

Interim report for the third quarter ended 30 September 2024.

Notes: -

**1) Basis of preparation**

These condensed consolidated interim financial statements have been prepared in accordance with the requirements of *MFRS 134 "Interim Financial Reporting"* issued by the Malaysian Accounting Standards Board and paragraph 9.22, Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2023.

The financial information has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

**Adoption of amendments to MFRSs**

The significant accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2023, except during the financial year, the Group has adopted the following pronouncements issued by the Malaysian Accounting Standards Board that are mandatory for the current financial year beginning 1 January 2024: -

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 101 Presentation of Financial Statements - Non-Current Liabilities with Covenants and Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 107, Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangement	1 January 2024
Amendments to MFRS 16 'Lease Liability in a Sale and Leaseback'	1 January 2024

The adoption of the above pronouncements did not have any material financial impact on the Group and the Company.

As at the date of authorisation of these interim financial statements, the new and revised MFRSs and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group are:

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7: Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18 : Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 : Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group will apply the above MFRSs, Amendments to MFRSs that are applicable when they become effective. The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application.

- 2) **Audit qualification of preceding annual financial statements**  
The auditors' report for the preceding annual financial statements for the year ended 31 December 2023 was not subject to any qualification.
- 3) **Seasonal or cyclical factors**  
The business operations of the Group were not materially affected by any seasonal or cyclical factors during the interim period except the low season for Group's hospitality business generally during second and third quarters of the financial year.
- 4) **Unusual items**  
There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the interim period.
- 5) **Changes in estimates**  
There were no changes in estimates of amounts reported in prior financial years that have a material effect in the interim period.
- 6) **Debt and equity securities**  
There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the interim period.
- 7) **Dividends**  
A first and final dividend of 6 sen per share, single-tier (previous year 6 sen per share) on 120,000,000 ordinary shares (previous year 120,000,000 ordinary shares) amounting to RM7.2 million (previous year RM7.2 million) was paid on 23 August 2024 (previous year 25 August 2023) in respect of the financial year ended 31 December 2023.
- 8) **Segment Reporting**  
The Board of Directors is the Group's chief operating decision-maker (CODM). Management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic decisions. The CODM considers the business both from a geographical and business segment perspective and reviews internal management reports at least on a quarterly basis. Performance is measured based on segment's profit before interest and tax as management believes that such information is most relevant in evaluating the results of the segments.

The Group's two main business segments operate in two geographical areas: -

Malaysia	Copper Business- Procurement of raw materials and manufacturing and marketing of electrical conductivity grade copper wires, rods and strips
India	Hospitality and Copper Business

Information regarding each reportable business segment is as follows: -

Segment reporting	Copper Business	Hospitality Business	Holding Company, Others & eliminations	Group
	RM'000	RM'000	RM'000	RM'000
<b>Financial period ended</b>				
<b>30 September 2024</b>				
<b>Revenue</b>				
External	3,835,744	74,095	0	3,909,839
Inter segment revenue	0	0	0	0
Total revenue	<u>3,835,744</u>	<u>74,095</u>	<u>0</u>	<u>3,909,839</u>
<b>Results</b>				
Segment results	73,554	9,183	(8,685)	74,052
Finance costs				(63,864)
Tax expense				(127)
Net profit for the financial period				<u>10,061</u>
<b>As at 30 September 2024</b>				
<b>Net assets</b>				
Segment assets	1,347,398	518,523	(496)	1,865,425
Segment liabilities	978,645	327,711	(67,628)	1,238,728
<b>Other Information</b>				
- Depreciation	10,312	10,408	0	20,720
- Capital expenditure	4,097	24,866	0	28,963
- Interest income	(7,892)	(216)	0	(8,108)
- Interest expense	46,832	22,896	(5,864)	63,864
<b>Financial period ended</b>				
<b>30 September 2023</b>				
<b>Revenue</b>				
External	3,190,068	54,315	0	3,244,383
Inter segment revenue	0	0	0	0
Total revenue	<u>3,190,068</u>	<u>54,315</u>	<u>0</u>	<u>3,244,383</u>
<b>Results</b>				
Segment results	44,516	11,248	4,550	60,314
Finance costs				(52,920)
Tax expense				2,369
Net profit for the financial period				<u>9,763</u>
<b>As at 30 September 2023</b>				
<b>Net assets</b>				
Segment assets	1,387,152	427,513	(541)	1,814,124
Segment liabilities	1,113,582	293,975	(85,484)	1,322,073
<b>Other Information</b>				
- Depreciation	7,290	6,012	0	13,302
- Capital expenditure	1,908	421	0	2,329
- Interest income	(6,589)	(877)	0	(7,466)
- Interest expense	44,155	8,765	0	52,920

**9) Valuation of Property, plant and equipment**

The valuation of property, plant, and equipment has been carried forward without any changes from the previous annual financial statements for the year ended 31 December 2023. No revaluation of property, plant, and equipment was conducted during the current financial quarter under review.

**10) Material subsequent events**

There were no material events subsequent to the end of the interim period reported on, that have not been reflected in the financial statements for the said interim period.

**11) Changes in composition of the Group**

There were no changes in the composition of the Group during the third quarter ended 30 September 2024, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.

**12) Contingent liabilities / assets**

There were no contingent liabilities or contingent assets as at the date of this report.

**13) Capital Commitments**

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 September 2024 is as follows:

	RM'000
Property, plant, and equipment: -	
• Authorised and contracted for	7,400
• Authorised but not contracted for	57,400
<b>Total:</b>	<b>64,800</b>

**14) Review of the performance of the Company and its principal subsidiaries**

**Financial review of current quarter and year to date**

	Individual period (3rd quarter)		Change RM'000	Change %	Cumulative Period		Change RM'000	Change %
	Current Year Quarter	Preceding year corresponding quarter			Current Year to Date	Preceding year corresponding period		
	30/9/2024 RM'000	30/9/2023 RM'000			30/9/2024 RM'000	30/9/2023 RM'000		
Revenue	1,151,254	1,224,539	-73,285	-6%	3,909,839	3,244,383	665,456	21%
E.B.I.T.D.A. *	27,121	21,620	5,501	25%	86,665	66,150	20,515	31%
Profit before depreciation, amortisation, difference in fair value on foreign exchange derivatives and exchange translation on the investment in CCD	2,214	7,291	-5,076	-70%	21,090	28,014	-6,924	-25%
Profit before tax	958	515	443	86%	10,188	7,394	2,794	38%
Profit after tax	1,973	1,034	939	91%	10,061	9,763	298	3%
Profit for the financial period attributable to :								
- Owners of the Company	6,693	3,736	2,957	79%	16,512	8,547	7,965	93%
- Non-controlling interest	-4,720	-2,702	-2,018	75%	-6,451	1,216	-7,667	-631%

\* Earnings before Interest, Taxes, Depreciation and Amortisation

The Group reported a higher cumulative EBITDA of RM86.665 million as compared to previous year's corresponding period EBITDA of RM66.150 million. Cumulative pre-tax profit of RM10.188 million was also higher as compared to previous corresponding period's pre-tax profit of RM7.394 million.

Pre-tax profit for the current quarter includes net positive impact of RM5.249 million (cumulatively net positive impact of RM9.818 million) arising from fair value gain on foreign exchange derivatives and exchange translation loss on the investment in Compulsory Convertible Debentures (CCD) of a subsidiary, as compared to a net negative impact of RM2.276 million (cumulative net negative impact of RM7.318 million) in previous year's corresponding period.

Revenue for the quarter was marginally lower as compared to previous year's corresponding period mainly due to lower copper prices, though revenue for cumulative period is higher mainly due to higher volumes.

The Malaysian economy experienced year-on-year growth, driven by electrical and electronics and consumer sectors. The construction sector also recorded gains, supported by key government projects. We are enhancing our service quality, delivery efficiency, and customer engagement enabling us to make further inroads in Malaysia and other key markets. Competition arising from over capacity remained intense. Credit, commercial and security risks remained high due to the difficult conditions in financial markets and volatile copper prices. Consistently elevated US dollar interest rates, rising energy costs and geopolitical uncertainties in Europe and the Middle East continue to exert pressure on costs and supply chain stability.

During the quarter, the next phase of the planned renovation was being carried out. Hotel's performance was in line with the expectations. Although Average Daily Rates (ADR) were lower but occupancy levels were higher enabling the achievement of set targets. Generally, this quarter is always lean

Subject to above, in the opinion of the Directors, the results of the operations for the Group have not been substantially affected by any item, transaction or event of a material and unusual nature as at the date of this report.

#### 15) **Material Changes in Quarterly Results**

##### **Financial review of the current quarter compared with immediately preceding quarter**

	Current Quarter	Immediate Preceding Quarter	Change	Change
	30/9/2024	30/6/2024		
	RM'000	RM'000	RM'000	%
Revenue	<b>1,151,254</b>	1,430,370	-279,116	-20%
E.B.I.T.D.A.	<b>27,121</b>	28,921	-1,800	-6%
Profit before depreciation, amortisation, difference in fair value on foreign exchange derivatives and exchange translation on the investment in CCD	<b>2,214</b>	5,289	-3,074	-58%
Profit before tax	<b>958</b>	2,830	-1,872	-66%
Profit after tax	<b>1,973</b>	1,961	12	1%
Profit for the financial period attributable to :				
- Owners of the Company	<b>6,693</b>	6,927	-234	-3%
- Non-controlling interest	<b>-4,720</b>	-4,966	246	-5%

The Group reported a lower profit before tax for the quarter as compared to preceding quarter's pre-tax profit mainly due to non-availability of rooms in hotel segment due to undergoing renovation and low season impacting the average room rates.

**16) Current Year Prospects**

Malaysia's economic growth in the second and third quarter surpassed estimates suggesting a recovery seen at the beginning of 2024 is gathering speed. Reflecting this resilience, the World Bank, in its October 2024 Malaysia Economic Monitor report, revised its economic growth projection for Malaysia in 2024 upward from 4.3% in April to 4.9%. Similarly, the Malaysian Government's Budget 2025 Economic Outlook report projects the economy to expand by 4.8% to 5.3%, driven by strong domestic demand and a steady rebound in exports.

Additionally, most of the Group's key export markets are expected to continue to invest in expansion of rail, road, airport, property sector and renewable energy infrastructure which could sustain copper demand in Asia Pacific region. However, emerging trade restrictions through the introduction of potential tariff and non-tariff barriers could create uncertainty of business in some markets.

USD interest rates have been cut by a cumulative 75 basis points this year. Though this will provide some financial relief, the rates continue to remain at elevated levels resulting in high financing cost. While the potential for further rate cuts exists, it will largely depend on inflation trends and broader economic conditions. The Chinese economy continues to be weighed down by the challenges in real estate segment. The geopolitical situation in certain regions continues to be drawn-out. We continue to face shipping delays and higher logistics cost. Rising energy prices continue to add to the business challenges.

Credit, commercial and security risks are expected to remain high due to volatile copper prices and currency. LME copper prices remains high resulting in increase in working capital funding requirements. The Group is optimizing the working capital cycle while working with banks to secure additional financing. The Group continues to manage such risks with robust internal systems, hedging policies & procedures and remains focused on optimizing its costs and working capital cycle, expanding its geographic reach and improving market share.

During the year, a section of the hotel was closed for the next phase of renovations. However, the renovations completed in the previous year have firmly established the property as a leading leisure destination in Goa. The results of the renovations have been very encouraging. Despite the partial shutdown during the year, the group is cautiously optimistic of a better performance in the Hospitality Segment for the year given the highest Average Daily Rates (ADR) and Occupancy levels amongst its competitive set in Goa .

Despite all the above challenges and headwinds, the Group continues with its efforts optimize cost, improve operational efficiencies and internal processes to mitigate the impact of these challenges.

**17) Profit forecast and variance**

There was no profit forecast or profit guarantee issued during the financial period to-date.

## 18) Taxation

	<b>Current year Quarter 30/09/2024 RM'000</b>	<b>Comparative Quarter 30/09/2023 RM'000</b>	<b>Current year YTD 30/09/2024 RM'000</b>	<b>Comparative YTD 30/09/2023 RM'000</b>
In respect of current period				
- Income tax	<b>851</b>	(141)	<b>2,375</b>	1,644
- Deferred tax	<b>(1,866)</b>	(378)	<b>(2,248)</b>	(4,013)
<b>Total</b>	<b>(1,015)</b>	(519)	<b>127</b>	(2,369)

Effective tax rate for the period is lower mainly due to profits of a subsidiary subject to tax at lower rate.

## 19) Corporate proposals

There are no corporate proposals announced but not completed as at date of the report.

## 20) Group Borrowings and Debt Securities

Group borrowings as at 30 September 2024 are as follows: -

### As at quarter ended 30 September 2024

		<b>Long Term</b>		<b>Short Term</b>		<b>Total Borrowings</b>	
		<b>Foreign Currency '000</b>	<b>RM'000</b>	<b>Foreign Currency '000</b>	<b>RM'000</b>	<b>Foreign Currency '000</b>	<b>RM'000</b>
<b>Secured</b>							
Term Loan	INR	2,673,414	131,508	130,702	6,429	2,804,116	137,937
<b>Unsecured</b>							
Foreign Currency Trade Loans	USD	0	0	222,160	915,744	222,160	915,744
Term Loan	RM		0	0	2,794	0	2,794
Compulsorily Convertible Debenture	INR	1,227,450	60,380	0	0	1,227,450	60,380
<b>Total</b>			<b>191,888</b>		<b>924,967</b>		<b>1,116,855</b>

### As at quarter ended 30 September 2023

		<b>Long Term</b>		<b>Short Term</b>		<b>Total Borrowings</b>	
		<b>Foreign Currency '000</b>	<b>RM'000</b>	<b>Foreign Currency '000</b>	<b>RM'000</b>	<b>Foreign Currency '000</b>	<b>RM'000</b>
<b>Secured</b>							
Term Loan	INR	1,919,487	108,407	129,498	7,314	2,048,985	115,721
<b>Unsecured</b>							
Foreign Currency Trade Loans	USD	0	0	207,526	973,709	207,526	973,709
Term Loan	RM		2,794	0	16,200	0	18,994
Compulsorily Convertible Debenture	INR	1,227,450	69,323	0	0	1,227,450	69,323
<b>Total</b>			<b>180,524</b>		<b>997,223</b>		<b>1,177,747</b>

**21) Material litigation**

Effective January 2020, Director General of Trade Remedies (“DGTR”) under Ministry of Commerce, Government of India had imposed a Countervailing duty (“CVD”) for the export of copper wires from Malaysia, Indonesia, Thailand and Vietnam. The Group had appealed for the same to Customs Excise & Service Tax Appellate Tribunal New Delhi (“CESTAT”). The principal bench of CESTAT pronounced an order in the open court on 8 March 2021 setting aside the imposition of CVD on the Group. An appeal was filed in the Supreme Court (“SC”) of India against the decision of CESTAT by the Indian domestic industry. No stay was granted by the SC at the initial hearing on 9 July 2021. The next hearing date is yet to be listed.

Other than as stated above, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and Board is not aware and does not have any knowledge of any proceedings pending or threatened against the Group, or of any facts likely to give rise to any proceedings which may materially or adversely affect the financial position or business of the Group.

**22) Earnings per share**

	<b>Current Year Quarter 30/09/2024</b>	Comparative Year Quarter 30/09/2023	<b>Current Year to Date 30/09/2024</b>	Comparative Year to Date 30/09/2023
<b>Basic</b> Net profit for the period attributable to Owners of the Company (RM'000)	<b>6,693</b>	3,736	<b>16,512</b>	8,547
Weighted average number of ordinary shares in issue ('000)	<b>120,000</b>	120,000	<b>120,000</b>	120,000
Basic earnings per share (sen)	<b>5.58</b>	3.11	<b>13.76</b>	7.12

The Group does not have in issue any financial instrument or other contract that may entitle its holder to ordinary shares and therefore, dilutive to its basic earnings per share.

**23) Fair Value Hierarchy**

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

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

Level 2 - Input that are based on observable market data, either directly or indirectly

Level 3 - Input that are not based on observable market data.

The derivatives of the Group amounting to RM13,740,000 in debit (30.9.2023: RM3,121,000 in credit) are measured at Level 2 hierarchy.



**24) Profit Before Tax**

Profit before tax is arrived at after (crediting)/charging the following (incomes)/expenses:

	<b>Current Year Quarter 30/09/2024</b>	Comparative Year Quarter 30/09/2023	<b>Current Year to Date 30/09/2024</b>	Comparative Year to Date 30/09/2023
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Interest income	<b>(2,496)</b>	(4,613)	<b>(8,108)</b>	(7,466)
Other income	<b>(1,514)</b>	(240)	<b>(2,196)</b>	(936)
Interest expense	<b>22,153</b>	21,218	<b>63,864</b>	52,920
Depreciation and amortisation	<b>6,506</b>	4,500	<b>20,720</b>	13,302
Provision for and write off of receivables	<b>0</b>	0	<b>0</b>	0
Provision for and write off of inventories	<b>0</b>	0	<b>0</b>	0
(Gain)/ loss on disposal of quoted or unquoted investments or properties	<b>0</b>	0	<b>0</b>	0
Impairment of assets	<b>0</b>	0	<b>0</b>	0
Foreign exchange (gain)/loss (net) #	<b>(6,414)</b>	9,861	<b>3,681</b>	12,423
(Gain) / loss on derivatives (net)	<b>(14,700)</b>	1,785	<b>(17,476)</b>	11,693
Other material items	<b>0</b>	0	<b>0</b>	0

# Significant part of foreign exchange gains/losses, both realised and unrealised, pertain to cost of sales due to back-to-back nature of covering raw material copper prices and short-term borrowings used to finance the purchase of raw materials and have been classified as “other gains/(losses)” in the income statement.

**25) Authorisation for issue**

The interim financial statements were issued by the Board of Directors in accordance with a resolution of the directors on 28 November 2024.