



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

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

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			
	30.09.2024	30.09.2023	Changes		30.09.2024	30.09.2023	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	<u>103,848</u>	<u>84,861</u>	18,987	22.4%	<u>394,167</u>	<u>316,870</u>	77,297	24.4%
Results from operating activities	(5,452)	9,288	(14,740)	(158.7%)	13,283	15,953	(2,670)	(16.7%)
Finance costs	(730)	(866)	136	15.7%	(3,083)	(2,968)	(115)	(3.9%)
Finance income	109	149	(40)	(26.8%)	488	473	15	3.2%
Net finance costs	(621)	(717)	96	13.4%	(2,595)	(2,495)	(100)	(4.0%)
Share of loss of equity-accounted joint venture, net of tax	(59)	(226)	167	73.9%	(197)	(312)	115	36.9%
(Loss) / Profit before tax	<u>(6,132)</u>	<u>8,345</u>	<u>(14,477)</u>	<u>(173.5%)</u>	<u>10,491</u>	<u>13,146</u>	<u>(2,655)</u>	<u>(20.2%)</u>
Tax expense	(862)	(1,457)	595	40.8%	(7,266)	(5,811)	(1,455)	(25.0%)
(Loss) / Profit for the period	<u>(6,994)</u>	<u>6,888</u>	<u>(13,882)</u>	<u>(201.5%)</u>	<u>3,225</u>	<u>7,335</u>	<u>(4,110)</u>	<u>(56.0%)</u>



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

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

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	
	30.09.2024	30.09.2023	RM'000	%	30.09.2024	30.09.2023	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Other comprehensive (expenses) / income, net of tax								
Foreign currency translation differences for foreign operations	(857)	26	(883)	(3,396.2%)	(746)	712	(1,458)	(204.8%)
Total other comprehensive (expenses) / income for the period	(857)	26	(883)	(3,396.2%)	(746)	712	(1,458)	(204.8%)
Total comprehensive (expenses) / income for the period	<u>(7,851)</u>	<u>6,914</u>	<u>(14,765)</u>	<u>(213.6%)</u>	<u>2,479</u>	<u>8,047</u>	<u>(5,568)</u>	<u>(69.2%)</u>
(Loss) / Profit attributable to:								
Owners of the Company	(3,818)	5,820	(9,638)	(165.6%)	9,403	10,495	(1,092)	(10.4%)
Non-controlling interests	(3,176)	1,068	(4,244)	(397.4%)	(6,178)	(3,160)	(3,018)	(95.5%)
	<u>(6,994)</u>	<u>6,888</u>	<u>(13,882)</u>	<u>(201.5%)</u>	<u>3,225</u>	<u>7,335</u>	<u>(4,110)</u>	<u>(56.0%)</u>



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

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

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	
	30.09.2024	30.09.2023	RM'000	%	30.09.2024	30.09.2023	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Total comprehensive (expenses) / income attributable to:								
Owners of the Company	(4,676)	5,844	(10,520)	(180.0%)	8,637	11,136	(2,499)	(22.4%)
Non-controlling interests	(3,175)	1,070	(4,245)	(396.7%)	(6,158)	(3,089)	(3,069)	(99.4%)
	<u>(7,851)</u>	<u>6,914</u>	<u>(14,765)</u>	<u>(213.6%)</u>	<u>2,479</u>	<u>8,047</u>	<u>(5,568)</u>	<u>(69.2%)</u>
Earnings per share:								
- Basic (sen)	<u>(1.27)</u>	<u>2.24</u>	<u>(3.51)</u>	<u>(156.7%)</u>	<u>3.26</u>	<u>4.03</u>	<u>(0.77)</u>	<u>(19.1%)</u>
- Diluted (sen)	<u>(1.27)</u>	<u>2.24</u>	<u>(3.51)</u>	<u>(156.7%)</u>	<u>3.26</u>	<u>3.99</u>	<u>(0.73)</u>	<u>(18.3%)</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 2023 and the accompanying explanatory notes attached to these interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Financial			
	Quarter Ended			
	30.09.2024	30.06.2024	RM'000	%
	RM'000	RM'000	RM'000	
Revenue	103,848	90,560	13,288	14.7%
Results from operating activities	(5,452)	5,596	(11,048)	(197.4%)
Finance costs	(730)	(789)	59	7.5%
Finance income	109	130	(21)	(16.2%)
Net finance costs	(621)	(659)	38	5.8%
Share of loss of equity-accounted joint venture, net of tax	(59)	(40)	(19)	(47.5%)
(Loss) / Profit before tax	(6,132)	4,897	(11,029)	(225.2%)
Tax expense	(862)	(2,603)	1,741	66.9%
(Loss) / Profit for the period	(6,994)	2,294	(9,288)	(404.9%)
Other comprehensive (expenses) / income, net of tax				
Foreign currency translation differences for foreign operations	(857)	(69)	(788)	(1,142.0%)
Total comprehensive (expenses) / income for the period	(7,851)	2,225	(10,076)	(452.9%)
(Loss) / Profit attributable to:				
Owners of the Company	(3,818)	4,060	(7,878)	(194.0%)
Non-controlling interests	(3,176)	(1,766)	(1,410)	(79.8%)
	(6,994)	2,294	(9,288)	(404.9%)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

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

(The figures have not been audited)

	Individual Financial		Changes	
	Quarter Ended			
	30.09.2024	31.06.2024	RM'000	%
	RM'000	RM'000		
Total comprehensive (expenses) / income attributable to:				
Owners of the Company	(4,676)	3,990	(8,666)	(217.2%)
Non-controlling interests	(3,175)	(1,765)	(1,410)	(79.9%)
	<u>(7,851)</u>	<u>2,225</u>	(10,076)	(452.9%)
Earnings per share:				
- Basic (sen)	<u>(1.27)</u>	<u>1.35</u>	(2.62)	(194.1%)
- Diluted (sen)	<u>(1.27)</u>	<u>1.35</u>	(2.62)	(194.1%)

(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 2023 and the accompanying explanatory notes attached to these interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(The figures have not been audited)

	Note	30.09.2024 RM'000 (Unaudited)	30.09.2023 RM'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		44,234	44,447
Right-of-use assets		7,999	8,946
Intangible assets		475	225
Investment properties		10,887	9,482
Investment in joint venture		1,026	1,223
Finance lease receivables		4	-
Deferred tax assets		7,660	6,305
Total non-current assets		72,285	70,628
Current assets			
Inventories		64,488	49,868
Contract assets		86,140	93,537
Trade and other receivables		97,438	70,681
Finance lease receivables		13	-
Current tax assets		1,384	3,122
Deposits and prepayments		10,380	11,212
Derivative financial assets		-	2,599
Other investments		1,153	1,096
Cash and cash equivalents		68,319	60,534
Total current assets		329,315	292,649
TOTAL ASSETS		<u>401,600</u>	<u>363,277</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		98,569	69,382
Reserves		146,471	144,247
Total equity attributable to owners of the Company		245,040	213,629
Non-controlling interests		<u>(5,754)</u>	<u>770</u>
TOTAL EQUITY		<u>239,286</u>	<u>214,399</u>

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

(The figures have not been audited)

EQUITY AND LIABILITIES (continued)	Note	30.09.2024 RM'000 (Unaudited)	30.09.2023 RM'000 (Audited)
Non-current liabilities			
Loans and borrowings	B7	10,683	10,542
Lease liabilities		1,773	2,566
Deferred income		163	222
Deferred tax liabilities		74	1,023
Total non-current liabilities		12,693	14,353
Current liabilities			
Loans and borrowings	B7	43,911	56,899
Lease liabilities		1,919	1,944
Deferred income		59	59
Provision for warranties		433	671
Trade and other payables		75,682	47,683
Contract liabilities		17,807	26,114
Current tax payable		1,421	968
Derivative financial liabilities		8,389	187
Total current liabilities		149,621	134,525
TOTAL LIABILITIES		162,314	148,878
TOTAL EQUITY AND LIABILITIES		401,600	362,277
Net assets per share attributable to equity holders of the Company (RM)		0.81	0.82

(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 2023 and the accompanying explanatory notes attached to these interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

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	Distributable Retained Profits RM'000			
<u>Year Ended 30 September 2024</u>						
At 1 October 2023	69,382	2,249	141,998	213,629	770	214,399
Foreign currency translation differences for foreign operation	-	(766)	-	(766)	20	(746)
Profit / (Loss) for the year	-	-	9,403	9,403	(6,178)	3,225
Total comprehensive (expenses) / income for the year	-	(766)	9,403	8,637	(6,158)	2,479
Dividends to owners of the Company	-	-	(6,407)	(6,407)	-	(6,407)
Dividends to non-controlling interests	-	-	-	-	(112)	(112)
Acquisition through business combination	-	-	-	-	839	839
Changes in ownership in a subsidiary	-	-	(6)	(6)	(1,093)	(1,099)
Share options exercised	29,187	-	-	29,187	-	29,187
Total transactions with owners of the Company	29,187	-	(6,413)	22,774	(366)	22,408
At 30 September 2024	98,569	1,483	144,988	245,040	(5,754)	239,286

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

(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	Distributable Retained Profits RM'000			
<u>Year Ended 30 September 2023</u>						
At 1 October 2022	69,382	1,608	137,967	208,957	3,917	212,874
Foreign currency translation differences for foreign operation	-	641	-	641	71	712
Profit / (Loss) for the year	-	-	10,495	10,495	(3,160)	7,335
Total comprehensive income / (expenses) for the year	-	641	10,495	11,136	(3,089)	8,047
Dividend to owners of the Company	-	-	(6,503)	(6,503)	-	(6,503)
Dividends to non-controlling interests	-	-	-	-	(141)	(141)
Changes in ownership in a subsidiary	-	-	39	39	83	122
Total transactions with owners of the Company	-	-	(6,464)	(6,464)	(58)	(6,522)
At 30 September 2023	69,382	2,249	141,998	213,629	770	214,399

(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 2023 and the accompanying explanatory notes attached to these interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	12 Months Year Ended	
	30.09.2024	30.09.2023
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	10,491	13,146
Adjustments for:		
Allowance for / (Reversal of) foreseeable losses	477	(226)
Amortisation of development costs	56	63
Amortisation of investment properties	172	128
Bad debts written off	48	358
Depreciation of property, plant and equipment	3,326	3,117
Depreciation of right-of-use assets	2,100	2,466
Fair value loss / (gain) on forward exchange contracts, net	10,800	(2,953)
Finance costs	3,083	2,968
Finance income	(488)	(473)
Gain on modification of right-of-use assets	(56)	(6)
(Gain) / Loss on disposal of property, plant and equipment	(218)	656
Property, plant and equipment written off	16	3
(Reversal of) / Provision for liquidated and ascertained damages	(551)	1,013
(Reversal of) / Provision for warranties, net	(119)	406
Share of loss of equity-accounted joint venture, net of tax	197	312
Unrealised foreign exchange gain	1,623	276
	<hr/>	<hr/>
Operating profit before changes in working capital	30,957	21,254
Changes in working capital:		
Inventories	(10,773)	(5,703)
Trade and other receivables, deposits and prepayments	(13,734)	(24,619)
Trade and other payables	10,080	(7,688)
	<hr/>	<hr/>
Cash generated from / (used in) operations	16,530	(16,756)
Income taxes paid	(7,110)	(7,198)
Interest paid	(324)	(291)
Interest received	488	356
	<hr/>	<hr/>
Net cash generated from / (used in) operating activities	9,584	(23,889)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(The figures have not been audited)

	12 Months Year Ended	
	30.09.2024	30.09.2023
	RM'000	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of intangible assets	(300)	(10)
Acquisition of investment properties	(377)	(6)
Acquisition of subsidiary, net of cash	(182)	-
Proceeds from disposal of other investment	(6)	10
Proceeds from disposal of property, plant and equipment	20	4
Purchase of property, plant and equipment	(2,898)	(3,891)
	<hr/>	<hr/>
Net cash used in investing activities	(3,743)	(3,893)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Changes in ownership in a subsidiary	(1,099)	122
Dividend paid to non-controlling interest	(112)	(141)
Dividend paid to owners of the company	(6,407)	(6,503)
Interest paid	(2,758)	(2,513)
Proceeds from share options exercised	29,187	-
(Repayment of) / Proceeds from loans and borrowings, net	(12,231)	21,222
Repayment of lease liabilities, net	(2,500)	(2,330)
	<hr/>	<hr/>
Net cash generated from financing activities	4,080	9,857
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	9,921	(17,925)
Foreign exchange differences on cash held	(1,717)	643
Cash and cash equivalents at beginning of the financial year	59,668	76,950
	<hr/>	<hr/>
Cash and cash equivalents at end of the financial year	67,872	59,668
	<hr/> <hr/>	<hr/> <hr/>

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 30 September 2024

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(The figures have not been audited)

	12 Months Year Ended	
	30.09.2024	30.09.2023
	RM'000	RM'000
Cash and cash equivalents included in the statements of cash flows comprise:		
Cash and bank balances	56,206	49,393
Liquid investments	12,113	11,141
Bank overdrafts	(447)	(866)
	67,872	59,668
	67,872	59,668

(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 2023 and the accompanying explanatory notes attached to these interim financial statements.)

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

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 2023.

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 2023

- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform – Pillar Two Model Rules*

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 17 May 2024, the Board of Directors’ (“Board”) has declared a first interim dividend of 1.25 sen per ordinary share in respect of the financial year ending 30 September 2024, which was paid on 9 July 2024.

A7. Segmental Information

Segmental information in respect of the Group’s business activities for the financial year to date ended 30 September 2024.

	Revenue RM’000	Profit / (Loss) before Tax RM’000
Marketing and Distribution	88,789	10,466
Manufacturing	164,201	(7,623)
Services	55,585	21,518
High Voltage System	85,592	(13,870)
Reportable segments	394,167	10,491

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)

A10. Capital Commitments

The Group’s outstanding capital commitments as at 30 September 2024 not provided for in the financial statements are as follows:

	RM’000
Balance purchase consideration for the acquisition of property, plant and equipment	<u>1,064</u>

A11. Changes in Contingent Liabilities

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

	RM’000
At 1 October 2023	497,809
Increase in borrowing facilities	-
At 30 September 2024	<u>497,809</u>

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

	RM’000
At 1 October 2023	61,307
Upliftment	(12,175)
At 30 September 2024	<u>49,132</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:

Company	Relationship
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 Group Managing Director, Mr. Lim Joo Swee.
Sigriner Automation (MFG) Sdn Bhd	A 50% joint venture company of EITA-Schneider (Mfg) Sdn Bhd (“ESM”) in which a director is the Executive Director of EITA, the holding company of ESM.
QL Figo (Johor) Sdn Bhd	A company in which a director and substantial shareholder is also the Non-Independent Non-Executive Director of EITA.

	Cumulative Financial Quarter Ended	
	30.09.2024 RM’000	30.09.2023 RM’000
<u>CTL Automation Sdn Bhd</u>		
- Sales of electrical equipment	43	42
- Supply, install, testing and commissioning of electrical work and equipment	(10)	(2)
- Repairs and purchase of elevator parts	(1,030)	(564)
<u>Sigriner Automation (MFG) Sdn Bhd</u>		
- Provision of management services and rental	667	367
- Sales of elevator parts and components	415	248
- Purchase of robotic	-	(50)
- Purchase of elevator controllers	(2,102)	(3,508)
<u>QL Figo (Johor) Sdn Bhd</u>		
- Sales of electrical equipment	750	-

**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		%
	30.09.2024 RM'000	30.09.2023 RM'000		change	30.09.2024 RM'000	
Revenue						
Marketing and Distribution	23,436	23,109	1.4%	88,789	92,794	(4.3%)
Manufacturing Services	49,926	28,671	74.1%	164,201	118,297	38.8%
High Voltage System	14,748	10,614	38.9%	55,585	41,718	33.2%
	15,738	22,467	(30.0%)	85,592	64,061	33.6%
Total	103,848	84,861	22.4%	394,167	316,870	24.4%
Profit / (Loss) before Tax						
Marketing and Distribution	3,147	1,702	84.9%	10,466	8,663	20.8%
Manufacturing Services	(7,889)	135	(5,943.7%)	(7,623)	(1,000)	(662.3%)
High Voltage System	5,927	3,563	66.3%	21,518	13,538	58.9%
	(7,317)	2,945	(348.5%)	(13,870)	(8,055)	(72.2%)
Total	(6,132)	8,345	(173.5%)	10,491	13,146	(20.2%)

The Group's revenue for the current quarter increased by RM19.0 million or 22.4% as compared to the preceding year's corresponding quarter mainly due to higher revenue from the Manufacturing and Services segments but partly offset by lower revenue from the High Voltage System segment.

Cumulatively, the Group's revenue increased by RM77.3 million or 24.4% as compared to the preceding corresponding period mainly due to higher revenue from the Manufacturing, High Voltage System and Services segments.

The Group recorded a loss before tax ("LBT") of RM6.1 million for the current quarter as compared to a PBT for the preceding year's corresponding quarter mainly due to higher LBT from the High Voltage System and Manufacturing segments. However, this was partially offset by the profit before tax ("PBT") from the Services and Marketing and Distribution segments. The Group reported a fair value loss on derivatives amounting to RM7.9 million. Excluding this fair value loss on derivatives, the Group would have achieved a PBT of RM1.7 million for the financial quarter under review.

Cumulatively, the Group's PBT decreased by RM2.7 million or 20.2% mainly due to higher LBT from the High Voltage System segment and Manufacturing segments. However, this was partially offset by higher PBT from the Services and Marketing and Distribution segments. The Group reported a fair value loss on derivatives amounting to RM10.8 million. Excluding this fair value loss on derivatives, the Group would have achieved a PBT of RM21.3 million for the financial year.

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

**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 increased by RM0.3 million or 1.4% mainly due to higher revenue from the Power business. However, this was partially offset by lower revenue from the Control business.

The Marketing and Distribution segment's cumulative revenue decreased by RM4.0 million or 4.3% mainly due to lower revenue from the Control business. However, this was partially offset by higher revenue from the Power business.

The Marketing and Distribution segment's PBT for the current quarter increased by RM1.4 million or 84.9% mainly due to higher revenue, higher gain on foreign exchange, and lower administrative expenses.

The Marketing and Distribution segment's cumulative PBT increased by RM1.8 million or 20.8% mainly due to lower administrative expenses and lower stock written off.

(ii) Manufacturing Segment

The Manufacturing segment's revenue for the current quarter increased by RM21.3 million or 74.1% mainly due to higher revenue from the Elevator and Busduct businesses. However, these were partially offset by lower revenue from the Ballast business.

The Manufacturing segment's cumulative revenue increased by RM45.9 million or 38.8% for the same reasons.

The Manufacturing segment recorded a LBT of RM7.9 million for the current quarter as compared to a PBT for the preceding year's corresponding quarter amounting to RM0.1 million mainly due to higher fair value loss on derivatives. However, this was partially offset by the higher net gain on foreign exchange. Excluding the fair value loss on derivatives, the Manufacturing segment would have reported a lower LBT of RM0.3 million.

The Manufacturing segment's cumulative LBT increased by RM6.6 million or 662.3% despite higher revenue recorded mainly due to higher fair value loss on derivatives. However, this was partially offset by the higher net gain on foreign exchange and reversal of allowance for doubtful debts. Excluding the fair value loss on derivatives, the Manufacturing segment would have reported a PBT of RM0.2 million.

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

**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 RM4.1 million or 38.9% mainly due to higher elevator maintenance contracts and repair sales.

The Services segment's cumulative revenue increased by RM13.9 million or 33.2% for the same reason.

The Services segment's PBT for the current quarter increased by RM2.4 million or 66.3% correspondence with higher revenue and lower inventories written down to net realisable value.

The Services segment's cumulative PBT increased by RM8.0 million or 58.9% mainly due to higher revenue and higher reversal of allowance for doubtful debts. However, these were partially offset by higher administrative and distribution expenses.

(iv) High Voltage System Segment

The High Voltage System segment's revenue for the current quarter decreased by RM6.7 million or 30.0% mainly due to the lower execution of Transmission Sub-Station projects in East Malaysia.

The High Voltage System segment's cumulative revenue increased by RM21.5 million or 33.6% mainly due to higher execution of Transmission Sub-Station projects in Peninsular Malaysia.

The High Voltage System segment recorded a LBT of RM7.3 million for the current quarter as compared to a PBT for the preceding year's corresponding quarter amounting to RM2.9 million mainly due to lower revenue, higher administrative expenses and higher finance cost.

The High Voltage System segment's cumulative LBT increased by RM5.8 million or 72.2% despite higher revenue recorded mainly due to higher administrative and distribution expenses, higher finance cost and higher fair value loss on derivatives. However, these were partially offset by the higher net gain on foreign exchange.

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

B2. Review of Current Financial Quarter Performance against Preceding Quarter

	Individual Financial Quarter Ended		% change
	30.09.2024 RM'000	30.06.2024 RM'000	
Revenue			
Marketing and Distribution	23,436	22,255	5.3%
Manufacturing	49,926	44,305	12.7%
Services	14,748	13,783	7.0%
High Voltage System	15,738	10,217	54.0%
Total	103,848	90,560	14.7%
Profit / (Loss) before Tax			
Marketing and Distribution	3,147	2,277	38.2%
Manufacturing	(7,889)	883	(993.4%)
Services	5,927	5,784	2.5%
High Voltage System	(7,317)	(4,047)	(80.8%)
Total	(6,132)	4,897	(225.2%)

The Group's revenue for the current quarter increased by RM13.3 million or 14.7% against the preceding quarter mainly contributed by higher revenue from all segments.

The Group recorded a LBT of RM6.1 million for the current quarter as compared to a PBT of RM4.9 million in preceding quarter mainly due to LBT for the Manufacturing and High Voltage System segment. However, this was partially offset by higher PBT from the Marketing and Distribution and Services segments. The Group reported a fair value loss on derivatives amounting to RM7.9 million. Excluding this fair value loss on derivatives, the Group would have achieved a PBT of RM1.7 million for the financial quarter under review.

(i) Marketing and Distribution Segment

The Marketing and Distribution segment's revenue for the current quarter increased by RM1.2 million or 5.3% mainly due to higher revenues from the Power business.

The Marketing and Distribution segment's PBT for the current quarter increased by RM0.9 million or 38.2% in tandem with higher revenue, lower administrative expenses, higher realised gain on foreign exchange as well as lower inventory written off.

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

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

The Manufacturing segment's revenue for the current quarter increased by RM5.6 million or 12.7% mainly due to higher revenue from the Elevator and Busduct businesses.

The Manufacturing segment recorded a LBT of RM7.9 million for the current quarter as compared to a PBT of RM0.9 million in the preceding quarter despite higher revenue generated mainly due to higher fair value loss on derivatives and higher administrative and distribution expenses. However, this was partially offset by the higher reversal of inventories written down to net realisable value and higher net gain on foreign exchange. Excluding the fair value loss on derivatives, the Manufacturing segment would have reported a lower LBT of RM0.2 million.

(iii) Services Segment

The Services segment's revenue for the current quarter increased by RM1.0 million or 7.0% mainly due to higher elevator service maintenance contracts revenue.

The Services segment's PBT for the current quarter increased by RM0.1 million or 2.5% in tandem with higher revenue.

(iv) High Voltage System Segment

The High Voltage System segment's revenue for the current quarter increased by RM5.5 million or 54.0% mainly due to the higher execution of Transmission Sub-Station projects in Peninsular Malaysia.

The High Voltage System segment's LBT increased by RM3.3 million or 80.8% mainly due to lower GP, higher administrative expenses and finance costs.

B3. Commentary on Prospects

The Malaysian economy is expected to continue its growth momentum anchored by the Government's policies such as the New Industrial Master Plan 2030. These developments are expected to be positive for the Group's various business segments. During the financial quarter under review, the Group completed the remaining "underground cable" project for the High Voltage System segment, which had been secured before the COVID-19 pandemic, despite facing various challenges.

The movement of the Malaysian Ringgit against foreign currency has impacted the Group's financial performance, and we expect the foreign exchange as well as pressure on operating costs to continue to impact the Group. Nevertheless, the Group will continue to be vigilant to the changes in the external environment. With the current order book and on-going projects in hand, barring any unforeseen circumstances, the Board is cautiously optimistic of the Group's financial performance for the financial quarter ending 31 December 2024.

**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

	Individual Financial Quarter Ended 30.09.2024 RM'000	Cumulative Financial Quarter Ended 30.09.2024 RM'000
Current tax expense		
- current period	2,778	9,705
- prior period	-	(73)
	2,778	9,632
Deferred tax expense		
Origination and reversal of temporary differences		
- current period	(1,898)	(2,555)
- prior period	(18)	189
	(1,916)	(2,366)
Total current tax recognised in profit or loss	862	7,266
Share of tax of equity-accounted joint venture	29	18
Total tax expense	891	7,284

The effective tax rate of the Group for the cumulative financial quarter under review is 69% 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.

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

B6. Status of Corporate Proposals Announced

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

B7. Group Borrowings

The Group's borrowings are as follows:

	As at 30.09.2024		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
Secured			
Finance lease liabilities	392	311	703
Term loans	10,291	1,817	12,108
Unsecured			
Banker's acceptance	-	20,045	20,045
Bank overdrafts	-	447	447
Revolving credit	-	21,291	21,291
	10,683	43,911	54,594

	As at 30.09.2023		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
Secured			
Finance lease liabilities	640	284	924
Term loans	9,902	2,625	12,527
Unsecured			
Banker's acceptance	-	36,824	36,824
Bank overdrafts	-	866	866
Revolving credit	-	16,300	16,300
	10,542	56,899	67,441

**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

On 29 November 2024, the Board has declared and approved the payment of a second interim single-tier dividend of 1.0 sen per ordinary share (2023: 1.0 sen per ordinary share) in respect of the financial year ending 30 September 2024.

The dividend will be paid on 31 December 2024 to shareholders registered in the Record of Depositors as at 18 December 2024. With this payment of second interim dividend, the total payment of dividends by the Company for the financial year ended 30 September 2024 amounts to 2.25 sen per ordinary share.

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.

	Individual Financial Quarter Ended		Cumulative Financial Quarter Ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Profit for the period attributable to owners (RM'000)	<u>(3,818)</u>	<u>5,820</u>	<u>9,403</u>	<u>10,495</u>
Weighted average number of ordinary shares in issue ('000)	301,810	260,114	288,207	260,114
Basic EPS (sen)	<u>(1.27)</u>	<u>2.24</u>	<u>3.26</u>	<u>4.03</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.

	Individual Financial Quarter Ended		Cumulative Financial Quarter Ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Profit for the period attributable to owners (RM'000)	<u>(3,818)</u>	<u>5,820</u>	<u>9,403</u>	<u>10,495</u>
Weighted average number of ordinary shares in issue ('000) (basic)	301,810	260,114	288,207	260,114
Effect of dilution of share options ('000)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,739</u>
Weighted average number of ordinary shares in issue ('000) (diluted)	301,810	260,114	288,207	262,853
Diluted EPS (sen)	<u>(1.27)</u>	<u>2.24</u>	<u>3.26</u>	<u>3.99</u>

B11. Financial Instruments

Outstanding derivatives as at 30 September 2024 are as follow:

Type of derivatives	Contract / Notional Value RM'000	Net Derivative Financial Liabilities RM'000
Less than 1 year: Forward exchange contract	<u>92,937</u>	<u>(8,389)</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	
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
Profit for the period is arrived after charging / (crediting):				
Allowance for / (Reversal of) foreseeable loss	151	(285)	477	(226)
Bad debts written off	47	58	48	358
Depreciation and amortisation	888	726	3,554	3,308
Depreciation for right-of-use assets	535	827	2,100	2,466
Fair value loss / (gain) on forward exchange contracts, net	7,868	1,052	10,800	(2,953)
Foreign exchange loss / (gain), net	1,152	(836)	(2,812)	(836)
Interest expense on lease liabilities	31	49	135	164
Inventories written down to net realisable value	358	(1,120)	2,249	(371)
Property, plant and equipment written off	16	3	16	3
(Gain) / Loss on disposal of property, plant and equipment	(239)	-	(218)	656
(Reversal of) / Provision for impairment loss on receivables	(185)	(172)	(948)	950
(Reversal of) / Provision for liquidated and ascertained damages	-	(711)	(551)	1,013
Provision for / (Reversal of) warranties, net	41	55	(119)	406

B13. Authority for Issue

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the Directors dated 29 November 2024.