



AURELIUS TECHNOLOGIES BERHAD
(Company Registration No. 202101005015 (1405314-D))
(Incorporated in Malaysia)

**UNAUDITED CONDENSED
INTERIM FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED
31 OCTOBER 2023**

**UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

	3rd Quarter			Cumulative Quarter		
	31 October 2023 (a) RM	31 October 2022 RM	Changes %	31 October 2023 (a) RM	31 October 2022 RM	Changes %
Revenue	98,797,155	132,545,049	(25.5)	302,463,228	345,211,760	(12.4)
Cost of sales	(86,587,816)	(114,670,352)	(24.5)	(267,388,704)	(307,513,730)	(13.0)
Gross profit	12,209,339	17,874,697	(31.7)	35,074,524	37,698,030	(7.0)
Other income	4,790,881	368,262	1,200.9	12,740,914	679,433	1,775.2
Administrative expenses	(3,350,046)	(3,609,261)	(7.2)	(13,065,008)	(9,492,708)	37.6
Selling and distribution expenses	(62,391)	(85,359)	(26.9)	(305,235)	(244,715)	24.7
Operating profit	13,587,783	14,548,339	(6.6)	34,445,195	28,640,040	20.3
Finance income	631,297	89,544	605.0	2,581,440	299,137	763.0
Finance costs	(679,198)	(1,159,187)	(41.4)	(1,414,354)	(2,703,083)	(47.7)
Profit before tax	13,539,882	13,478,696	0.5	35,612,281	26,236,094	35.7
Taxation	(3,839,000)	(1,195,126)	221.2	(7,299,000)	(1,864,126)	291.6
Profit for the financial period	9,700,882	12,283,570	(21.0)	28,313,281	24,371,968	16.2
Total other comprehensive Income, net of tax: Items that will not be reclassified subsequently to profit or loss:						
Transfer of revaluation surplus to retained profits	46,880	46,880	-	140,640	140,640	-
Realisation of revaluation surplus upon depreciation	(46,880)	(46,880)	-	(140,640)	(140,640)	-
Net Profit/ Total comprehensive income for the financial period attributable to :						
Owner of the Company	9,700,882	12,283,570	(21.0)	28,313,281	24,371,968	16.2
	9,700,882	12,283,570	(21.0)	28,313,281	24,371,968	16.2
Earnings Per Share attributable to Owners of the Company						
Basic EPS (sen)	(b)	2.47	3.43	7.20	6.80	
Diluted EPS (sen)	(c)	2.47	3.43	7.20	6.80	

UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (*cont'd*)

Notes:

(a) *The Unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statement for the financial year ended 31 January 2023 and the accompanying explanatory notes.*

(b) *Basic earnings per share ("EPS") are calculated based on the profit attributable to owners of the Company divided by the weighted average number of ordinary shares issued. For the 3rd quarter ended 31 October 2023, the weighted average number of ordinary shares issued is **393,212,586** pursuant to the issuance of 70,000 ordinary shares under the Employees Share Scheme ("ESS") as disclosed in B12 (i).*

(c) *Diluted earnings per share ("DEPS") are calculated based on the profit attributable to owners of the Company divided by the weighted average number of applicable ordinary shares. The weighted number of applicable ordinary shares is **393,467,586** for 3rd quarter ended 31 October 2023 pursuant to the issuance of 70,000 ordinary shares and deemed Performance Share Grant ("PSG") offered under the ESS as disclosed in B12 (ii).*

CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31 October 2023 (a) RM	Audited As at 31 January 2023 RM
ASSETS		
Non-current asset		
Property, plant and equipment	124,130,382	115,374,459
Right-of-use assets	1,056,050	1,848,088
Current assets		
Inventories	133,629,172	101,739,307
Trade receivables	70,999,666	131,825,689
Other receivables, deposits and prepayments	2,578,133	4,310,579
Contract assets	12,646,809	12,241,534
Current tax asset	-	1,145,547
Short term investments	36,797,109	1,965,053
Fixed deposits with licensed banks	33,637,628	7,216,508
Cash and bank balances	44,474,158	41,707,054
	<u>334,762,675</u>	<u>302,151,271</u>
TOTAL ASSETS	<u>459,949,107</u>	<u>419,373,818</u>
EQUITY & LIABILITIES		
Share capital	260,187,866	182,946,490
Merger deficit	(38,486,932)	(38,486,932)
Revaluation reserve	6,047,542	6,188,182
ESS reserve	274,203	96,199
Retained profits	101,425,393	80,851,432
Total equity	<u>329,448,072</u>	<u>231,595,371</u>
Non-current liabilities		
Borrowings	17,538,309	21,109,773
Lease liability	-	905,609
Deferred tax liabilities	13,575,000	8,691,000
	<u>31,113,309</u>	<u>30,706,382</u>
Current liabilities		
Trade payables	75,219,284	69,041,435
Other payables & accruals	17,430,935	13,343,109
Borrowings	5,142,585	72,704,172
Lease liability	1,079,428	1,038,387
Provision of taxation	515,494	944,962
	<u>99,387,725</u>	<u>157,072,065</u>
Total Liabilities	<u>130,501,035</u>	<u>187,778,447</u>
TOTAL EQUITY AND LIABILITIES	<u>459,949,107</u>	<u>419,373,818</u>
Net Assets per share attributable to owner of the Company (RM) (b)	0.84	0.65

CONDENSED STATEMENT OF FINANCIAL POSITION (*cont'd*)

Notes:-

(a) *The condensed statement of financial position should be read in conjunction with the Group's audited financial statement for the financial year ended 31 January 2023 and the accompanying explanatory notes.*

(b) *Net Assets per share attributable to the Company's equity owners are calculated based on total equity divided by the total number of ordinary shares outstanding of **394,068,000** shares issued (for 3rd quarter ended 31 October 2023 - after private placement and the issuance of 70,000 ordinary shares under the ESS) and **358,180,000** (for the financial year ended 31 January 2023) respectively.*

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

	Cumulative Quarter	
	31 October 2023 (a)	31 October 2022
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	35,612,281	26,236,094
Adjustments for:		
Depreciation of property, plant & equipment	9,461,280	5,916,179
Gain on disposal of property, plant & equipment	(76,928)	-
Fair value gain on short term investments	(453,913)	(492,504)
Interest expense	1,313,273	2,577,785
Interest income	(2,592,097)	(299,136)
Reversal of obsolescence/slow moving inventories	-	(193,436)
ESS reserve	288,598	-
Unrealised (gain)/ loss on foreign exchange	(1,962,532)	1,029,154
Operating profit before working capital changes	41,589,962	34,774,136
Changes in working capital:		
Inventories	(31,889,865)	23,608,485
Receivables	63,726,008	(19,348,012)
Contract assets	(405,276)	(9,489,406)
Payables	9,271,505	6,221,781
Net cash flows generated from operations	82,292,334	35,766,984
Interest paid	(1,313,273)	(2,577,785)
Income tax paid	(1,698,922)	(997,380)
Net cash flows generated from operating activities	79,280,139	32,191,819
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(17,429,699)	(28,187,419)
Proceeds from disposal of property, plant & equipment	81,461	-
Interest received	2,592,097	299,136
Short term investments	(34,378,143)	(33,541,055)
Fixed deposits with licensed bank	7,216,508	(995,379)
Uplift of fixed deposits with licensed bank	-	523,755
Net cash used in investing activities	(41,917,776)	(61,900,962)
CASH FLOW FROM FINANCING ACTIVITIES		
Net repayment in bankers acceptances and OFCL	(68,485,793)	(7,302,566)
Net (repayment)/ drawdown of finance lease	(50,055)	181,621
Net (repayment)/ drawdown of term loans	(3,288,332)	7,394,808
Net repayment of revolving credit	-	(5,000,000)
Net repayment of lease liability	(864,568)	-
Dividends paid	(7,879,960)	(7,163,600)
Net proceeds from private placement	77,130,783	-
Net cash used in financing activities	(3,437,925)	(11,889,737)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	33,924,438	(41,598,880)
Effect of changes in foreign exchange rate	2,480,294	484,826
CASH AND CASH EQUIVALENTS AT BEGINNING	41,707,054	69,634,975
CASH AND CASH EQUIVALENTS AT END	78,111,786	28,520,921

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS (*cont'd*)

	Cumulative Quarter	
	31 October 2023 (a)	31 October 2022
	RM	RM
Cash and cash equivalents included in the statement of cash flows comprise the following balance sheet amounts:		
Fixed deposits with licensed banks	33,637,628	7,175,969
Cash and bank balances	44,474,158	28,520,921
	<u>78,111,786</u>	<u>35,696,890</u>
Less: Fixed deposits pledged with licensed banks	-	(7,175,969)
CASH AND CASH EQUIVALENTS AT END	<u>78,111,786</u>	<u>28,520,921</u>

Notes:

(a) *The unaudited condensed statement of cash flows should be read in conjunction with the Group's audited financial statement for the financial year ended 31 January 2023 and the accompanying explanatory notes.*

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company				Distributable Retained Profits RM	Total Equity RM
	Share Capital RM	ESS Reserve RM	Merger Deficit RM	Revaluation Reserve RM		
Period ended 31 October 2023						
Balance as at 1 February 2023	182,946,490	96,199	(38,486,932)	6,188,182	80,851,432	231,595,371
Issuance of shares pursuant to:						
- Private placement	77,725,060	-	-	-	-	77,725,060
- Shares granted	110,593	(110,593)	-	-	-	-
Shares issuance expenses pursuant to private placement	(594,277)	-	-	-	-	(594,277)
ESS reserve	-	288,597	-	-	-	288,597
Profit after taxation	-	-	-	-	28,313,281	28,313,281
Total comprehensive income/(loss)	-	-	-	(140,640)	140,640	-
Dividends paid	-	-	-	-	(7,879,960)	(7,879,960)
As 31 October 2023	260,187,866	274,203	(38,486,932)	6,047,542	101,425,393	329,448,072
Period ended 31 October 2022						
Balance as at 1 February 2022	182,946,490	-	(38,486,932)	6,375,701	50,582,927	201,418,186
Profit after taxation	-	-	-	-	24,371,968	24,371,968
Total comprehensive income/(loss)	-	-	-	(140,640)	140,640	-
Dividends paid	-	-	-	-	(7,163,600)	(7,163,600)
As 31 October 2022	182,946,490	-	(38,486,932)	6,235,061	67,931,935	218,626,554

Notes:

(a) The Unaudited Condensed Statement of Changes in Equity should be read in conjunction with the Group's audited financial statement for the financial year ended 31 January 2023 and the accompanying explanatory notes.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

A. EXPLANATORY NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 OCTOBER 2023

A1. Basis of Preparation

The interim financial statements of Aurelius Technologies Berhad (“ATech” or “Company”) and BCM Electronics Corporation Sdn Bhd (“BCM Electronics”), the Company’s sole subsidiary (collectively, “the Group”), are unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad (“Main LR”).

The accounting policies and methods of computation adopted by the Group in this unaudited condensed interim financial statement are consistent with those adopted in the audited financial statements of the Group for the year ended 31 January 2023. The interim financial statement should be read in conjunction with the consolidated financial information and the audited financial statement of the Group for the year ended 31 January 2023.

A2. Changes in Accounting Policies

The accounting policies adopted by the Group are consistent with those of the previous financial years except for the adoption of the following amendments to MFRSs that are mandatory for the current financial year:

Effective for annual period beginning on or after 1 April 2021

Amendment to MFRS 16 Leases: Covid-19 - Related Rent Concessions beyond 30 June 2021

Effective for annual periods beginning on or after 1 January 2022

Amendments to MFRS 3 Business Combination: Reference to the Conceptual Framework

Amendments to MFRS 116 Property, Plant and Equipment: 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

Annual Improvements to MFRS Standards 2018 - 2020

Initial application of the above amendments/improvements to MFRSs did not have any material impact to the financial statements of the Group and of the Company upon adoption.

Standards Issued But Not Yet Effective

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the Group and for the Company:

Effective for annual periods beginning on or after 1 January 2024

Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101 Presentation of Financial Statements: Non-Current Liabilities with Covenants

Effective date yet to be confirmed

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standards and amendments to MFRSs is not expected to have any material impacts to the financial statements of the Group and of the Company upon adoption.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' reports to the respective members of ATech and BCM Electronics on the financial statements for the financial year ended 31 January 2023 were not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's revenues are typically lower in the first half of our financial year because our customers plan ahead for their requirements for the entire year and accordingly, the bulk of orders from customers are typically received after the end of the festive period, namely the calendar new year, Chinese New Year, and Hari Raya Aidiladha which occur at the beginning of the year. However, this Q3 revenue was unusually affected by the destocking of excess inventory by customers.

A5. Unusual Items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the quarter under review.

A6. Material Changes in Estimates

There was no change in the estimate of amounts reported that have a material effect in the quarter under review.

A7. Debt and Equity Securities

On 25 October 2023, the Company issued a total of 70,000 new ordinary shares as a PSG pursuant to the ESS. The issuance has resulted in the increase of the number of issued and paid-up ordinary share capital of the Company to 394,068,000.

The new ordinary shares issued pursuant to the ESS is ranked pari passu with the existing ordinary shares of the Company.

There was no other issuance, cancellation, repurchase, resale, and repayment of debt and equity securities by the Company for the quarter under review.

A8. Segmental Reporting

The management determines the business segments based on the reports reviewed and used by the management for strategic decisions making and resource allocation.

No segmental analysis by business segment is prepared as the Group operates predominantly in the electronic manufacturing services ("EMS") focusing on industrial electronic products namely, communications and internet of things ("IoT") products, electronics devices, and semiconductor components.

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31 October 2023	31 October 2022	31 October 2023	31 October 2022
	RM	RM	RM	RM
Communications and IoT products	79,048,395	109,098,007	243,202,083	290,637,439
Electronics devices	16,200,447	15,309,599	42,230,767	37,132,184
Semiconductor components	3,548,313	8,137,443	17,030,378	17,442,137
	<u>98,797,155</u>	<u>132,545,049</u>	<u>302,463,228</u>	<u>345,211,760</u>

Revenue segmented by geographical markets

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31 October 2023	31 October 2022	31 October 2023	31 October 2022
	RM	RM	RM	RM
MALAYSIA	28,512,780	38,866,124	67,098,042	113,093,068
AMERICAS	46,880,746	62,629,381	158,775,126	160,421,301
ASIA PACIFIC (excluding Malaysia)	15,230,611	18,092,129	45,244,501	45,575,901
EUROPE	8,173,018	12,957,415	31,345,559	26,121,490
	<u>98,797,155</u>	<u>132,545,049</u>	<u>302,463,228</u>	<u>345,211,760</u>

A9. Dividend Paid

There was no dividend paid during the current quarter under review.

A10. Property, Plant and Equipment

The Group did not carry out any revaluation of its property, plant and equipment in the current quarter under review.

A11. Capital Commitments

	Unaudited As at 31 October 2023 RM	Audited As at 31 January 2023 RM
Contracted but not provided for:		
- Property, plant and equipment	6,031,358	5,259,402
Approved but not provided for:		
- Property, plant and equipment	46,378,897	31,544,324
	<u>52,410,254</u>	<u>36,803,726</u>

A12. Changes in the Composition of the Group

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

A13. Contingent Liabilities and Contingent Assets

There was no material contingent liability or contingent asset to be disclosed as at the date of this report.

A14. Significant Related Party Transactions

There was no related party transaction during the quarter under review.

A15. Fair value of financial instruments

The Group measures its financial instruments carried at fair value in accordance with the following levels of fair value hierarchy which are categorised based on the input used in the valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability; and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable input).

The Group's financial instruments as at the end of the financial period under review measured at fair value are as follows:

	Unaudited As at 31 October 2023 RM	Audited As at 31 January 2023 RM
Levels 1		
Financial assets at fair value through profit or loss - Placements in investment funds	36,797,109	1,965,053

The fair value of the investment funds is determined by reference to the market price at the end of the reporting period.

A16. Material Events Subsequent to the end of the Quarter

Save as disclosed in Note B7 (ii), there was no other material event subsequent to the end of the current quarter and financial year-to-date has not been reflected in the unaudited condensed interim financial statements.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

B1. Review of performance

	Individual Period (a)		Changes (Amount/%) +/(-)	Cumulative Period (b)		Changes (Amount/%) +/(-)
	(3rd quarter)			Current Year To- date	Preceding Year Corresponding Period	
	Current Year Quarter	Preceding Year Corresponding Quarter				
	31-Oct-2023	31-Oct-2022		31-Oct-2023	31-Oct-2022	
Revenue	98,797,155	132,545,049	(25.5)	302,463,228	345,211,760	(12.4)
Gross Profit	12,209,339	17,874,697	(31.7)	35,074,524	37,698,030	(7.0)
Profit Before Interest and Tax	13,587,783	14,548,339	(6.6)	34,445,195	28,640,040	20.3
Profit Before Tax	13,539,882	13,478,696	0.5	35,612,281	26,236,094	35.7
Profit After Tax	9,700,882	12,283,570	(21.0)	28,313,281	24,371,968	16.2
Profit Attributable to Ordinary Equity Holder of the Parent	9,700,882	12,283,570	(21.0)	28,313,281	24,371,968	16.2

(a) Results for the current quarter

For the current quarter ended 31 October 2023 under review, the Group recorded a revenue of RM98.8 million, representing a decline of 25.5% as compared to the corresponding quarter in the preceding year. The communication and IoT products contributed RM79.0 million (80.0%), electronics devices contributed RM16.2 million (16.4%) and semiconductor components contributed the remaining RM3.6 million (3.6%). In the preceding year's corresponding quarter, the Group recorded a revenue of RM132.5 million. Communication and IoT products contributed RM109.1 million (82.3%), electronics devices contributed RM15.3 million (11.6%) and semiconductor components contributed the balance of RM8.1 million (6.1%).

Despite the decline in revenue, the Group recorded a profit before tax of RM13.5 million similar to that in the preceding year's corresponding quarter. This was largely attributed to the continuous operational cost optimisation and the strengthening of US dollar.

(b) Results for financial year-to-date

For the current cumulative quarters ended 31 October 2023 under review, the Group recorded a revenue of RM302.5 million, representing a decline of 12.4% as compared to the preceding year's corresponding cumulative quarters. The communication and IoT products contributed RM243.2 million (80.4%), electronics devices contributed RM42.3 million (14.0%) and semiconductor components contributed the remaining RM17.0 million (5.6%). In the preceding year's corresponding cumulative quarter, the Group recorded a revenue of RM345.2 million. Communication and IoT products contributed RM290.6 million (84.2%), electronics devices contributed RM37.1 million (10.8%) and semiconductor components contributed the balance of RM17.5 million (5.0%).

The Group recorded a gross profit of RM35.1 million for the current cumulative quarters as compared to RM37.7 million recorded in the corresponding cumulative quarters of the preceding year. The Group continued to have a strong gross profit margin in view of the increasing total percentage of contribution by the electronics devices compared to the corresponding cumulative quarters of the preceding year.

The Group recorded a profit before tax of RM35.6 million for the current cumulative quarters as compared to a profit before tax of RM26.2 million for the corresponding cumulative quarters in the

preceding year despite recording the decline in total revenue of RM42.7 million – largely arising from deferment of customers’ orders as customers prioritise the depletion of their high inventory holdings. The higher profit before tax was partly contributed by a composition of cost management initiatives, more effective capital management, and a stronger US dollar.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter 31-Oct-2023	Immediate Preceding Quarter 31-Jul-2023	Changes (Amount/%)
Revenue	98,797,155	109,036,866	-9.4%
Gross Profit	12,209,339	15,303,280	-20.2%
Profit Before Interest and Tax	13,587,783	12,694,445	7.0%
Profit Before Tax	13,539,882	13,410,495	1.0%
Profit After Tax	9,700,882	10,550,495	-8.1%
Profit Attributable to Ordinary Equity Holder of the Parent	9,700,882	10,550,495	-8.1%

The Group recorded a revenue and profit before tax of RM98.8 million and RM13.5 million - representing a decrease of RM10.2 million in revenue but an increase of RM0.1 million in profit before tax respectively for the current quarter.

The profit before tax for the quarter under review was slightly higher than the preceding quarter, contributed by operations efficiency improvements and the strengthening of the US dollar.

The Group did not record any business transactions that resulted in the material disposal of investment or properties, a one-off gain or loss, or revaluation gain or loss in this quarter under review.

B3. Prospects for the Group

Similar to its industry peers, the Group continues to be confronted with various global economy, geopolitical, supply chain and financial markets volatilities.

To manage and overcome these challenges, the Group continues to remain prudent and cautiously optimistic in navigating through such unpredictable global markets as it strives to continue to selectively invest in technology infrastructure to further diversify and enhance the Group’s IoT and automotive manufacturing capabilities – enabling the Group to successfully onboard new customers and projects to manufacture components for electric vehicles (“EV”).

The order book is approximately RM473 million on 11 December 2023.

Barring any unforeseen circumstances in executing our existing order book and subsequent new orders, we continue to be cautiously positive with optimistic about the Group’s performance for the financial year ending 31 December 2023.

B4. Note to the Statement of Profit and Loss & Other comprehensive income

	Current quarter ended		Cumulative quarter ended	
	31 October 2023	31 October 2022	31 October 2023	31 October 2022
	RM	RM	RM	RM
After Charging:				
Depreciation of property, plant and equipment	3,192,114	2,263,786	9,461,280	5,916,179
Employee benefits expense	12,002,574	15,413,622	37,445,719	37,608,065
Expenses relating to lease of low value assets	2,460	5,920	11,070	19,310
Expenses relating to short-term leases	9,000	25,735	27,035	68,928
Interest expenses on:				
- Finance lease	23,305	424	69,653	2,291
- Term loans	638,256	274,231	988,355	774,958
- Bankers acceptances and OFCL	-	831,577	251,764	1,773,166
- Revolving credit	-	14,301	3,500	27,370
Loss on foreign exchange				
- Realised	188,835	362,497	-	1,247,872
- Unrealised	-	391,665	-	1,029,154
And crediting:				
Gain on disposal of property, plant and equipment	76,928	-	76,928	-
Gain on foreign exchange:				
- Realised	-	-	5,824,728	-
- Unrealised	4,425,175	-	1,962,532	-
Fair value gain on revaluation of short term investment *	236,989	223,784	453,913	492,504
Interest income	641,953	89,543	2,592,097	299,136
Reversal of obsolescence/slow moving inventories	-	-	-	193,437

*Included in Other Income

There is no provision for and/or write-off of receivables, impairment of assets, and gain or loss on derivatives for the financial quarter under review.

B5. Income tax expense

	Current Quarter ended		Cumulative quarter ended	
	31 October 2023	31 October 2022	31 October 2023	31 October 2022
	RM	RM	RM	RM
Current period income tax	582,000	601,126	2,415,000	1,364,126
Deferred tax	3,257,000	594,000	4,884,000	500,000
	<u>3,839,000</u>	<u>1,195,126</u>	<u>7,299,000</u>	<u>1,864,126</u>

The effective tax rate of the Group for the current quarter and financial year under review was higher than the statutory tax rate. This was mainly due to the no major capital investment during the current quarter under review.

B6. Profit forecast or Profit guarantee

The Group did not issue any profit forecast or profit guarantee in respect of any corporate proposals.

B7. Status of corporate proposals

(i) Performance Share Grant

On 25 October 2023, the Company issued a total of 70,000 new ordinary shares as a PSG pursuant to the ESS.

(ii) Change In Financial Year-End

On 14 December 2023, the Company announced the change in the financial year end from 31 January to 31 December, to align the Company's financial quarter with the calendar year.

The next audited financial statements will be made up from 1 February 2023 to 31 December 2023 covering a period of 11 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The Q4 for the financial year ended 31 December 2023 will comprise of two calendar months.

Save as disclosed above, there was no other corporate proposal announced by the Company in the quarter under review.

B8. Utilisation of proceeds raised from the Private Placement

The utilisation of the Private Placement proceeds of RM77,725,060 (received on 7 February 2023) was utilised in the following manner as of 31 October 2023:

Purpose	Intended Timeframe for Utilisation	Proposed Utilisation	%	Actual Utilisation	Balance as at 31 October 2023
		RM		RM	RM
Purchase of 3 additional surface mount technology lines	within 24 months (1)	25,000,000	32.2	-	25,000,000
Installation of Rooftop Solar	within 12 months (1)	2,000,000	2.6	2,000,000	-
Part repayment of bank facilities	within 3 months (1)	29,925,060	38.5	29,925,060	-
Investment for new manufacturing plant	within 24 months (1)	20,000,000	25.7	1,358,433	18,641,567
Expenses in relation to the Private Placement	within 6 months (1)	800,000	1.0	800,000	-
Total		77,725,060	100.0	34,083,493	43,641,567

(1) From the completion date of the private placement of the Company shares on 7 February 2023.

B9. Group's Borrowings and Debts Securities

The details of the Group's borrowings as at 31 October 2023 are as follows: -

	As at 3rd quarter FYE 31 December 2023					
	Long term		Short term		Total borrowing	
	Foreign denomination [^]	RM denomination [^]	Foreign denomination [^]	RM denomination [^]	Foreign denomination [^]	RM denomination [^]
Secured:						
Bankers acceptances	-	-	-	-	-	-
Onshore foreign currency loan (OFCL)	-	-	-	-	-	-
Finance lease	-	173,229	-	53,057	-	226,286
Term loans/ Islamic financing	-	17,365,080	-	5,089,528	-	22,454,608
Total	-	17,538,309	-	5,142,585	-	22,680,894

	As at 3rd quarter FYE 31 January 2023					
	Long term		Short term		Total borrowing	
	Foreign denomination [^]	RM denomination [^]	Foreign denomination [^]	RM denomination [^]	Foreign denomination [^]	RM denomination [^]
Secured:						
Bankers acceptances	-	-	-	37,703,884	-	37,703,884
Onshore foreign currency loan (OFCL)	-	-	47,457,294	-	47,457,294	-
Finance lease	-	226,286	-	80,122	-	306,408
Term loans/ Islamic financing	-	21,379,462	-	5,009,502	-	26,388,964
Revolving credit	-	-	-	-	-	-
Total	-	21,605,748	47,457,294	42,793,508	47,457,294	64,399,256

[^] The OFCL is denominated in USD with the current quarter closing foreign exchange rate at USD1.00 = RM4.765 compared to the preceding year's corresponding quarter of USD1.00 = RM4.768. there is no outstanding OFCL as at 31 October 2023.

The Group's borrowing facilities comprise of largely floating rate facilities bearing interest/profit rates ranging from 4.09% to 5.15% per annum during the quarter under review (preceding quarter 4.09% to 5.15%).

The Group did not enter into any financial hedging instruments as at the date of this quarterly report.

There are no significant changes in the total borrowing and banking facilities as compared to the preceding quarter.

There is no unsecured borrowing during the quarter under review.

B10. Material Litigation

There was no material litigation by the Company in the quarter under review.

B11. Dividends

The first interim tax-exempt (single-tier) dividend of 2.30 sen per ordinary share for the financial year ended 31 December 2023 amounting to RM9.06 million was declared on 29 September 2023 and paid on 10 November 2023.

Save as disclosed above, there was no other dividend declared during the current quarter under review.

B12. Earning Per Shares (“EPS”)

The basic EPS for the current quarter and financial year-to-date is computed as follow: -

The calculation of earnings per ordinary share is calculated based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding at the respective individual quarters as follows:

	Individual Quarter		Cumulative Quarter	
	31 October 2023	31 October 2022	31 October 2023	31 October 2022
(i) Basic EPS				
Profit attributable to ordinary equity owners of the Company (RM)	9,700,882	12,283,570	28,313,281	24,371,968
Earnings per ordinary share attributable to owners of the Company				
Weighted average number of ordinary shares	393,212,586	358,180,000	393,212,586	358,180,000
Earnings per ordinary share (sen)	2.47	3.43	7.20	6.80
(ii) Diluted EPS				
Profit attributable to ordinary equity owners of the Company (RM)	9,700,882	12,283,570	28,313,281	24,371,968
Earnings per ordinary share attributable to owners of the Company				
Weighted average number of ordinary shares	393,467,586	358,180,000	393,467,586	358,180,000
Earnings per ordinary share (sen)	2.47	3.43	7.20	6.80

B13. Fair value of financial liabilities

There was no gain or loss arising from fair value changes of financial liabilities for the current quarter and financial period under review as the Group did not have any financial liabilities measured at fair value.