



**EITA RESOURCES BERHAD**  
(Company No.: 199601026396 (398748-T))

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 June 2023**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*(The figures have not been audited)*

	Individual Financial Quarter Ended				Cumulative Financial Quarter Ended			
	30.06.2023	30.06.2022	Changes		30.06.2023	30.06.2022	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	87,590	79,678	7,912	9.9%	232,009	284,680	(52,671)	(18.5%)
<b>Results from operating activities</b>	3,708	6,154	(2,446)	(39.7%)	6,665	24,173	(17,508)	(72.4%)
Finance costs	(797)	(465)	(332)	(71.4%)	(2,102)	(1,956)	(146)	(7.5%)
Finance income	108	92	16	17.4%	324	246	78	31.7%
Net finance costs	(689)	(373)	(316)	(84.7%)	(1,778)	(1,710)	(68)	(4.0%)
Share of profit / (loss) of equity-accounted joint venture, net of tax	108	(95)	203	213.7%	(86)	(127)	41	32.3%
<b>Profit before tax</b>	3,127	5,686	(2,559)	(45.0%)	4,801	22,336	(17,535)	(78.5%)
Tax expense	(3,287)	(820)	(2,467)	(300.9%)	(4,354)	(5,287)	933	17.6%
<b>(Loss) / Profit for the period</b>	(160)	4,866	(5,026)	(103.3%)	447	17,049	(16,602)	(97.4%)



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**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)**

*(The figures have not been audited)*

	Individual Financial				Cumulative Financial			
	Quarter Ended		Changes		Quarter Ended		Changes	
	30.06.2023	30.06.2022	RM'000	%	30.06.2023	30.06.2022	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
<b>Other comprehensive income, net of tax</b>								
Foreign currency translation differences								
for foreign operations	404	224	180	80.4%	686	323	363	112.4%
Cash flow hedge	-	-	-	-	-	6	(6)	(100.0%)
Total other comprehensive income for the period	404	224	180	80.4%	686	329	357	108.5%
<b>Total comprehensive income for the period</b>	244	5,090	(4,846)	(95.2%)	1,133	17,378	(16,245)	(93.5%)
<b>Profit / (Loss) attributable to:</b>								
Owners of the Company	1,690	5,023	(3,333)	(66.4%)	4,675	15,944	(11,269)	(70.7%)
Non-controlling interests	(1,850)	(157)	(1,693)	(1,078.3%)	(4,228)	1,105	(5,333)	(482.6%)
	(160)	4,866	(5,026)	(103.3%)	447	17,049	(16,602)	(97.4%)



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**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 June 2023**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)**

*(The figures have not been audited)*

	Individual Financial				Cumulative Financial			
	Quarter Ended		Changes		Quarter Ended		Changes	
	30.06.2023	30.06.2022	RM'000	%	30.06.2023	30.06.2022	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
<b>Total comprehensive income /(expense)</b>								
<b>attributable to:</b>								
Owners of the Company	2,053	5,225	(3,172)	(60.7%)	5,292	16,241	(10,949)	(67.4%)
Non-controlling interests	(1,809)	(135)	(1,674)	(1,240.0%)	(4,159)	1,137	(5,296)	(465.8%)
	<u>244</u>	<u>5,090</u>	<u>(4,846)</u>	<u>(95.2%)</u>	<u>1,133</u>	<u>17,378</u>	<u>(16,245)</u>	<u>(93.5%)</u>
<b>Earnings per share:</b>								
- Basic (sen)	<u>0.65</u>	<u>1.93</u>	<u>(1.28)</u>	<u>(66.3%)</u>	<u>1.80</u>	<u>6.13</u>	<u>(4.33)</u>	<u>(70.6%)</u>
- Diluted (sen)	<u>0.65</u>	<u>1.85</u>	<u>(1.20)</u>	<u>(64.9%)</u>	<u>1.77</u>	<u>5.79</u>	<u>(4.02)</u>	<u>(69.4%)</u>

*(The unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2022 and the accompanying explanatory notes attached to these interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 June 2023**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*(The figures have not been audited)*

	<b>Individual Financial Quarter Ended</b>		<b>Changes</b>	
	<b>30.06.2023</b>	<b>31.03.2023</b>	<b>RM'000</b>	<b>%</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	87,590	71,396	16,194	22.7%
<b>Results from operating activities</b>	3,708	271	3,437	1,268.3%
Finance costs	(797)	(745)	(52)	(7.0%)
Finance income	108	92	16	17.4%
Net finance costs	(689)	(653)	(36)	(5.5%)
Share of profit / (loss) of equity-accounted joint venture, net of tax	108	(237)	345	145.6%
<b>Profit / (Loss) before tax</b>	3,127	(619)	3,746	605.2%
Tax expense	(3,287)	(382)	(2,905)	(760.5%)
<b>Loss for the period</b>	(160)	(1,001)	841	84.0%
<b>Other comprehensive income, net of tax</b>				
Foreign currency translation differences for foreign operations	404	163	241	147.9%
<b>Total comprehensive income / (expense) for the period</b>	244	(838)	1,082	129.1%
<b>Profit / (Loss) attributable to:</b>				
Owners of the Company	1,690	1,066	624	58.5%
Non-controlling interests	(1,850)	(2,067)	217	10.5%
	(160)	(1,001)	841	84.0%

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 June 2023**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)**

*(The figures have not been audited)*

	<b>Individual Financial</b>			
	<b>Quarter Ended</b>			
	<b>30.06.2023</b>	<b>31.03.2023</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>Total comprehensive income / (expense)</b>				
<b>attributable to:</b>				
Owners of the Company	2,053	1,213	840	69.2%
Non-controlling interests	(1,809)	(2,051)	242	11.8%
	<u>244</u>	<u>(838)</u>	1,082	129.1%
<b>Earnings per share:</b>				
- Basic (sen)	<u>0.65</u>	<u>0.41</u>	0.24	58.5%
- Diluted (sen)	<u>0.65</u>	<u>0.40</u>	0.25	62.5%

*(The unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2022 and the accompanying explanatory notes attached to these interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 June 2023**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*(The figures have not been audited)*

	Note	30.06.2023 RM'000 (Unaudited)	30.09.2022 RM'000 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		44,769	44,042
Right-of-use assets		9,302	8,420
Intangible assets		234	278
Investment properties		9,577	9,604
Investment in joint venture		1,450	1,535
Other investments		-	10
Finance lease receivables		32	-
Deferred tax assets		6,372	5,243
<b>Total non-current assets</b>		71,736	69,132
<b>Current assets</b>			
Inventories		47,095	43,219
Contract assets		96,776	82,860
Trade and other receivables		64,756	61,234
Finance lease receivables		16	-
Current tax assets		3,205	3,058
Deposits and prepayments		11,406	10,094
Derivative financial assets		2,715	71
Other investments		1,086	1,029
Cash and cash equivalents		52,372	77,230
<b>Total current assets</b>		279,427	278,795
<b>TOTAL ASSETS</b>		<u>351,163</u>	<u>347,927</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		69,382	69,382
Reserves		140,965	139,575
Total equity attributable to owners of the Company		210,347	208,957
Non-controlling interests		(247)	3,917
<b>TOTAL EQUITY</b>		<u>210,100</u>	<u>212,874</u>

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 June 2023**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

*(The figures have not been audited)*

	Note	30.06.2023 RM'000 (Unaudited)	30.09.2022 RM'000 (Audited)
<b>EQUITY AND LIABILITIES</b> (continued)			
<b>Non-current liabilities</b>			
Loans and borrowings	B7	11,006	13,389
Lease liabilities		2,971	2,266
Deferred tax liabilities		939	1,238
<b>Total non-current liabilities</b>		14,916	16,893
<b>Current liabilities</b>			
Loans and borrowings	B7	35,318	31,791
Lease liabilities		2,036	1,588
Provision for warranties		650	408
Trade and other payables		74,731	53,967
Contract liabilities		11,104	28,790
Current tax payable		1,755	1,004
Derivative financial liabilities		553	612
<b>Total current liabilities</b>		126,147	118,160
<b>TOTAL LIABILITIES</b>		<u>141,063</u>	<u>135,053</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>351,163</u>	<u>347,927</u>
<b>Net assets per share attributable to equity holders of the Company (RM)</b>		0.81	0.80

*(The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2022 and the accompanying explanatory notes attached to these interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 June 2023**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

*(The figures have not been audited)*

	Attributable to owners of the Company			Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Translation Reserve RM'000	Retained Profits RM'000			
<b><u>Period Ended 30 June 2023</u></b>						
At 1 October 2022	69,382	1,608	137,967	<b>208,957</b>	3,917	<b>212,874</b>
Foreign currency translation differences for foreign operation	-	617	-	<b>617</b>	69	<b>686</b>
Profit / (loss) for the period	-	-	4,675	<b>4,675</b>	(4,228)	<b>447</b>
<b>Total comprehensive income / (expenses) for the period</b>	-	617	4,675	<b>5,292</b>	(4,159)	<b>1,133</b>
Changes in ownership in a subsidiary	-	-	-	-	122	<b>122</b>
Dividend to owners of the Company	-	-	(3,902)	<b>(3,902)</b>	-	<b>(3,902)</b>
Dividends to non-controlling interests	-	-	-	-	(127)	<b>(127)</b>
<b>Total transactions with owners of the Company</b>	-	-	(3,902)	<b>(3,902)</b>	(5)	<b>(3,907)</b>
At 30 June 2023	69,382	2,225	138,740	<b>210,347</b>	(247)	<b>210,100</b>



**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 June 2023**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

*(The figures have not been audited)*

<b>Period Ended 30 June 2022</b>	<b>&lt; ----- Attributable to owners of the Company ----- &gt;</b>				<b>Total</b>	<b>Non-Controlling</b>	<b>Total</b>
	<b>Share Capital</b>	<b>Translation Reserve</b>	<b>Hedging Reserve</b>	<b>Retained Profits</b>			
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 October 2021	69,305	1,087	(37)	127,716	<b>198,071</b>	3,828	<b>201,899</b>
Foreign currency translation differences for foreign operation	-	291	-	-	<b>291</b>	32	<b>323</b>
Cash flow hedge	-	-	6	-	<b>6</b>	-	<b>6</b>
Profit for the period	-	-	-	15,944	<b>15,944</b>	1,105	<b>17,049</b>
<b>Total comprehensive income for the period</b>	-	291	6	15,944	<b>16,241</b>	1,137	<b>17,378</b>
Dividend to owners of the Company	-	-	-	(3,900)	<b>(3,900)</b>	-	<b>(3,900)</b>
Dividend to non-controlling interests	-	-	-	-	-	(128)	<b>(128)</b>
Share options exercised	76	-	-	-	<b>76</b>	-	<b>76</b>
<b>Total transactions with owners of the Company</b>	76	-	-	(3,900)	<b>(3,824)</b>	(128)	<b>(3,952)</b>
At 30 June 2022	69,381	1,378	(31)	139,760	<b>210,488</b>	4,837	<b>215,325</b>

*(The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2022 and the accompanying explanatory notes attached to these interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 June 2023**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

*(The figures have not been audited)*

	<b>9 Months Period Ended</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	4,801	22,336
Adjustments for:		
Amortisation of development costs	47	45
Amortisation of investment properties	96	87
Bad debts written off	300	86
Depreciation of property, plant and equipment	2,439	2,218
Depreciation of right-of-use assets	1,639	1,555
Fair value (gain) / loss on forward exchange contracts - net	(4,005)	1,054
Finance costs	2,102	1,956
Finance income	(324)	(246)
Gain on modification of right-of-use assets	(6)	-
Loss / (Gain) on disposal of property, plant and equipment	656	(307)
Property, plant and equipment written off	-	11
Provision for / (Reversal of) foreseeable losses	59	(374)
Provision for liquidated and ascertained damages	1,724	-
Provision of warranties-net	351	206
Share of loss of equity-accounted joint venture, net of tax	86	127
Unrealised foreign exchange (gain) / loss	(14)	81
	<hr/>	<hr/>
Operating profit before changes in working capital	9,951	28,835
Changes in working capital:		
Inventories	(3,782)	159
Trade and other receivables, deposits and prepayments	(17,471)	9,779
Trade and other payables	861	(8,994)
	<hr/>	<hr/>
Cash (used in) / generated from operations	(10,441)	29,779
Income taxes paid	(5,190)	(5,306)
Interest paid	(433)	(249)
Interest received	324	246
	<hr/>	<hr/>
<b>Net cash (used in) / generated from operating activities</b>	<b>(15,740)</b>	<b>24,470</b>
	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of intangible assets	(3)	(33)
Acquisition of investment properties	(69)	(399)
Proceeds from disposal of other investment	10	-
Proceeds from disposal of property, plant and equipment	3	307
Purchase of property, plant and equipment	(3,247)	(3,919)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(3,306)</b>	<b>(4,044)</b>
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**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 June 2023**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

*(The figures have not been audited)*

	<b>9 Months Period Ended</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Changes in ownership in a subsidiary	122	-
Dividend paid to non-controlling interest	(127)	(128)
Dividend paid to owners of the company	(3,902)	(3,900)
Interest paid	(1,669)	(1,706)
Proceeds from share options exercised	-	77
Proceeds from loans and borrowings, net	905	990
Repayment of lease liabilities, net	(1,666)	(1,627)
	<u>(6,337)</u>	<u>(6,294)</u>
<b>Net cash used in financing activities</b>		
	<u>(6,337)</u>	<u>(6,294)</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(25,383)</b>	<b>14,132</b>
<b>Foreign exchange differences on cash held</b>	<b>499</b>	<b>403</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>76,950</b>	<b>60,957</b>
	<u>76,950</u>	<u>60,957</u>
<b>Cash and cash equivalents at end of the financial period</b>	<b>52,066</b>	<b>75,492</b>
	<u>52,066</u>	<u>75,492</u>
Cash and cash equivalents included in the statements of cash flows comprise:		
Cash and bank balances	39,205	64,973
Liquid investments	13,167	10,807
Bank overdrafts	(306)	(288)
	<u>39,205</u>	<u>64,973</u>
	<u>13,167</u>	<u>10,807</u>
	<u>(306)</u>	<u>(288)</u>
	<u>52,066</u>	<u>75,492</u>

*(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2022 and the accompanying explanatory notes attached to these interim financial statements.)*

## **A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”)**

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### **A1. Basis of Preparation**

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards 134 (“MFRS 134”) : Interim Financial Reporting, International Financial Reporting Standards 34 : Interim Financial Reporting, the requirements of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of the Companies Act 2016 in Malaysia, and should be read in conjunction with the audited financial statements for the financial year ended 30 September 2022.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) and have been adopted by the Group:

#### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022***

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*

The adoption of the abovementioned accounting standards and amendments does not have any material impact on the financial statements of the Group.

### **A2. Auditors’ Report on Preceding Annual Financial Statements**

There was no qualification in the audit report of the preceding annual financial statements.

### **A3. Seasonality or Cyclical Factors**

Save for certain business activities which are project based, our Group does not experience any material seasonality.

### **A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

During the current financial quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

**A5. Nature and Amount of Changes in Estimates**

There were no material changes in estimates during the financial quarter under review.

**A6. Dividends Paid and Distributed**

On 26 May 2023, the Board of Directors’ (“Board”) has declared a first interim dividend of 1.0 sen per ordinary share in respect of the financial year ending 30 September 2023, which was paid on 7 July 2023.

**A7. Segmental Information**

Segmental information in respect of the Group’s business activities for the financial year to date ended 30 June 2023.

	<b>Revenue RM’000</b>	<b>Profit / (Loss) before Tax RM’000</b>
Marketing and Distribution	69,685	6,961
Manufacturing	89,626	(1,135)
Services	31,104	9,975
High Voltage System	41,594	(11,000)
Reportable segments	232,009	4,801

**A8. Subsequent Material Event**

There was no material event subsequent to the end of the current financial quarter that has not been reflected in the financial statements.

**A9. Changes in the Composition of the Group**

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

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**


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**A10. Capital Commitments**

The Group’s outstanding capital commitments as at 30 June 2023 not provided for in the financial statements are as follows:

Balance purchase consideration for the acquisition of property, plant and equipment	<b>RM’000</b> <u>1,463</u>
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**A11. Changes in Contingent Liabilities**

Corporate guarantee given by the Company to secure banking facilities granted to subsidiaries:

	<b>RM’000</b>
At 1 October 2022	522,809
Decrease in borrowing facilities	<u>(25,000)</u>
At 30 June 2023	<u>497,809</u>

Performance guarantee given by subsidiaries for performance of contracts issued to third parties:

	<b>RM’000</b>
At 1 October 2022	50,854
Upliftment	<u>(3,616)</u>
At 30 June 2023	<u>47,238</u>

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

**A12. Significant Related Party Transactions**

The Group has the following significant transactions with the related parties during the financial quarter under review:

<b>Company</b>	<b>Relationship</b>
CTL Automation Sdn Bhd	A company in which two (2) of the directors and substantial shareholders are the brother and sister-in-law of the Acting Group Managing Director, Mr. Lim Joo Swee.
Sigriner Automation (MFG) Sdn Bhd	A 50% joint venture company of EITA-Schneider (Mfg) Sdn Bhd in which two (2) of the directors are the Executive Directors of EITA, the holding company of ESM.
QL Foods Sdn Bhd	A company in which a director and substantial shareholder is also the Non-Independent Non-Executive Director of EITA.

	<b>Cumulative Financial Quarter Ended</b>	
	<b>30.06.2023 RM'000</b>	<b>30.06.2022 RM'000</b>
<u>CTL Automation Sdn Bhd</u>		
- Sales of electrical equipment	33	25
- Supply, install, testing and commissioning of electrical work and equipment	(2)	(1)
- Repairs and purchase of elevator parts	(422)	(611)
<u>Sigriner Automation (MFG) Sdn Bhd</u>		
- Provision of management services and rental	273	207
- Sales of elevator parts and components	195	299
- (Purchase) / Sales of robotic	(50)	101
- Purchase of elevator controllers	(3,188)	(3,712)
<u>QL Foods Sdn Bhd</u>		
- Sales of electrical equipment	206	256

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B)**

**B1. Review of Performance for the Current Financial Quarter and Financial Year To-Date**

	Individual Financial Quarter Ended		%	Cumulative Financial Quarter Ended		%
	30.06.2023 RM'000	30.06.2022 RM'000		change	30.06.2023 RM'000	
<b>Revenue</b>						
Marketing and Distribution	22,910	27,023	(15.2%)	69,685	66,886	4.2%
Manufacturing	26,880	24,592	9.3%	89,626	75,354	18.9%
Services	11,938	11,050	8.0%	31,104	33,412	(6.9%)
High Voltage System	25,862	17,013	52.0%	41,594	109,028	(61.9%)
<b>Total</b>	<b>87,590</b>	<b>79,678</b>	<b>9.9%</b>	<b>232,009</b>	<b>284,680</b>	<b>(18.5%)</b>
<b>Profit / (Loss) before Tax</b>						
Marketing and Distribution	3,690	4,269	(13.6%)	6,961	8,744	(20.4%)
Manufacturing	(1,317)	(2,196)	40.0%	(1,135)	(2,063)	45.0%
Services	4,083	4,096	(0.3%)	9,975	11,991	(16.8%)
High Voltage System	(3,329)	(483)	(589.2%)	(11,000)	3,664	(400.2%)
<b>Total</b>	<b>3,127</b>	<b>5,686</b>	<b>(45.0%)</b>	<b>4,801</b>	<b>22,336</b>	<b>(78.5%)</b>

The Group's revenue for the current quarter increased by RM7.9 million or 9.9% as compared to the preceding year's corresponding quarter mainly due to higher revenues from the High Voltage System, Manufacturing and Services segments but partly offset by the lower revenue from the Marketing and Distribution segment.

Cumulatively, the Group's revenue decreased by RM52.7 million or 18.5% as compared to the preceding corresponding period mainly due to lower revenues from the High Voltage System and Services segments but partly offset by the higher revenues from the Manufacturing and Marketing and Distribution segments.

The Group's profit before tax ("PBT") for the current quarter decreased by RM2.6 million or 45.0% mainly due to higher loss before tax ("LBT") of the High Voltage System segment and lower PBT from the Marketing and Distribution segment.

Cumulatively, the Group's PBT decreased by RM17.5 million or 78.5% mainly due to LBT recorded in the High Voltage System segment and lower PBT from the Marketing and Distribution and Services segments but partly offset by the lower LBT from the Manufacturing segment.



**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS  
(APPENDIX 9B) (continued)**

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**B1. Review of Performance for the Current Financial Quarter and Financial Year To-Date  
(continued)**

(i) Marketing and Distribution Segment

The Marketing and Distribution segment's revenue for the current quarter decreased by RM4.1 million or 15.2% mainly due to lower revenues from the Power and Control businesses.

The Marketing and Distribution segment's cumulative revenue increased by RM2.8 million or 4.2% mainly due to the higher revenues from the Power and Control businesses.

The Marketing and Distribution segment's PBT for the current quarter decreased by RM0.6 million or 13.6% mainly due to lower revenue, higher stock written off and higher bad debts written off. These were partially mitigated by the higher reversal of inventories written down to net realisable value during the current quarter.

The Marketing and Distribution segment's cumulative PBT decreased by RM1.8 million or 20.4% mainly due to higher administrative and distribution expenses, lower reversal of allowance for doubtful debts, higher stock written off and higher bad debts written off.

(ii) Manufacturing Segment

The Manufacturing segment's revenue for the current quarter increased by RM2.3 million or 9.3% mainly due to the higher revenues from the Elevator and Ballast businesses but partially offset by lower revenue from the Busduct business.

The Manufacturing segment's cumulative revenue increased by RM14.3 million or 18.9% mainly due to higher revenues from the Elevator, Busduct and Ballast businesses.

The Manufacturing segment's LBT for the current quarter decreased by RM0.9 million or 40.0% mainly due to the higher revenue, lower administrative expenses, higher fair value gain on derivatives and higher unrealised gain on foreign exchange. These were partially mitigated by the lower realised gain on foreign exchange during the current quarter.

The Manufacturing segment's cumulative LBT decreased by RM0.9 million or 45.0% mainly due to higher revenue, lower fair value loss on derivatives and lower stock written off. These were partially mitigated by the higher realised loss on foreign exchange, higher allowance for doubtful debts, and higher administrative and distribution expenses.

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS  
(APPENDIX 9B) (continued)**

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**B1. Review of Performance for the Current Financial Quarter and Financial Year To-Date  
(continued)**

(iii) Services Segment

The Services segment's revenue for the current quarter increased by RM0.9 million or 8.0% mainly due to higher repair maintenance contract revenue.

The Services segment's cumulative revenue decreased by RM2.3 million or 6.9% mainly due to lower service maintenance contract revenue.

The Services segment's PBT for the current quarter is relatively stable despite the higher revenue mainly due to higher administrative and distribution expenses during the quarter.

The Services segment's cumulative PBT decreased by RM2.0 million or 16.8% mainly due to lower revenue, higher administrative and distribution expenses as well as higher allowance for doubtful debts.

(iv) High Voltage System Segment

The High Voltage System segment's revenue for the current quarter increased by RM8.8 million or 52.0% mainly due to higher execution of Transmission Sub-Station projects.

The High Voltage System segment's cumulative revenue decreased by RM67.4 million or 61.9% due to lower execution of Transmission Sub-Station projects and the downward revision in contract sum for its projects.

The High Voltage System segment's LBT for the current quarter increased by RM2.8 million or 589.2% despite the higher revenue mainly due to higher project costs, such as material and sub-contractor costs, higher provision for liquidated ascertained damages and higher administrative expenses. However, these are partially mitigated by the higher fair value gain on derivatives and higher realised gain on foreign exchange during the quarter.

The High Voltage System segment recorded cumulative LBT of RM11.0 million as compared to the cumulative PBT for the preceding year's corresponding quarter amounting to RM3.7 million mainly due to the lower revenue, higher project cost, higher provision for liquidated ascertain damages and higher administrative and distribution expenses. However, these are partially mitigated by the higher fair value gain on derivatives.

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS  
(APPENDIX 9B) (continued)**

**B2. Review of Current Financial Quarter Performance against Preceding Quarter**

	<b>Individual Financial Quarter Ended</b>		<b>% change</b>
	<b>30.06.2023 RM'000</b>	<b>31.03.2023 RM'000</b>	
<b>Revenue</b>			
Marketing and Distribution	22,910	22,300	2.7%
Manufacturing	26,880	33,442	(19.6%)
Services	11,938	10,031	19.0%
High Voltage System	25,862	5,623	359.9%
<b>Total</b>	<b>87,590</b>	<b>71,396</b>	<b>22.7%</b>
<b>Profit / (Loss) before Tax</b>			
Marketing and Distribution	3,690	558	561.3%
Manufacturing	(1,317)	2,782	(147.3%)
Services	4,083	2,466	65.6%
High Voltage System	(3,329)	(6,425)	48.2%
<b>Total</b>	<b>3,127</b>	<b>(619)</b>	<b>605.2%</b>

The Group's revenue for the current quarter increased by RM16.2 million or 22.7% against the preceding quarter mainly due to higher revenues from the High Voltage System and Services segments but partly offset by the lower revenue from the Manufacturing segment.

The Group recorded PBT of RM3.1 million as compared to the LBT of RM0.6 million in the preceding quarter mainly due to the higher PBT from the Marketing and Distribution and Services segments as well as lower LBT from the High Voltage System segment. These were partly offset by the losses recorded in and Manufacturing segment.

(i) Marketing and Distribution Segment

The Marketing and Distribution segment's revenue for the current quarter increased by RM0.6 million or 2.7% mainly due to higher revenues from the Power and Control businesses.

The Marketing and Distribution segment's PBT for the current quarter increased by RM3.1 million or 561.3% mainly due to the lower administrative and distribution expenses, higher reversal of inventories written down to net realisable value and higher reversal of provision for doubtful debts.

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS  
(APPENDIX 9B) (continued)**

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**B2. Review of Current Financial Quarter Performance against Preceding Quarter (continued)**

(ii) Manufacturing Segment

The Manufacturing segment's revenue for the current quarter decreased by RM6.6 million or 19.6% mainly due to the lower revenues from Elevator and Busduct businesses.

The Manufacturing segment recorded LBT of RM1.3 million as compared to the PBT of RM2.8 million in the preceding quarter mainly due to the lower revenues, higher distribution expenses, lower fair value gain on derivatives and higher stock written off. However, these were partially mitigated by higher reversal of allowance for doubtful debts and higher realised gain on foreign exchange.

(iii) Services Segment

The Services segment's revenue for the current quarter increased by RM1.9 million or 19.0% mainly due to higher elevator service and repair maintenance work.

The Services segment's PBT for the current quarter increased by RM1.6 million or 65.6% mainly due to higher revenue and higher reversal of allowance for doubtful debts. However, these were partially mitigated by higher administrative expenses.

(iv) High Voltage System Segment

The High Voltage System segment's revenue for the current quarter increased by RM20.2 million or 359.9% mainly due to higher execution of Transmission Sub-Station projects.

The High Voltage System segment's LBT for the current quarter decreased by RM3.1 million or 48.2% mainly due to higher revenue, higher fair value gain on derivatives and higher realised gain on foreign exchange. However, these were partially mitigated by the higher provision for liquidated ascertained damages.

**B3. Commentary on Prospects**

The Group remains steadfast in regularising the loss-making division, namely the High Voltage System segment, and will continue to take necessary steps to execute the projects efficiently while maintaining the quality of the project delivery. The Group will continue to remain vigilant and adopt a prudent approach to mitigate the risk to its business operations as much as possible during this challenging period.

The Board anticipates the current financial quarter ending 30 September 2023 to be challenging. However, with the Group's current order book in hand and barring any unforeseen circumstances, we are cautiously optimistic that the financial performance will improve.

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS  
(APPENDIX 9B) (continued)**

**B4. Profit Forecast**

No profit forecast has been issued by the Group previously in any public document.

**B5. Tax Expense**

	<b>Individual Financial Quarter Ended 30.06.2023 RM'000</b>	<b>Cumulative Financial Quarter Ended 30.06.2023 RM'000</b>
<b>Current tax expense</b>		
- current period	1,978	5,342
- prior period	334	440
	2,312	5,782
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences		
- current period	941	(1,549)
- prior period	34	121
	975	(1,428)
Total current tax recognised in profit or loss	3,287	4,354
Share of tax of equity-accounted joint venture	36	(22)
<b>Total tax expense</b>	<b>3,323</b>	<b>4,332</b>

The effective tax rate of the Group for the cumulative financial quarter under review is 90% which is higher than the statutory tax rate of 24%. The higher effective tax rate was mainly due to the losses of the High Voltage System segment which cannot be set off against the taxable profits made by the other business segments. In addition, there are certain expenses which are not deductible for tax purposes.

**B6. Status of Corporate Proposals Announced**

There were no corporate proposals announced as at the date of this report.

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS  
(APPENDIX 9B) (continued)**

**B7. Group Borrowings**

The Group's borrowings are as follows:

	<b>As at 30.06.2023</b>		
	<b>Long Term RM'000</b>	<b>Short Term RM'000</b>	<b>Total Borrowings RM'000</b>
<b>Secured</b>			
Finance lease liabilities	712	281	993
Term loans	10,294	2,574	12,868
<b>Unsecured</b>			
Banker's acceptance	-	16,457	16,457
Bank overdrafts	-	306	306
Revolving credit	-	15,700	15,700
	11,006	35,318	46,324

	<b>As at 30.06.2022</b>		
	<b>Long Term RM'000</b>	<b>Short Term RM'000</b>	<b>Total Borrowings RM'000</b>
<b>Secured</b>			
Finance lease liabilities	1,244	334	1,578
Term loans	12,154	2,440	14,594
<b>Unsecured</b>			
Banker's acceptance	-	11,231	11,231
Bank overdrafts	-	288	288
Revolving credit	-	12,200	12,200
	13,398	26,493	39,891

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS  
(APPENDIX 9B) (continued)**

**B8. Change in Material Litigations**

There were no outstanding material litigations as at the date of this report.

**B9. Proposed Dividend**

No dividend has been declared or recommended for payment by the Company for the current financial quarter.

**B10. Earnings per Ordinary Share**

**(a) Basic earnings per ordinary share (“EPS”)**

The calculation of EPS was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares in issue during the financial period.

	<b>Individual Financial Quarter Ended</b>		<b>Cumulative Financial Quarter Ended</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
Profit for the period attributable to owners (RM'000)	<u>1,690</u>	<u>5,023</u>	<u>4,675</u>	<u>15,944</u>
Weighted average number of ordinary shares in issue ('000)	260,113	260,113	260,113	260,016
Basic EPS (sen)	<u>0.65</u>	<u>1.93</u>	<u>1.80</u>	<u>6.13</u>

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS  
(APPENDIX 9B) (continued)**

**B10. Earnings per Ordinary Share (continued)**

**(b) Diluted earnings per ordinary share (“DEPS”)**

The calculation of DEPS was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares that would have been in issue upon full exercise of the warrants, adjusted for the number of such shares that have been exercised.

	<b>Individual Financial Quarter Ended</b>		<b>Cumulative Financial Quarter Ended</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
Profit for the period attributable to owners (RM'000)	<u>1,690</u>	<u>5,023</u>	<u>4,675</u>	<u>15,944</u>
Weighted average number of ordinary shares in issue ('000) (basic)	260,113	260,113	260,113	260,016
Effect of dilution of share options ('000)	<u>895</u>	<u>11,754</u>	<u>3,738</u>	<u>15,292</u>
Weighted average number of ordinary shares in issue ('000) (diluted)	261,008	271,867	263,851	275,308
Diluted EPS (sen)	<u>0.65</u>	<u>1.85</u>	<u>1.77</u>	<u>5.79</u>

**B11. Financial Instruments**

Outstanding derivatives as at 30 June 2023 are as follow:

<b>Type of derivatives</b>	<b>Contract / Notional Value RM'000</b>	<b>Fair Value RM'000</b>
Less than 1 year: Forward exchange contract	<u>109,457</u>	<u>2,162</u>

There are no changes to policies related to financial instruments since the last financial year.



**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS  
(APPENDIX 9B) (continued)**

**B12. Notes to Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income**

	Individual Financial Quarter Ended		Cumulative Financial Quarter Ended	
	30.06.2023 RM'000	30.06.2022 RM'000	30.06.2023 RM'000	30.06.2022 RM'000
<b>Profit / (Loss) for the period is arrived after charging / (crediting):</b>				
Bad debts written off	123	3	300	86
Depreciation and amortisation	843	825	2,582	2,350
Depreciation for right-of-use assets	628	523	1,639	1,555
Fair value (gain) / loss on forward exchange contracts, net	(2,600)	517	(4,005)	1,054
Foreign exchange gain, net	(478)	(645)	-	(2,860)
(Gain) / Loss on disposal of property, plant and equipment	-	(202)	656	(307)
Interest expense on lease liabilities	56	42	115	128
Property, plant and equipment written off	-	8	-	11
Provision for / (Reversal of) foreseeable loss	227	96	59	(374)
Provision for liquidated and ascertained damages	1,315	-	1,724	-
Provision for warranties-net	9	28	351	206
(Reversal of) / Inventories written down to net realisable value	(33)	194	749	871
(Reversal of) / Provision for impairment loss on receivables	(255)	(155)	1,122	(927)

**B13. Authority for Issue**

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the Directors dated 24 August 2023.