calculated by dividing the net profit/(loss) for the period by the weighted average number of ordinary shares in issue during the period.

	Current Quarter ended 30 Sep 2024	Current year- to-date ended 30 Sep 2024
Profit/(loss) for the period attributable to the owners of the Company (RM'000)	<u>(4,894)</u>	<u>(7,309)</u>
Weighted average number of ordinary shares in issue ('000)	<u>88,028</u>	<u>88,028</u>
Basic earnings/(loss) per share (sen)	<u>(5.56)</u>	<u>(8.30)</u>

b. Diluted earnings per share

The Group has no dilution in its earnings per ordinary share for the current quarter and year to-date under review as the Group has no potential ordinary shares in issue.

Date: 26 November 2024