



**D'NONCE GROUP OF COMPANIES**

**INTERIM FINANCIAL RESULTS**

**FIRST QUARTER ENDED 30 JUNE 2023**

**D'NONCE TECHNOLOGY BHD.**  
**(200001000687 / 503292-K)**

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2023.

**Unaudited Condensed Consolidated Statement of Financial Position As At 30 June 2023**

		(Audited)
	As At 30/06/2023 RM'000	As At 31/03/2023 RM'000
<i>Note</i>		
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	119,332	116,367
Investment properties	28,080	28,080
Intangible assets	2,099	2,099
Other receivable	-	1,259
Deferred tax assets	50	146
Right Of Use Asset	4,172	4,111
	<u>153,733</u>	<u>152,062</u>
<b>Currents assets</b>		
Inventory property	11,377	11,377
Inventories	22,926	25,947
Trade receivables	30,634	29,770
Other receivables, deposits and prepayments	19,540	17,672
Contract assets	-	856
Investment	22,169	24,063
Tax recoverable	3,088	1,963
Cash and bank balances	20,861	25,850
	<u>130,595</u>	<u>137,498</u>
<b>TOTAL ASSETS</b>	<u>284,328</u>	<u>289,560</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	7 117,911	117,911
Other capital reserve	5,120	5,120
Foreign currency translation reserve	7,457	6,856
Legal reserve	32	32
Revaluation reserve	36,969	36,969
Retained earnings	29,479	35,388
	<u>196,968</u>	<u>202,276</u>
<b>Non-controlling interests</b>	5,722	5,698
<b>Total equity</b>	<u>202,690</u>	<u>207,974</u>

**D'NONCE TECHNOLOGY BHD.**  
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The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2023.

**Unaudited Condensed Consolidated Statement of Financial Position As At 30 June 2023 (cont'd)**

		(Audited)
	As At	As At
	30/06/2023	31/03/2023
<i>Note</i>	RM'000	RM'000
<b>Non-current liabilities</b>		
Retirement benefit obligations	3,665	3,523
Borrowings	20 16,731	17,920
Lease liabilities	2,936	2,357
Deferred tax liabilities	11,132	11,225
	<u>34,464</u>	<u>35,025</u>
<b>Current liabilities</b>		
Borrowings	20 23,522	21,454
Lease liabilities	1,527	1,864
Trade payables	12,230	13,485
Other payables	9,895	9,758
	<u>47,174</u>	<u>46,561</u>
<b>Total liabilities</b>	<u>81,638</u>	<u>81,586</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>284,328</u>	<u>289,560</u>
<b>Net assets per share (RM)</b>	26 <u>0.47</u>	<u>0.55</u>

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023)**

The accompanying notes are an integral part of this statement.

**D'NONCE TECHNOLOGY BHD.**  
**(200001000687 / 503292-K)**

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2023.

**Unaudited Condensed Consolidated Income Statement For The Quarter Ended 30 June 2023**

	<i>Note</i>	CURRENT QUARTER		CUMULATIVE QUARTER	
		3 months ended		3 months ended	
		30/06/2023	30/06/2022	30/06/2023	30/06/2022
		RM'000	RM'000	RM'000	RM'000
Revenue		42,902	44,653	42,902	44,653
Operating expenses		(42,166)	(41,837)	(42,166)	(41,837)
Other income including investment income		1,007	1,495	1,007	1,495
Profit from operations		1,743	4,311	1,743	4,311
Depreciation		(2,573)	(2,309)	(2,573)	(2,309)
Fair value adjustment on other investments		(4,864)	-	(4,864)	-
Foreign exchange gain		403	89	403	89
Gain on disposal of property, plant and equipment		20	-	20	-
Interest expense		(654)	(382)	(654)	(382)
Interest income		59	37	59	37
Property, plant and equipment written off		-	(1)	-	(1)
Provision for and written back / (written off) of inventories		95	(203)	95	(203)
Provision for write off of receivables		(47)	(5)	(47)	(5)
(Loss)/Profit before taxation		(5,818)	1,537	(5,818)	1,537
Taxation	<b>18</b>	(67)	(364)	(67)	(364)
(Loss)/Profit for the period		(5,885)	1,173	(5,885)	1,173
<b>(Loss)/Profit attributable to:</b>					
Owner of the parent		(5,909)	1,138	(5,909)	1,138
Non-controlling interests		24	35	24	35
		(5,885)	1,173	(5,885)	1,173
(Loss)/Earnings per share:	<b>25</b>				
(a) Basic (sen)		(1.36)	0.30	(1.36)	0.30
(b) Fully Diluted (sen)		(1.36)	0.30	(1.36)	0.30

**Notes:**

- i) The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023.
- ii) The accompanying notes are an integral part of this statement.

**D'NONCE TECHNOLOGY BHD.**  
**(200001000687 / 503292-K)**

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2023.

**Unaudited Condensed Consolidated Income Statement For The Quarter Ended 30 June 2023**  
**(cont'd)**

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
<i>Note</i>	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the period	(5,885)	1,173	(5,885)	1,173
Other comprehensive income/(loss):				
Foreign currency translation				
differences for foreign operations	601	(378)	601	(378)
Total comprehensive (loss)/income for the period	<u>(5,284)</u>	<u>795</u>	<u>(5,284)</u>	<u>795</u>
<b>Total comprehensive (loss)/income attributable to:</b>				
Owner of the parent	(5,308)	760	(5,308)	760
Non-controlling interests	24	35	24	35
	<u>(5,284)</u>	<u>795</u>	<u>(5,284)</u>	<u>795</u>

**Notes:**

- i) The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023.
- ii) The accompanying notes are an integral part of this statement.

**D'NONCE TECHNOLOGY BHD.**  
**(200001000687 / 503292-K)**

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2023.

**Unaudited Condensed Consolidated Statement of Changes in Equity For The Quarter Ended 30 June 2023**

	←————— Attributable to equity holders of the parent —————→								
	←————— Non-distributable —————→			—————→ Distributable					
	Foreign								
	Share	Other	Currency	Legal	Revaluation	Retained		Non-	Total
	Capital	Capital	Translation	Reserve	Reserve	Earnings	Total	controlling	Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	Interests	RM'000
At 1 April 2023	117,911	5,120	6,856	32	36,969	35,388	202,276	5,698	207,974
Loss for the period	-	-	-	-	-	(5,909)	(5,909)	24	(5,885)
Other comprehensive income	-	-	601	-	-	-	601	-	601
Total comprehensive (loss)/income for the period	-	-	601	-	-	(5,909)	(5,308)	24	(5,284)
At 30 June 2023	117,911	5,120	7,457	32	36,969	29,479	196,968	5,722	202,690

**Notes:**

- i) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023.
- ii) The accompanying notes are an integral part of this statement.

**D'NONCE TECHNOLOGY BHD.**  
**(200001000687 / 503292-K)**

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2023.

**Unaudited Condensed Consolidated Statement of Changes in Equity For The Quarter Ended 30 June 2023 (cont'd)**

	←————— Attributable to equity holders of the parent —————→						Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Other Capital Reserve RM'000	Currency Translation Reserve RM'000	Share Option Scheme RM'000	Legal Reserve RM'000	Revaluation Reserve RM'000				
At 1 April 2022	111,159	5,120	4,851	31	32	37,325	26,081	184,599	5,152	189,751
Profit for the period	-	-	-	-	-	-	1,138	1,138	35	1,173
Other comprehensive loss	-	-	(378)	-	-	-	-	(378)	-	(378)
Total comprehensive income for the period	-	-	(378)	-	-	-	1,138	760	35	795
At 30 June 2022	111,159	5,120	4,473	31	32	37,325	27,219	185,359	5,187	190,546

**Notes:**

- i) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023.
- ii) The accompanying notes are an integral part of this statement.

**D'NONCE TECHNOLOGY BHD.**  
**(200001000687 / 503292-K)**

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2023.

**Unaudited Condensed Consolidated Statement of Cash Flows For The Period Ended 30 June 2023**

	3 months ended	
	30/06/2023	30/06/2022
	RM'000	RM'000
<b>Cash Flows From Operating Activities</b>		
(Loss)/Profit before taxation	(5,818)	1,537
Adjustments for non-cash flows:		
Depreciation	2,573	2,309
Fair value adjustment on other investments	4,864	-
Gain on disposal of property, plant and equipment	(20)	-
Interest expense	654	382
Interest income	(59)	(37)
Provision for (written back)/written off of inventories	(95)	203
Property, plant and equipment written off	-	1
Provision for write off of receivables	47	5
Non-operating items	(81)	236
Operating profit before working capital changes	2,065	4,636
Increase in receivables	(1,163)	(567)
Decrease/(Increase) in inventories	3,002	(4,725)
(Decrease)/Increase in payables	(1,113)	1,536
Cash generated from operations	2,791	880
Tax paid	(407)	(417)
Interest paid	(609)	(305)
Net cash generated from operating activities	1,775	158
<b>Cash Flows From Investing Activities</b>		
Interest income	59	37
Purchase of property, plant and equipment	(4,453)	(761)
Proceeds from disposal of property, plant and equipment	57	-
Net changes to fixed deposit	1,453	4,893
Net changes to investment	(2,971)	(3,863)
Net cash (used in)/generated from investing activities	(5,855)	306
<b>Cash Flows From Financing Activities</b>		
Net changes in short term borrowings	889	(659)
Repayment of lease liabilities	(534)	(603)
Repayment of hire purchase and lease financing	(596)	(450)
Repayment of term loans	(757)	(705)
Net cash used in financing activities	(998)	(2,417)

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2023.



**Unaudited Condensed Consolidated Statement of Cash Flows For The Period Ended 30 June 2023**  
**(cont'd)**

	<b>3 months ended</b>	
	<b>30/06/2023</b>	<b>30/06/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Net decrease in cash and cash equivalents	(5,078)	(1,953)
Effect of exchange rate changes	199	(135)
Cash and cash equivalents at beginning of the period	11,948	22,964
Cash and cash equivalents at end of the period	<u>7,069</u>	<u>20,876</u>
Cash and cash equivalents comprise:		
Cash and bank balances	20,861	33,975
Bank overdraft - secured	(5,705)	-
	<u>15,156</u>	<u>33,975</u>
Less: Deposits with licensed banks for more than 3 months and pledged with licensed banks	(8,087)	(13,099)
	<u>7,069</u>	<u>20,876</u>

Reconciliation of liabilities arising from financing activities:

	<b>Carrying amount as at 1 April 2023</b>	<b>Cash flows</b>	<b>Non-cash changes Others</b>	<b>Carrying amount as at 30 June 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Short term borrowings	12,849	889	-	13,738
Hire purchase and lease financing	5,462	(596)	-	4,866
Term loans	16,701	(757)	-	15,944
	<u>35,012</u>	<u>(464)</u>	<u>-</u>	<u>34,548</u>

**Notes:**

- i) The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023.
- ii) The accompanying notes are an integral part of this statement.

**Notes to the condensed consolidated interim financial statements of the Group for the first quarter ended 30 June 2023**

**1 Basis of Preparation**

The interim financial statement is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). These interim financial report also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

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

**2 Significant Accounting Policies**

The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 March 2023 except for the adoption of new MFRSs and Interpretations and Amendments to certain MFRSs which are effective for the Group from 1 April 2023.

MFRS 17: Insurance Contracts

Amendments to MFRS 4: Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9

Amendments to MFRS 17: Insurance Contracts

Amendment to MFRS 17: Insurance Contracts: Initial Application of MFRS 17 and MFRS 9: Comparative Information

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112 : International Tax Reform—Pillar Two Model Rules

Adoption of these new MFRSs and Interpretations and Amendments to certain MFRSs did not have any material effect on the financial performance or position of the Group.

**Effective for financial periods beginning on or after 1 January 2024**

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

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7 : Supplier Finance Arrangements

**2 Significant Accounting Policies (cont'd)**

**Deferred**

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 Associates or Joint Venture

The Directors expect that the adoption of these new MFRSs and Interpretations and Amendments will have no material impact on the financial statements in the period of initial application.

**3 Audit Report of the Preceding Annual Financial Statements**

The audit report of the Group's annual financial statements for the year ended 31 March 2023 was not subjected to any qualification.

**4 Seasonality and Cyclical Operations**

The Group is subjected to the cyclical effects of the electronic industry as a result of the volatility of demand.

**5 Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow that are Unusual Because of Their Nature, Size or Incidence**

There were no items affecting assets, liabilities, equity, net income or cash flow that are unusual because of their nature, size or incidence for the current quarter.

**6 Material Changes in Accounting Estimates**

There were no changes in accounting estimates of amounts reported in prior interim periods or the current financial period or changes in estimates of amounts reported in prior financial years.

**7 Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities**

As at the quarter ended 30 June 2023, there were no new ordinary shares issued and allotted, details of the issued and paid-up capital of the Company as at 30 June 2023 are as follows:

**Share Capital**

	<b>No. of shares</b>	<b>RM'000</b>
As at 31 March 2023 / 30 June 2023	434,462,377	117,911

There were no issuances or repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares or resale of treasury shares for the current financial period.

**8 Dividend Paid**

No dividend was paid during the financial year to date.

**9 Segmental Reporting**

The Group's segmental analysis is as follows:

By customer segments

Period ended 30-Jun-23	Healthcare	Electrical and Electronics	Other Industries*	Others ^	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>						
External revenue	13,422	19,698	9,782	-	-	42,902
Inter-segment revenue	1,037	1,585	8	-	(2,630)	-
<b>Total segment revenue</b>	<b>14,459</b>	<b>21,283</b>	<b>9,790</b>	<b>-</b>	<b>(2,630)</b>	<b>42,902</b>
<b>RESULTS</b>						
<b>Segment results</b>	<b>631</b>	<b>286</b>	<b>396</b>	<b>(18)</b>	<b>-</b>	<b>1,295</b>
Unallocated expenses						(6,459)
Operating loss						(5,164)
Finance costs, net						(654)
Loss before taxation						(5,818)
Taxation						(67)
Loss after taxation						(5,885)
<b>Segment assets</b>	<b>83,283</b>	<b>159,880</b>	<b>23,763</b>	<b>11,745</b>	<b>-</b>	<b>278,671</b>
Unallocated assets						5,657
<b>Total assets</b>						<b>284,328</b>
<b>Segment liabilities</b>	<b>16,958</b>	<b>48,496</b>	<b>14,173</b>	<b>65</b>	<b>-</b>	<b>79,692</b>
Unallocated liabilities						1,946
<b>Total liabilities</b>						<b>81,638</b>

\* Other industries is pertaining to automotive, furniture, food and beverage and other manufacturing industries.

^ Other is pertaining to dormant companies.

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**9 Segmental Reporting (cont'd)**

The Group's segmental analysis is as follows (cont'd):

By customer segments

Period ended 30-Jun-22	Healthcare	Electrical and Electronics	Other Industries*	Others ^	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>						
External revenue	16,392	23,349	4,912	-	-	44,653
Inter-segment revenue	1,184	2,111	44	-	(3,339)	-
<b>Total segment revenue</b>	<b>17,576</b>	<b>25,460</b>	<b>4,956</b>	<b>-</b>	<b>(3,339)</b>	<b>44,653</b>
<b>RESULTS</b>						
<b>Segment results</b>	<b>1,374</b>	<b>2,151</b>	<b>165</b>	<b>(203)</b>	<b>-</b>	<b>3,487</b>
Unallocated expenses						(1,568)
Operating profit						1,919
Finance costs, net						(382)
Profit before taxation						1,537
Taxation						(364)
Profit after taxation						1,173
<b>Segment assets</b>	<b>91,888</b>	<b>126,840</b>	<b>14,562</b>	<b>10,868</b>	<b>-</b>	<b>244,158</b>
Unallocated assets						6,441
<b>Total assets</b>						<b>250,599</b>
<b>Segment liabilities</b>	<b>22,095</b>	<b>33,619</b>	<b>3,365</b>	<b>396</b>	<b>-</b>	<b>59,475</b>
Unallocated liabilities						578
<b>Total liabilities</b>						<b>60,053</b>

\* Other industries is pertaining to automotive, furniture, food and beverage and other manufacturing industries.

^ Other is pertaining to dormant companies.

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**10 Subsequent Material Event**

On 5 January 2023, the Board of Directors of the Company announced that its subsidiary company, Attractive Venture (KL) Sdn. Bhd. ("AVKL") entered into a Sale and Purchase Agreement with Paragon Car Carpets & Components Sdn Bhd to purchase all the piece of leasehold land held under H.S.(M) 4080, PT 7667, Tempat Cheras Jaya, Mukim Ceras, Daerah Hulu Langat, Negeri Selangor measuring approximately 6,833 square meters with a unit of factory erected thereon bearing the postal address of Lot 21, Jalan 1, Taman Cheras Jaya, 43200 Cheras, Selangor Darul Ehsan for a total purchase price of RM17,500,000.00 only subject to the terms and conditions as stipulated in the Sale and Purchase Agreement.

The Board of Directors of D'nonce is pleased to announce that the Proposed Acquisition has been completed on 11 August 2023.

**11 Changes in the Composition of the Group**

There were no significant changes in the composition of the Group for the current financial quarter and financial period to date.

**12 Changes in Contingent Liabilities and Assets**

The Company provided corporate guarantees amounting to RM40.07 million (31 March 2023: RM39.02 million) for the banking facilities granted to certain subsidiary companies.

**13 Capital Commitments**

The amount of commitments not provided for in the interim financial statements as at 30 June 2023 are as follows:

	<b>RM'000</b>
Approved and contracted for:	
- Land and building	18,745
- Plant and Machinery	1,414
<b>Total Capital Commitments</b>	<b>20,159</b>

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**14 Analysis of performance for current quarter and financial period-to-date**

A comparison of D'nonce Technology Bhd's performance for the first quarter ended 30 June 2023 ("Q1'24") with the corresponding period last financial year ("Q1'23") is as follows:

	Quarter 1			Year-To-Date		
	FY2024 RM'000	FY2023 RM'000	Variance %	FY2024 RM'000	FY2023 RM'000	Variance %
Revenue	42,902	44,653	-4%	42,902	44,653	-4%
Operating profit	1,743	4,311	-60%	1,743	4,311	-60%
(Loss)/Profit before interest and tax	(5,164)	1,919	-369%	(5,164)	1,919	-369%
(Loss)/Profit before tax	(5,818)	1,537	-479%	(5,818)	1,537	-479%
(Loss)/Profit after tax	(5,885)	1,173	-602%	(5,885)	1,173	-602%
(Loss)/Profit attributable to ordinary equity holders of the parent	(5,909)	1,138	-619%	(5,909)	1,138	-619%

**Group**

The Group achieved revenue of RM42.9 million for the current quarter as compared to RM44.7 million for the corresponding quarter last year, a decreased of RM1.8 million or 4.0%. The Group achieved segment results of RM1.3 million for the current quarter, a decrease of RM2.2 million or 62.9% as compared to RM3.5 million in segment results last year.

Revenue for the Healthcare customer segment was RM13.4 million as compared to RM16.4 million last year, a reduction of RM3.0 million or 18.3%, mainly due to the weak market demand for latex gloves where our segment operates in. Segment results was RM0.6 million for the current quarter as compared to RM1.4 million last year, mainly from the reduction in revenue coupled with normalisation of selling price of our products this year.

The electrical and electronics ("E&E") customer segment contributed RM19.7 million revenue for the current quarter, as compared to RM23.3 million last year, a reduction of RM3.6 million or 15.5%, mainly due to the soft global market demand in the E&E industry. Segment results was RM0.3 million for the current quarter as compared to RM2.2 million last year, mainly due to the reduction in revenue as well as challenging operating costs during the quarter in review.

Revenue for the other industries during the quarter under review was RM9.8 million as compared to RM4.9 million last year, an increase of RM4.9 million or 100%. The increase is mainly contributed by the addition of revenue from the subsidiary acquired at the end of December 2022. Segment results was RM0.4 million, an increase of RM0.2 million or 100% as compared to RM0.2 million last year, mainly from the segment result contribution from the acquired subsidiary.

Based on the above and after accounting for unallocated expenses of RM6.5 million, the Group posted a loss attributable to ordinary equity holders of parent of RM5.9 million for the current quarter.

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**15 Material Changes in Profit Before Taxation Against Preceding Quarter**

	<b>Q1'24</b> <b>30 June 2023</b> <b>RM'000</b>	<b>Q4'23</b> <b>31 March 2023</b> <b>RM'000</b>	<b>Variance</b>  <b>%</b>
Revenue	42,902	46,267	-7%
Operating profit	1,743	2,635	-34%
(Loss)/Profit before interest and tax	(5,164)	(2,697)	92%
(Loss)/Profit before tax	(5,818)	(3,137)	85%
(Loss)/Profit after tax	(5,885)	(2,557)	130%
(Loss)/Profit attributable to ordinary equity holders of the parent	(5,909)	(2,638)	124%

**Group**

The Group achieved RM42.9 million in revenue for the current quarter, a decrease of RM3.4 million or 7.3% as compared to RM46.3 million in the preceding quarter. The loss attributable to the ordinary equity holders of the parent was RM5.9 million as compared to a loss attributable to ordinary equity holders of the parent of RM2.6 million in the previous quarter.

The performance by business segments are further analysed as below:

**Healthcare**

The revenue for this segment was RM13.4 million for the current quarter as compared to RM14.6 million in the preceding quarter, a decrease of RM1.2 million or 8.2%. The segment generated RM0.6 million in segment results as compared to RM1.5 million in the last quarter. The decrease in segment results is mainly due to higher operating costs during the current quarter.

**Electrical and Electronics**

The revenue for this segment was RM19.7 million for the current quarter as compared to RM24.1 million in the preceding quarter, an decrease of RM4.4 million or 18.2%. The segment generated RM0.3 million segment result as compared to RM2.5 million segment loss in the last quarter. The increase is mainly due to one off provision and write off adjustments in the prior quarter.

**Other Industries**

The revenue for this segment was RM9.8 million for the current quarter as compared to RM7.6 million in the preceding quarter, an increase of RM2.2 million or 28.9%. The segment generated RM0.4 million segment profit as compared to RM0.1 million segment loss in the last quarter.

**Others**

The segment generated RM18,000 loss for the current quarter as compared to RM65,000 loss in the last quarter.

**16 Prospects**

Global economic uncertainties is expected to continue throughout 2023 amid geopolitical tensions, rising interest rates and weakening of Ringgit Malaysia against the US dollar. It is challenging to predict the full extent and duration of these impact on the global economy.

The Group remains cautiously optimistic on the long term business prospects and will continue to actively pursue various business strategies to increase its revenue, and to implement cost control measures.

**17 Variance of Actual Profit from Forecast Profit**

The Group did not issue any profit forecast or profit guarantee for the year.

**18 Taxation**

	Current Quarter		Cumulative Quarter	
	30 June 2023 RM'000	30 June 2022 RM'000	30 June 2023 RM'000	30 June 2022 RM'000
Current tax:				
Current period	(42)	(339)	(42)	(339)
Prior period	(22)	(17)	(22)	(17)
Deferred tax:				
Current period	20	18	20	18
Prior period	(23)	(26)	(23)	(26)
<b>Tax expenses</b>	<b>(67)</b>	<b>(364)</b>	<b>(67)</b>	<b>(364)</b>

The Group's performance across all its subsidiaries consist of certain subsidiaries reporting high profits and other subsidiaries either reporting marginal profit or losses. As a result, the profitable subsidiaries are subject to taxation whereas subsidiaries with marginal profit or loss are not exposed to taxation. The net impact is a higher effective tax rate than the statutory rate for the Group.

**19 Status of Corporate Proposal**

On 11 August 2022, TA Securities Holdings Berhad (“TA Securities”) announced on behalf of the Board of Directors (“Board”) that D'nonce Technology Bhd (“DTB”) proposes to undertake the following:

- (i) proposed acquisition of 333,997 ordinary shares in Komark (Thailand) Company Limited (“KTCL”) (“KTCL Shares” or “Sale Shares”), representing 99.9991% equity interest in KTCL from General Labels & Labelling (M) Sdn Bhd (“Vendor” or “GLLSB”) (a wholly-owned subsidiary of Komarkcorp Berhad (“Komarkcorp”)) for a purchase consideration of RM9,100,000 (“Purchase Consideration”) to be satisfied entirely via the issuance of 58,709,677 new ordinary shares in DTB (“DTB Shares” or “Shares”) at an issue price of RM0.155 each (“Consideration Shares”) (“Proposed Acquisition”);
- (ii) in conjunction with the Proposed Acquisition, the Company proposes to undertake a proposed diversification of the principal activities of DTB and its subsidiaries (“DTB Group” or “Group”) to include manufacturing and selling of self-adhesive labels (“Labelling Business”) (“Proposed Diversification”) as the Company envisages that the contribution arising from the Proposed Acquisition will be more than 25% of the net assets and/ or net profits of the Group in the future;
- (iii) proposed renounceable rights issue of up to 434,690,877 DTB Shares (“Rights Shares”) on the basis of 1 Rights Share for every 1 existing Share held on an entitlement date to be determined later (“Entitlement Date”), together with up to 434,690,877 free detachable warrants (“Warrants”) on the basis of 1 Warrant for every 1 Rights Share subscribed for at an issue price to be determined and announced by the Board at a later date (“Proposed Rights Issue”);
- (iv) proposed termination of the Company’s existing employees’ share option scheme (“ESOS”) (“Existing ESOS Scheme”) (“Proposed ESOS Termination”); and
- (v) proposed establishment of a new share issuance scheme of up to 15% of the total number of issued Shares (excluding treasury shares, if any) at any point in time during the duration of the scheme for eligible employees, executive directors and non executive directors of the Company and its non-dormant subsidiaries (“Proposed New SIS” or “Scheme”).

On 17 August 2022, TA Securities announced on behalf of the Board that the listing application in relation to the Proposals has been submitted to Bursa Malaysia Securities Berhad (“Bursa Securities”).

On 1 November 2022, The Board of DTB announced that all the resolutions as set out in the Notice of the Extraordinary General Meeting (“EGM”) dated 17 October 2022 were passed at the EGM of the Company held on Tuesday, 1 November 2022.

On 29 December 2022, TA Securities announced on behalf of the Board that the Acquisition has been completed on 29 December 2022 following the listing and quotation of 58,709,677 new DTB Shares on the Main Market of Bursa Securities on even date.

On 16 March 2023, TA securities announced on behalf of the Board that the Company has been granted an extension time limit until 25 September 2023 to complete the implementation of the Rights Issue and new SIS.

For further details, please refer to Bursa website for the announcement made by the Company.

Other than the above, there are no other corporate proposals announced as at the date of this report.

**D'NONCE TECHNOLOGY BHD.**  
**(200001000687 / 503292-K)**

**20 Group Borrowings and Debt Securities**

The Group Borrowings as at 30 June 2023 were as follows:

	As At 30 June 2023	
	Foreign Denomination '000	RM'000
<b>Secured:</b>		
<b>Short Term (Denominated in THB)</b>		
Trust receipts	5,106	670
Term loans	14,796	1,941
Hire purchases and lease creditors	521	68
	20,423	2,679
<b>Short Term (Denominated in RM)</b>		
Bank overdrafts	-	5,705
Bankers' acceptance	-	5,068
Revolving credits	-	8,000
Term loans	-	1,130
Hire purchases and lease creditors	-	940
	-	20,843
<b>Total Short Term</b>	20,423	23,522
<b>Long Term (Denominated in THB)</b>		
Hire purchases and lease creditors	762	100
	762	100
<b>Long Term (Denominated in RM)</b>		
Term loans	-	12,873
Hire purchases and lease creditors	-	3,758
	-	16,631
<b>Total Long Term</b>	762	16,731
<b>Total</b>	<b>21,185</b>	<b>40,253</b>

**Total borrowings as at 30 June 2023**

		Exchange Rate	RM'000
(a) in Thai Baht	THB 21,185,000	0.1312	2,779
(b) in Ringgit Malaysia	RM 37,474,000	-	37,474
			<u>40,253</u>

**D'NONCE TECHNOLOGY BHD.**  
**(200001000687 / 503292-K)**

**20 Group Borrowings and Debt Securities (cont'd)**

The Group Borrowings as at 30 June 2023 were as follows (cont'd):

	As At 30 June 2022	
	Foreign Denomination '000	RM'000
<b>Secured:</b>		
<b>Short Term (Denominated in THB)</b>		
Trust receipts	12,982	1,619
Term loans	17,585	2,193
Hire purchases and lease creditors	3,801	474
	<b>34,368</b>	<b>4,286</b>
<b>Short Term (Denominated in RM)</b>		
Revolving credits	-	8,000
Term loans	-	534
Hire purchases and lease creditors	-	844
	-	9,378
<b>Total Short Term</b>	<b>34,368</b>	<b>13,664</b>
<b>Long Term (Denominated in THB)</b>		
Term loans	23,239	2,898
Hire purchases and lease creditors	616	77
	<b>23,855</b>	<b>2,975</b>
<b>Long Term (Denominated in RM)</b>		
Term loans	-	4,270
Hire purchases and lease creditors	-	630
	-	4,900
<b>Total Long Term</b>	<b>23,855</b>	<b>7,875</b>
<b>Total</b>	<b>58,223</b>	<b>21,539</b>

**Total borrowings as at 30 June 2022**

		Exchange Rate	RM'000
(a) in Thai Baht	THB 58,223,000	0.1247	7,261
(b) in Ringgit Malaysia	RM 14,278,000	-	14,278
			<u>21,539</u>

**20 Group Borrowings and Debt Securities (cont'd)**

There was no new major borrowing during the quarter to date other than term loan and new hire purchase for fixed assets netted against repayments of some borrowings.

The weighted average interest rate per annum of borrowings were as follows:

	<b>30 June 2023</b>	<b>31 March 2023</b>
Fixed rates	2.29% - 10.00%	2.29% - 10.00%
Floating rates	4.31% - 7.40%	4.31% - 7.40%

There is no hedging against RM on borrowings denominated in Thai Baht as they are used by Thailand subsidiaries for their own operational need.

**21 Derivative Financial Instrument**

There was no derivative financial instrument as at the current financial period.

**22 Related Party Transactions**

During the current quarter under review and up to the date of this announcement, the Group did not enter into any related party transactions or recurrent related party transactions of a revenue or trading nature that has, in consideration, value of the assets, capital outlay or cost of the Recurrent Related Party Transactions is RM1 million or more; or the percentage ratio of such Recurrent Related Party Transaction is 1% or more, whichever is the higher.

**23 Material Litigation**

During the current quarter under review and up to date of this announcement, there are no material litigation involving the Company and the Group.

**24 Dividend**

The Directors will not be recommending any dividend for the current financial period.

**25 Earnings Per Share**

	<b>Current Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
<b>Basic</b>	<b>30 June 2023</b>	<b>30 June 2022</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
(Loss)/Profit attributable to ordinary equity holders of the parent (RM'000)	(5,909)	1,138	(5,909)	1,138
Weighted average number of ordinary shares in issue ('000)	434,462	375,753	434,462	375,753
<b>Basic (loss)/earnings per share (sen)</b>	<b>(1.36)</b>	<b>0.30</b>	<b>(1.36)</b>	<b>0.30</b>

	<b>Current Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
<b>Diluted</b>	<b>30 June 2023</b>	<b>30 June 2022</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
(Loss)/Profit attributable to ordinary equity holders of the parent (RM'000)	(5,909)	1,138	(5,909)	1,138
Weighted average number of ordinary shares in issue ('000)	434,462	375,688	434,462	375,688
<b>Diluted (loss)/earnings per share (sen)</b>	<b>(1.36)</b>	<b>0.30</b>	<b>(1.36)</b>	<b>0.30</b>

**D'NONCE TECHNOLOGY BHD.****(200001000687 / 503292-K)****26 Net Assets Per Share**

	<b>As At 30 June 2023 RM'000</b>	<b>As At 31 March 2023 RM'000</b>
Total assets	284,328	289,560
Less: Total liabilities	(81,638)	(81,586)
<b>Net Assets</b>	<b>202,690</b>	<b>207,974</b>
<b>Number of ordinary shares in issue ('000) (Note 7)</b>	<b>434,462</b>	<b>375,753</b>
<b>Net Assets Per Share (RM)</b>	<b>0.47</b>	<b>0.55</b>

**27 Authorisation For Issue**

The Board of Directors authorised the issue of this unaudited interim financial statements on 28 August 2023.