

MCE HOLDINGS BERHAD (Registration No: 201501033021 (1158341-K))
(Incorporated In Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(THE FIGURES HAVE NOT BEEN AUDITED)

	As at	As at
	30.04.2024	31.07.2023
	Unaudited	Audited
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	39,159	67,850
Right-of-use assets	19,042	17,907
Investment property	-	1,254
Investment in an associate	-	803
Deferred tax assets	456	645
	<u>58,657</u>	<u>88,459</u>
Current Assets		
Inventories	18,331	24,165
Trade receivables	18,845	25,716
Other receivables	2,315	1,770
Tax recoverable	1,111	205
Short-term investments	24,371	11,940
Cash and bank balances	16,558	9,093
Assets held for sale	33,772	-
	<u>115,303</u>	<u>72,889</u>
TOTAL ASSETS	<u>173,960</u>	<u>161,348</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the company		
Share capital	64,088	64,088
Reserves	61,806	53,695
	<u>125,894</u>	<u>117,783</u>
Non-controlling Interests	390	-
Total Equity	<u>126,284</u>	<u>117,783</u>
Non-Current Liabilities		
Lease liabilities	1,818	888
Hire purchase payables	698	603
Borrowings	10,644	11,495
Deferred tax liabilities	938	816
	<u>14,098</u>	<u>13,802</u>
Current Liabilities		
Lease liabilities	816	419
Hire purchase payables	608	693
Borrowings	1,757	1,802
Trade payables	17,046	13,558
Other payables	9,978	11,452
Tax payables	2,017	985
Provision for warranties	1,356	854
	<u>33,578</u>	<u>29,763</u>
Total Liabilities	<u>47,676</u>	<u>43,565</u>
TOTAL EQUITY AND LIABILITIES	<u>173,960</u>	<u>161,348</u>
Net assets per stock unit attributable to ordinary equity holders of the company (RM)	<u>1.0189</u>	<u>1.9065</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 July 2023.

MCE HOLDINGS BERHAD (Registration No: 201501033021 (1158341-K))*(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 APRIL 2024**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	3 Months Ended		9 Months Ended	
	30-Apr-24	30-Apr-23	30-Apr-24	30-Apr-23
	RM'000	RM'000	RM'000	RM'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	37,386	39,316	118,717	116,998
Other income	265	114	706	239
Changes in inventories of finished goods	(1,609)	(128)	(2,645)	2,695
Raw material and consumables used	(19,413)	(20,409)	(64,701)	(65,776)
Purchase of trading inventories	(422)	(239)	(422)	(1,571)
Depreciation and amortisation	(1,165)	(1,225)	(3,555)	(3,507)
Employee benefits	(8,120)	(8,026)	(21,695)	(22,757)
Other operating expenses	(3,329)	(2,719)	(9,726)	(8,338)
Finance costs	(203)	(334)	(616)	(974)
Share of loss of associate	-	(224)	(10)	(272)
Profit before tax	3,390	6,126	16,053	16,737
Income tax expense	(985)	(1,425)	(4,253)	(4,284)
Profit for the period	2,405	4,701	11,800	12,453
Other comprehensive income :				
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	2,405	4,701	11,800	12,453
Profit attributable to:				
Equity holders of the company	2,417	4,701	11,817	12,453
Non-controlling interests	(12)	-	(17)	-
	2,405	4,701	11,800	12,453
Total comprehensive income attributable to:				
Equity holders of the company	2,405	4,701	11,800	12,453
Non-controlling interests	-	-	-	-
	2,405	4,701	11,800	12,453
Earnings per share attributable to equity holders of the company:				
Basic and diluted (sen)	1.96	7.85	13.24	21.69

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 July 2023.

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NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The following amounts have been charged/ (credited) in arriving at profit before tax:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	3 Months Ended		9 Months Ended	
	30-Apr-24	30-Apr-23	30-Apr-24	30-Apr-23
	RM'000	RM'000	RM'000	RM'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interest income	(245)	(69)	(602)	(124)
Interest expenses	184	327	570	958
Interest expense on lease liabilities	19	7	46	16
Depreciation	1,164	1,224	3,554	3,506
Amortisation of golf club membership	1	1	1	1
Loss on re-measurement to fair value	-	-	231	-
Bargain purchase	-	-	(11)	-
Provision for warranties	829	(42)	1,360	784
Inventories written down to net realisable value	(175)	32	1,789	41
Inventories written off	-	-	116	173
Loss on disposal of plant and equipment	63	132	122	135
(Gain)/ loss on foreign exchange				
- realised	179	120	354	109
- unrealised	(147)	121	160	28

Save as disclosed above and in the Condensed Consolidated Statement of Comprehensive Income, the other items required by Bursa Malaysia Securities Berhad Main Market Listing Requirements, Chapter 9, Appendix 9B are not applicable to the Group.

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← Attributable to Equity Holders of the Company →

Non-distributable ← Distributable →

	Share capital RM'000	Capital reserve RM'000	Retained profits RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 1 Aug 2023	64,088	1,006	52,689	117,783	-	117,783
Issuance of new share	-	-	-	-	-	-
Acquisition of a subsidiary	-	-	-	-	407	407
Total changes in ownership interests in subsidiaries	-	-	-	-	407	407
Other comprehensive income	-	-	-	-	-	-
Profit for the period	-	-	11,817	11,817	(17)	11,800
Total comprehensive income for the period	-	-	11,817	11,817	(17)	11,800
Dividends to shareholders	-	-	(3,706)	(3,706)	-	(3,706)
At 30 April 2024	64,088	1,006	60,800	125,894	390	126,284
At 1 Aug 2022	55,383	1,006	38,840	95,229	-	95,229
Issuance of new share	8,705	-	-	8,705	-	8,705
Other comprehensive profit	-	-	-	-	-	-
Profit for the period	-	-	12,453	12,453	-	12,453
Total comprehensive profit for the period	-	-	12,453	12,453	-	12,453
At 30 April 2023	64,088	1,006	51,293	116,387	-	116,387

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2023.

MCE HOLDINGS BERHAD (Registration No: 201501033021 (1158341-K))*(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 30 APRIL 2024***(The figures have not been audited)*

	9 months ended 30-Apr-24 RM'000 (Unaudited)	9 months ended 30-Apr-23 RM'000 (Unaudited)
CASH FLOWS (FOR)/ FROM OPERATING ACTIVITIES		
Profit before tax	16,053	16,737
Adjustments for :		
Depreciation	3,554	3,506
Amortisation of golf club membership	1	1
Other interest expense	570	958
Interest expense on lease liabilities	46	16
Inventories written down to net realisable value	1,789	41
Inventories written off	116	173
Gain on lease modification	-	(6)
Share of loss of associate	10	272
Interest income	(71)	(36)
Interest income received on short-term investments	(531)	(88)
Short term accumulated compensated absences	84	248
Provision for warranties	1,360	784
Loss on disposal of plant and equipment	122	135
Reversal of provision for warranties	-	-
Unrealised (gain)/ loss on foreign exchange	160	28
Loss on re-measurement to fair value	231	-
Bargain purchase	(11)	-
	<hr/>	<hr/>
Operating profit before working capital changes	23,483	22,769
Receivables	6,411	1,568
Inventories	3,990	(3,573)
Payables	893	(3,015)
	<hr/>	<hr/>
Cash generated from/ (for) operations	34,777	17,749
Tax paid	(3,830)	(199)
Tax refund	15	92
Interest paid	(616)	(974)
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Net cash generated from/ (for) operating activities	30,346	16,668
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MCE HOLDINGS BERHAD (Registration No: 201501033021 (1158341-K))*(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 30 APRIL 2024***(The figures have not been audited)*

	9 months ended 30-Apr-24 RM'000 (Unaudited)	9 months ended 30-Apr-23 RM'000 (Unaudited)
CASH FLOWS (FOR)/ FROM INVESTING ACTIVITIES		
Interest income	71	36
Interest income received on short-term investments	531	88
Purchase of property, plant and equipment	(6,505)	(2,403)
Placement of short-term investment	(12,431)	(14,188)
Proceeds from disposal of plant and equipment	171	14
Disposal of a subsidiary, net cash disposed of	400	-
Acquisition of a subsidiary, net of cash and cash equivalents acquired	452	-
	<hr/>	<hr/>
Net cash (for) investing activities	(17,311)	(16,453)
CASH FLOWS (FOR)/ FROM FINANCING ACTIVITIES		
Proceed from issuance of ordinary share	-	8,705
Repayment of bankers' acceptance	-	(35,110)
Drawdown of bankers' acceptance	-	32,322
Repayment of hire purchase obligations	(615)	(717)
Repayment of lease liabilities	(352)	(437)
Dividend paid	(3,706)	-
Drawdown of term loan	-	-
Repayment of term loan	(897)	(1,321)
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Net cash (for)/ generated from financing activities	(5,570)	3,442
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	7,465	3,657
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		
	9,093	3,830
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
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	16,558	7,487
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	16,558	7,487
Bank overdraft	-	-
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	16,558	7,487

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 July 2023.

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NOTES TO THE INTERIM FINANCIAL REPORT – 3rd QUARTER ENDED 30 APRIL 2024

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

This condensed consolidated interim financial statement (Condensed Report) has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Condensed Report should be read in conjunction with the audited financial statements of MCE Holdings Berhad (‘The Group’) for the financial year ended 31 July 2023. These explanatory notes attached to the Condensed Report 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 financial year ended 31 July 2023.

A2. Significant Accounting Policies

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted for the annual financial statements of the Group for the year ended 31 July 2023.

The adoption of the following new MFRSs, Amendments to MFRSs and IC Interpretation that came into effect and did not have any significant impact on the unaudited consolidated financial statements upon their initial application.

- MFRS 17 Insurance Contracts (effective from 1 January 2023)
- Amendments to MFRS 17 Insurance Contracts (effective from 1 January 2023)
- Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information (effective from 1 January 2023)
- Amendments to MFRS 101: Disclosure of Accounting Policies (effective from 1 January 2023)
- Amendments to MFRS 108: Definition of Accounting Estimates (effective from 1 January 2023)
- Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective from 1 January 2023)
- Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules (effective from 1 January 2023)

The Group has not early adopted the following new or revised standards, amendments or IC Interpretations which are applicable to the Group that have been issued by the MASB but are not yet effective for the Group’s current financial period ended 30 April 2024:

MFRS, Amendments to MFRS and IC Interpretation	Effective for annual periods beginning on or after
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024

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NOTES TO THE INTERIM FINANCIAL REPORT – 3rd QUARTER ENDED 30 APRIL 2024

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A2. Significant Accounting Policies (Cont'd)

MFRS, Amendments to MFRS and IC Interpretation	Effective for annual periods beginning on or after
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The adoption of the above pronouncements will not have any financial impact to the Group.

A3. Disclosure of Audit Report Qualification

The auditors' report of the Group's most recent audited financial statements for the financial year ended 31 July 2023 did not contain any qualification.

A4. Seasonal or Cyclical Factors Affecting Operations

The principal business operations of the Group are not significantly affected by any seasonal or cyclical factors.

A5. Unusual Items Affecting the Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial period ended 30 April 2024.

A6. Material Changes in Estimates

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

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NOTES TO THE INTERIM FINANCIAL REPORT – 3rd QUARTER ENDED 30 APRIL 2024

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A9. Segmental Reporting (Cont'd)

<u>Cumulative 9 months ended 30 April 2024</u>	Automotive Parts	Healthcare Services	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000

Revenue

Revenue	118,717	-	-	118,717
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Results

Segment results	17,121	(107)	-	17,014
Interest expenses				(616)
Share of loss of an associate				(10)
Unallocated expenses				(335)
Profit before taxation				16,053

<u>Cumulative 9 months ended 30 April 2023</u>	Automotive Parts	Healthcare Services	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000

Revenue

Revenue	116,998	-	-	116,998
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Results

Segment results	18,530	(107)	-	18,423
Interest expenses				(974)
Share of loss of an associate				(272)
Unallocated expenses				(440)
Profit before taxation				16,737

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NOTES TO THE INTERIM FINANCIAL REPORT – 3rd QUARTER ENDED 30 APRIL 2024

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A9. Segmental Reporting (Cont'd)

<u>Assets & liabilities as at 30 April 2024</u>	Automotive Parts	Healthcare Services	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000

Assets & liabilities

Segmental assets	178,890	34,080	(59,241)	153,729
Unallocated assets				20,231
Consolidated total assets				<u>173,960</u>

Segmental liabilities	64,854	7,463	(29,241)	43,076
Unallocated liabilities				4,600
Consolidated total liabilities				<u>47,676</u>

Other information

Capital expenditure	6,505	-	-	6,505
Depreciation and amortisation	3,555	-	-	3,555

No segmental information is provided on a geographical basis as the Group's activities are conducted primarily in Malaysia.

A10. Material Events Subsequent to the end of the Reporting Period

There were no material events subsequent to the end of the current financial period that have not been reflected in the interim financial report for the said period as at the date of this report.

A11. Changes in the Composition of the Group

On 1 April 2024, MCE Ventures Sdn Bhd, a wholly-owned subsidiary of the Company had disposed 40% equity interest comprised of 400,000 ordinary shares in MCE Hengtuo Sdn Bhd to Changchun Hengtuo Mould Co. Ltd. for a total cash consideration of RM 400,000.

Following the disposal, MCE Hengtuo Sdn Bhd has become an 60% owned subsidiary of MCE Venture Sdn Bhd.

A12. Contingent Liabilities and Contingent Assets

The Group has no material contingent liabilities and assets as at 30 April 2024.

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NOTES TO THE INTERIM FINANCIAL REPORT – 3rd QUARTER ENDED 30 APRIL 2024

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

B1 Review of Performance

Comparison to preceding year corresponding quarter

For the third quarter ended 30 April 2024, the Group achieved consolidated revenue of RM37.86 million which was approximately 4.91% lower than the preceding year corresponding quarter. Revenue was impacted by two major festive holidays which occurred during the quarter, resulting in fewer working days. The comparative period of the preceding year was also a higher base caused by increased car bookings before the exemption of SST, which ended in March 2023.

The Group recorded a profit after tax of RM2.405 million for the current quarter as compared to profit after tax of RM4.701 million in the preceding year corresponding quarter mainly due to higher operating expenses and higher effective tax rates.

B2 Material Changes in Profit before Taxation for the Current Quarter with Immediate Preceding Quarter

	Current Quarter 31 January 2024 RM'000	Preceding Quarter 31 January 2024 RM'000
Revenue	37,386	40,045
Pre-tax profit	3,390	6,210
Pre-tax profit margin	9.07%	15.51%

For the current quarter, the Group achieved revenue of RM37.386 million, representing decrease of 6.64% as compared to the preceding quarter ended 31 January 2024. The lower sales this quarter was due to fewer working days. The Group recorded a pre-tax profit of RM3.39 million for the quarter under review as compared to pre-tax profit of RM6.210 million in the preceding quarter which recorded lower employees' benefits. Pre-tax profit margin has decreased from 15.51% to 9.07% as compared to the preceding quarter.

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NOTES TO THE INTERIM FINANCIAL REPORT – 3rd QUARTER ENDED 30 APRIL 2024

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

B3 Prospects Commentary

Our performance for the third quarter was impacted by two major festive holidays, which resulted in fewer working days. The comparative period of the preceding year was also a higher base caused by increased car bookings before the exemption of SST, which ended in March 2023. This was exacerbated by delays in our customer’s car launching schedules.

However, we remain optimistic on our prospects going forward. Geopolitical tensions have created new opportunities, and we are poised to leverage these shifting dynamics to our advantage. With manufacturing relocations to ASEAN, we are well-positioned to capture emerging growth opportunities in the region’s automotive supply chains. With our in-house engineering and R&D capabilities, we are driving the development of higher-value products and more technological sophisticated products for modern vehicles. This focus on innovation will ensure we continue to strengthen our position in the localisation of supply chain and drive continued growth.

The construction of our state-of-the-art plant in Serendah is underway, with commissioning targeted for 2025. This modern new facility will more than double our production capacity and enhance our competitiveness, enabling us to meet new demand from both existing customers and potential export markets. Moving forward, we will be increasing our focus to enhance export sales and establish our presence in the America and Pacific regions, as well as Europe. Barring unforeseen circumstances, the Board expects the Group to achieve satisfactory results for the current financial year.

B4 Variance of Actual Profit from Forecast Profit & Shortfall on Profit Guarantee

There is no profit forecast prepared for public release and no profit guarantee provided by the Group for the current financial period.

B5 Taxation

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30.04.24	30.04.23	30.04.24	30.04.23
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- current year	925	1,380	3,996	3,401
- (Over) provision in prior years	(54)	(147)	(54)	(239)
	871	1,233	3,942	3,162
Deferred tax:				
- current year	114	192	311	1,122
Tax expense	985	1,425	4,253	4,284

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NOTES TO THE INTERIM FINANCIAL REPORT – 3rd QUARTER ENDED 30 APRIL 2024

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

B6 Status of Corporate Proposals

- (a) On 10 October 2023, the Company had proposed to undertake the following proposals:
- (i) Proposed bonus issue of 61,778,702 new ordinary shares in MCE (“MCE Share(s)” or “Share(s)”) (“Bonus Share(s)”) on the basis of 1 Bonus Share for every 1 existing MCE Share held on an entitlement date to be determined and announced later (“Bonus Shares Entitlement Date”) (“Proposed Bonus Issue of Shares”); and
 - (ii) Proposed bonus issue of 61,778,702 free warrants (“Warrant(s)”) on the basis of Warrant for every 2 MCE Shares held after the Proposed Bonus Issue of Shares on an entitlement date to be determined and announced later (“Warrants Entitlement Date”) (“Proposed Bonus Issue of Warrants”).
 - (iii) The Proposed Bonus Issue of Shares and the Proposed Bonus Issue of Warrants were carried out and completed with the listing and quotation of the Bonus Shares and Warrants on the Main Market of Bursa Malaysia Securities Berhad on 10th January 2024 and 19th January 2024 respectively.
- (b) Vantage Realm Sdn Bhd, an indirect wholly-owned subsidiary of the Company, had on 26 February 2024, entered in to a conditional sale and purchase agreement with Grant Ascent Sdn. Bhd., for the disposal of a piece of freehold land held under HS(D) 306627, PT 37252, Mukim Bukit Raja, Daerah Petaling, Negeri Selangor, measuring approximately 13,263.38 square metres in area, for a cash consideration of RM43,686,345.

On 27 May 2024, the Company had submitted the draft circular of the proposals to Bursa Malaysia Securities Berhad (“Bursa Securities”) for review and Bursa Securities had vide its letter dated 5 June 2024 approved the draft circular.

An Extraordinary General Meeting had been scheduled to be convened on 28 June 2024 for the purpose of considering the above proposals.

There were no other corporate proposals announced by the Company as at the date of issue of this quarterly report.

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NOTES TO THE INTERIM FINANCIAL REPORT – 3rd QUARTER ENDED 30 APRIL 2024

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

B7 Group Borrowings and Debt Securities

Group borrowings as at 30 April 2024:

		RM'000
(a)	Secured borrowings	13,707
	Unsecured borrowings	2,634
		16,341
(b)	Short term	
	- lease liabilities	816
	- hire purchase payables	608
	- term loan	1,757
		3,181
	Long term	
	- lease liabilities	1,818
	- hire purchase payables	698
	- term loan	10,644
		13,160
	Total borrowings	16,341

All the above borrowings are denominated in Ringgit Malaysia.

B8 Financial Instruments

The Group enters into forward foreign exchange currencies contracts to hedge its exposure to fluctuations in foreign currency arising from purchases.

The Group has no outstanding derivative financial instruments as at 30 April 2024.

B9 Changes in Material Litigation

There was no pending material litigation as at 22 June 2024 being a date not earlier than 7 days from the date of this quarterly report.

B10 Dividends

- i) On 27 September 2023, the Board of Directors declared a second interim single-tier dividend of 3 sen per ordinary share, amounting to RM 1,853,361.06 in respect of the financial year ended 31 July 2023. The dividend was paid on 30 October 2023 to shareholders (Q1-FY2023: Nil).
- ii) On 26 March 2024, the Board of Directors declared a first interim single-tier dividend of 1.5 sen per ordinary share, amounting to RM 1,853,361.06 in respect of the financial year ending 31 July 2024. The dividend was paid on 30 April 2024 to shareholders (Q3-FY2023: Nil).

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NOTES TO THE INTERIM FINANCIAL REPORT – 3rd QUARTER ENDED 30 APRIL 2024

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

B11 Earnings per Share

The basic and diluted earnings per share are calculated as follows:

	3 months ended		9 months ended	
	30.04.24	30.04.23	30.04.24	30.04.23
Profit for the period attributable to ordinary equity holders of the company (RM'000)	2,417	4,701	11,817	12,453
Number of ordinary shares in issue ('000)	123,557	59,907	89,236	57,411
Basic and diluted earnings per share (sen)	1.96	7.85	13.24	21.69

B12 Memorandum of Understanding (“MOU”)

i) The Group had entered into Memorandum of Understandings (“MOU”) with the following strategic partners with the intention to enhance its product technology, penetrate into global market and expand its existing product range:

- a) MALAYSIA AUTOMOTIVE ROBOTICS AND IoT INSTITUTE (“MARii”) on 9 June 2020 to collaborate on the development of Malaysian Intelligent Transport System (ITS) and other automotive technological systems that is in line with the National Automotive Policy 2020. The major elements in such collaboration include the development of various technological components that enable autonomous driving and other advanced driving capabilities for automotive and non-automotive application e.g. agricultural and consumer sector. The technological components involved are camera, sensor, Light Detection and Ranging (LIDAR), Radio Detection and Ranging (RADAR), recorder, and other electronic and mechatronic components that make up of Advanced Driver Assistance System (ADAS), automatic parking, and all kind of autonomous technology module and system. Other than the autonomous driving system, the collaboration also covers the development of various automotive technological systems and components that include functional switches, electronic control modules, digital meter cluster, and other components that are deemed crucial and strategic in the promotion of local industrial technological enhancement.

The MOU will be beneficial and will enhance the Group’s position and standing in the Industry and enable the Group to play a leading role as the preferred vendor for these technological components to be developed which is in the best interest of the Group.

As at the date of this report, there were no further development to-date.

- b) SOUNDING AUDIO INDUSTRIAL LIMITED (“SA”) on 16 June 2021 with an intention of setting forth a framework for the consultation and exchange of information and technology. The parties have agreed to enter into a definitive agreement on the development, production, marketing and supply of automotive in-vehicle infotainment system for the automotive industries located in Malaysia using the technology and technical assistance provided by SA from China. This MOU shall remain in force for duration of one (1) year and shall automatically be extended on a yearly basis.

The MOU had been automatically renewed for another 1 year to 16 June 2025.

MCE HOLDINGS BERHAD
Registration No: 201501033021 (1158341-K)
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT – 3rd QUARTER ENDED 30 APRIL 2024

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

B12 Memorandum of Understanding (“MOU”) (Cont’d)

- c) ABHISHEK BUSINESS CONSOLIDATION PRIVATE LIMITED (“ABC”) on 5 December 2023 for the purpose of consultation, cooperation and collaboration to establish an equity Joint Venture (“JV”) to develop, manufacture and market Reverse Parking Assistance Systems, Around View Monitoring, Switch Assembly and Power Window Regulators in India using and leveraging on the technology, experience provided by the Group.

As at the date of this report, there were no further development to-date.

B13 Authorized for issue

The interim financial statements were authorized by the Board of Directors in accordance with the resolution of the Directors on 28 June 2024.