



D'NONCE GROUP OF COMPANIES

INTERIM FINANCIAL RESULTS

SECOND QUARTER ENDED 30 SEPTEMBER 2024

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

The Board wishes to announce the following unaudited results of the Group for the second quarter ended 30 September 2024.

Unaudited Condensed Consolidated Statement of Financial Position As At 30 September 2024

| | | (Audited) |
|--|----------------|----------------|
| | As At | As At |
| | 30/09/2024 | 31/03/2024 |
| <i>Note</i> | RM'000 | RM'000 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 139,441 | 139,327 |
| Investment properties | 30,083 | 30,040 |
| Intangible assets | 2,099 | 2,099 |
| Other receivable | 1,889 | 1,889 |
| Deferred tax assets | 50 | 50 |
| Right Of Use Asset | 3,048 | 3,753 |
| | <u>176,610</u> | <u>177,158</u> |
| Currents assets | | |
| Inventory property | 11,377 | 11,377 |
| Inventories | 25,721 | 24,118 |
| Trade receivables | 32,567 | 29,374 |
| Other receivables, deposits and prepayments | 26,488 | 14,024 |
| Contract assets | - | 516 |
| Investment | 34,916 | 32,530 |
| Tax recoverable | 2,510 | 2,548 |
| Cash and bank balances | 21,077 | 42,536 |
| | <u>154,656</u> | <u>157,023</u> |
| TOTAL ASSETS | <u>331,266</u> | <u>334,181</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Share capital | 7 | 135,404 |
| Other capital reserve | 5,120 | 5,120 |
| Foreign currency translation reserve | 6,218 | 7,058 |
| Legal reserve | 32 | 32 |
| Warrant reserve | 20,520 | 20,520 |
| Revaluation reserve | 36,608 | 36,608 |
| Retained earnings | 19,409 | 27,916 |
| | <u>223,311</u> | <u>232,658</u> |
| Non-controlling interests | 5,689 | 5,804 |
| Total equity | <u>229,000</u> | <u>238,462</u> |

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

The Board wishes to announce the following unaudited results of the Group for the second quarter ended 30 September 2024.

Unaudited Condensed Consolidated Statement of Financial Position As At 30 September 2024
(cont'd)

| | | (Audited) |
|-------------------------------------|----------------|----------------|
| | As At | As At |
| | 30/09/2024 | 31/03/2024 |
| <i>Note</i> | RM'000 | RM'000 |
| Non-current liabilities | | |
| Retirement benefit obligations | 3,346 | 3,230 |
| Borrowings | 20 | 29,344 |
| Lease liabilities | 2,526 | 2,232 |
| Deferred tax liabilities | 11,563 | 11,564 |
| | <u>46,779</u> | <u>47,188</u> |
| Current liabilities | | |
| Borrowings | 20 | 30,730 |
| Lease liabilities | 396 | 935 |
| Trade payables | 15,313 | 14,599 |
| Other payables | 9,010 | 8,860 |
| Current tax payable | 38 | - |
| | <u>55,487</u> | <u>48,531</u> |
| Total liabilities | <u>102,266</u> | <u>95,719</u> |
| TOTAL EQUITY AND LIABILITIES | <u>331,266</u> | <u>334,181</u> |
| | | |
| Net assets per share (RM) | <u>26</u> | <u>0.26</u> |
| | <u>0.27</u> | <u>0.27</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 2024)

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 second quarter ended 30 September 2024.

Unaudited Condensed Consolidated Income Statement for Quarter Ended 30 September 2024

| | <i>Note</i> | CURRENT QUARTER | | CUMULATIVE QUARTER | |
|--|-------------|------------------------|-------------------|---------------------------|-------------------|
| | | 3 months ended | | 6 months ended | |
| | | 30/09/2024 | 30/09/2023 | 30/09/2024 | 30/09/2023 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | 46,708 | 44,850 | 91,583 | 87,752 |
| Operating expenses | | (45,105) | (42,386) | (88,745) | (84,552) |
| Other income including investment income | | 1,389 | 1,180 | 2,778 | 2,187 |
| Profit from operations | | 2,992 | 3,644 | 5,616 | 5,387 |
| Depreciation | | (2,628) | (2,480) | (5,318) | (5,053) |
| Fair value adjustment on other investments | | (5,823) | 2,543 | (7,365) | (2,321) |
| Foreign exchange (loss)/gain | | (591) | (185) | (670) | 218 |
| Gain on disposal of property, plant and equipment | | 1 | 17 | 1 | 37 |
| Gain on disposal of quoted or unquoted investments or properties | | - | - | 2 | - |
| Interest expense | | (762) | (782) | (1,459) | (1,436) |
| Interest income | | 29 | 46 | 67 | 105 |
| Provision for and written back / (written off) of inventories | | 160 | (44) | 513 | 51 |
| Provision for and (written off) / written back of receivable | | (9) | 34 | 12 | (13) |
| (Loss)/Profit before taxation | | (6,631) | 2,793 | (8,601) | (3,025) |
| Taxation | 18 | 5 | (87) | (21) | (154) |
| (Loss)/Profit for the period | | <u>(6,626)</u> | <u>2,706</u> | <u>(8,622)</u> | <u>(3,179)</u> |
| (Loss)/Profit attributable to: | | | | | |
| Owner of the parent | | (6,581) | 2,704 | (8,507) | (3,205) |
| Non-controlling interests | | (45) | 2 | (115) | 26 |
| | | <u>(6,626)</u> | <u>2,706</u> | <u>(8,622)</u> | <u>(3,179)</u> |
| (Loss)/Earnings per share: | 25 | | | | |
| (a) Basic (sen) | | <u>(0.76)</u> | <u>0.62</u> | <u>(0.98)</u> | <u>(0.74)</u> |
| (b) Fully Diluted (sen) | | <u>(0.76)</u> | <u>0.62</u> | <u>(0.98)</u> | <u>(0.74)</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 2024.

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 second quarter ended 30 September 2024.

Unaudited Condensed Consolidated Income Statement for Quarter Ended 30 September 2024**(cont'd)**

| | CURRENT QUARTER | | CUMULATIVE QUARTER | |
|---|-----------------|--------------|--------------------|----------------|
| | 3 months ended | | 6 months ended | |
| | 30/09/2024 | 30/09/2023 | 30/09/2024 | 30/09/2023 |
| <i>Note</i> | RM'000 | RM'000 | RM'000 | RM'000 |
| (Loss)/Profit for the period | (6,626) | 2,706 | (8,622) | (3,179) |
| Other comprehensive (loss)/gain: | | | | |
| Foreign currency translation | | | | |
| differences for foreign operations | (297) | (971) | (840) | (370) |
| Total comprehensive (loss)/income for the period | <u>(6,923)</u> | <u>1,735</u> | <u>(9,462)</u> | <u>(3,549)</u> |
| Total comprehensive (loss)/profit attributable to: | | | | |
| Owner of the parent | (6,878) | 1,733 | (9,347) | (3,575) |
| Non-controlling interests | (45) | 2 | (115) | 26 |
| | <u>(6,923)</u> | <u>1,735</u> | <u>(9,462)</u> | <u>(3,549)</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 2024.
- 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 second quarter ended 30 September 2024.

Unaudited Condensed Consolidated Statement of Changes in Equity For The Quarter Ended 30 September 2024

| | ←————— 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 | Foreign Currency Translation Reserve RM'000 | Legal Reserve RM'000 | Warrant Reserve RM'000 | Revaluation Reserve RM'000 | | | | |
| At 1 April 2024 | 135,404 | 5,120 | 7,058 | 32 | 20,520 | 36,608 | 27,916 | 232,658 | 5,804 | 238,462 |
| Loss for the period | - | - | - | - | - | - | (8,507) | (8,507) | (115) | (8,622) |
| Other comprehensive loss | - | - | (840) | - | - | - | - | (840) | - | (840) |
| Total comprehensive loss for the period | - | - | (840) | - | - | - | (8,507) | (9,347) | (115) | (9,462) |
| At 30 September 2024 | 135,404 | 5,120 | 6,218 | 32 | 20,520 | 36,608 | 19,409 | 223,311 | 5,689 | 229,000 |

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 2024.
- 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 second quarter ended 30 September 2024.

Unaudited Condensed Consolidated Statement of Changes in Equity For The Quarter Ended 30 September 2024 (cont'd)

| | ←————— Attributable to equity holders of the parent —————→ | | | | | | | | |
|--|--|-----------------------------|---|----------------------|------------------------|----------------------|---------|----------------------------------|-----------------|
| | ←————— Non-distributable | | | —————→ Distributable | | | | | |
| | Share Capital | Other Capital Reserve | Foreign Currency Translation Reserve | Legal Reserve | Revaluation Reserve | Retained Earnings | Total | Non- controlling Interests | Total Equity |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | 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 | - | - | - | - | - | (3,205) | (3,205) | 26 | (3,179) |
| Other comprehensive loss | - | - | (370) | - | - | - | (370) | - | (370) |
| Total comprehensive (loss)/income for the period | - | - | (370) | - | - | (3,205) | (3,575) | 26 | (3,549) |
| At 30 September 2023 | 117,911 | 5,120 | 6,486 | 32 | 36,969 | 32,183 | 198,701 | 5,724 | 204,425 |

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 2024.
- 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 second quarter ended 30 September 2024.

Unaudited Condensed Consolidated Statement of Cash Flows For The Period Ended 30 September 2024

| | 6 months ended | |
|---|----------------|------------|
| | 30/09/2024 | 30/09/2023 |
| | RM'000 | RM'000 |
| Cash Flows From Operating Activities | | |
| Loss before taxation | (8,601) | (3,025) |
| Adjustments for non-cash flows: | | |
| Depreciation | 5,318 | 5,053 |
| Fair value adjustment on other investments | 7,365 | 2,321 |
| Gain on disposal of property, plant and equipment | (1) | (37) |
| Interest expense | 1,459 | 1,436 |
| Interest income | (67) | (105) |
| Provision for written back of inventories | (513) | (51) |
| Provision for (written back)/write off of receivables | (12) | 13 |
| Non-operating items | 1,044 | 331 |
| Operating profit before working capital changes | 5,992 | 5,936 |
| Increase in receivables | (10,496) | (1,037) |
| (Increase)/Decrease in inventories | (1,620) | 4,065 |
| Increase/(Decrease) in payables | 1,046 | (1,756) |
| Cash (used in)/generated from operations | (5,078) | 7,208 |
| Tax refund/(paid) | 55 | (268) |
| Interest paid | (1,383) | (1,356) |
| Net cash (used in)/generated from operating activities | (6,406) | 5,584 |
| Cash Flows From Investing Activities | | |
| Interest income | 67 | 105 |
| Purchase of property, plant and equipment | (10,297) | (21,061) |
| Proceeds from disposal of property, plant and equipment | 2 | 77 |
| Net changes to fixed deposit | (124) | 1,423 |
| Net changes to investment | (9,751) | (4,856) |
| Net cash used in investing activities | (20,103) | (24,312) |
| Cash Flows From Financing Activities | | |
| Net changes in short term borrowings | 3,624 | 1,883 |
| Repayment of lease liabilities | (595) | (915) |
| Repayment of hire purchase and lease financing | (554) | (1,102) |
| (Repayment)/Drawdown of term loans | (1,524) | 14,535 |
| Net cash generated from financing activities | 951 | 14,401 |

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

The Board wishes to announce the following unaudited results of the Group for the second quarter ended 30 September 2024.

Unaudited Condensed Consolidated Statement of Cash Flows For The Period Ended 30 September 2024
(cont'd)

| | 6 months ended | |
|---|----------------|------------|
| | 30/09/2024 | 30/09/2023 |
| | RM'000 | RM'000 |
| Net decrease in cash and cash equivalents | (25,558) | (4,327) |
| Effect of exchange rate changes | (253) | (198) |
| Cash and cash equivalents at beginning of the period | 31,192 | 11,948 |
| Cash and cash equivalents at end of the period | 5,381 | 7,423 |
| Cash and cash equivalents comprise: | | |
| Cash and bank balances | 21,077 | 23,285 |
| Bank overdraft - secured | (7,287) | (7,745) |
| | 13,790 | 15,540 |
| Less: Deposits with licensed banks for more than 3 months and pledged with licensed banks | (8,409) | (8,117) |
| | 5,381 | 7,423 |

Reconciliation of liabilities arising from financing activities:

| | Carrying amount as at 1 April 2024 | Cash flows | Non-cash changes Others | Carrying amount as at 30 September 2024 |
|-----------------------------------|------------------------------------|------------|----------------------------|---|
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Short term borrowings | 17,263 | 3,624 | - | 20,887 |
| Hire purchase and lease financing | 4,300 | (554) | - | 3,746 |
| Term loans | 29,678 | (1,524) | - | 28,154 |
| | 51,241 | 1,546 | - | 52,787 |

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 2024.
- ii) The accompanying notes are an integral part of this statement.

D'NONCE TECHNOLOGY BHD.

(200001000687 / 503292-K)

Notes to the condensed consolidated interim financial statements of the Group for the second quarter ended 30 September 2024

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 2024. 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 2024.

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 2024 except for the adoption of new MFRSs and Interpretations and Amendments to certain MFRSs which are effective for the Group from 1 April 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

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 2025

Amendments to MFRS 121 : Lack of Exchangeability

Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments

MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107: Annual Improvements to MFRS Accounting Standards—Volume 11

Effective for financial periods beginning on or after 1 January 2027

MFRS 18: Presentation and Disclosure in Financial Statements

MFRS 19: Subsidiaries without Public Accountability: Disclosures

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 2024 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 September 2024, there were no new ordinary shares issued and allotted, details of the issued and paid-up capital of the Company are as follows:

Share Capital

| | No. of shares | RM'000 |
|--|----------------------|---------------|
| As at 30 June 2024 / 30 September 2024 | 868,281,324 | 135,404 |

There were also 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-Sep-24 | Healthcare | Electrical and Electronics | Other Industries* | Others ^ | Elimination | Total |
|------------------------------|---------------|-------------------------------|-------------------|---------------|-----------------|----------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| REVENUE | | | | | | |
| External revenue | 31,280 | 38,139 | 22,164 | - | - | 91,583 |
| Inter-segment revenue | 1,765 | 4,943 | 3,293 | - | (10,001) | - |
| Total segment revenue | 33,045 | 43,082 | 25,457 | - | (10,001) | 91,583 |
| RESULTS | | | | | | |
| Segment results | 2,611 | 816 | 143 | (43) | - | 3,527 |
| Unallocated expenses | | | | | | (10,669) |
| Operating loss | | | | | | (7,142) |
| Finance costs, net | | | | | | (1,459) |
| Loss before taxation | | | | | | (8,601) |
| Taxation | | | | | | (21) |
| Loss after taxation | | | | | | (8,622) |
| Segment assets | 87,871 | 186,263 | 34,664 | 11,756 | - | 320,554 |
| Unallocated assets | | | | | | 10,712 |
| Total assets | | | | | | 331,266 |
| Segment liabilities | 22,105 | 56,958 | 21,939 | 724 | - | 101,726 |
| Unallocated liabilities | | | | | | 540 |
| Total liabilities | | | | | | 102,266 |

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

^ Other is pertaining to dormant companies.

[The remainder of this page is intentionally left blank]

9 Segmental Reporting (cont'd)

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

By customer segments

| Period ended 30-Sep-23 | Healthcare | Electrical and Electronics | Other Industries* | Others ^ | Elimination | Total |
|------------------------------|---------------|-------------------------------|-------------------|---------------|----------------|----------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| REVENUE | | | | | | |
| External revenue | 28,839 | 40,655 | 18,258 | - | - | 87,752 |
| Inter-segment revenue | 2,110 | 3,669 | 12 | - | (5,791) | - |
| Total segment revenue | 30,949 | 44,324 | 18,270 | - | (5,791) | 87,752 |
| RESULTS | | | | | | |
| Segment results | 2,274 | 655 | 1,084 | (36) | - | 3,977 |
| Unallocated expenses | | | | | | (5,566) |
| Operating profit | | | | | | (1,589) |
| Finance costs, net | | | | | | (1,436) |
| Profit before taxation | | | | | | (3,025) |
| Taxation | | | | | | (154) |
| Profit after taxation | | | | | | (3,179) |
| Segment assets | 84,980 | 175,379 | 25,397 | 11,771 | - | 297,527 |
| Unallocated assets | | | | | | 5,730 |
| Total assets | | | | | | 303,257 |
| Segment liabilities | 17,381 | 63,325 | 16,074 | 62 | - | 96,842 |
| Unallocated liabilities | | | | | | 1,990 |
| Total liabilities | | | | | | 98,832 |

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

^ Other is pertaining to dormant companies.

[The remainder of this page is intentionally left blank]

10 Subsequent Material Event

There were no significant subsequent material events that have taken place subsequent to the statements of financial position date.

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 RM59.99 million (31 March 2024: RM54.30 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 September 2024 are as follows:

| | RM'000 |
|----------------------------------|---------------|
| Approved and contracted for: | |
| - Land and building | 3,870 |
| - Plant and Machinery | 1,394 |
| - Construction and renovation | 12,578 |
| Total Capital Commitments | 17,842 |

[The remainder of this page is intentionally left blank]

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

A comparison of D'nonce Technology Bhd's performance for the second quarter ended 30 September 2024 ("Q2'25") with the corresponding period last financial year ("Q2'24") is as follows:

| | Quarter 2 | | | Year-To-Date | | |
|---|------------------|------------------|---------------|------------------|------------------|---------------|
| | FY2025 RM'000 | FY2024 RM'000 | Variance % | FY2025 RM'000 | FY2024 RM'000 | Variance % |
| Revenue | 46,708 | 44,850 | 4% | 91,583 | 87,752 | 4% |
| Operating profit | 2,992 | 3,644 | -18% | 5,616 | 5,387 | 4% |
| (Loss)/Profit before interest and tax | (5,869) | 3,575 | -264% | (7,142) | (1,589) | -349% |
| (Loss)/Profit before tax | (6,631) | 2,793 | -337% | (8,601) | (3,025) | -184% |
| (Loss)/Profit after tax | (6,626) | 2,706 | -345% | (8,622) | (3,179) | -171% |
| (Loss)/Profit attributable to ordinary equity holders of the parent | (6,581) | 2,704 | -343% | (8,507) | (3,205) | -165% |

Group

The Group achieved revenue of RM46.7 million for the current quarter, compared to RM44.9 million for the corresponding quarter last year, representing an increase of RM1.8 million or 4%.

The Group achieved segment results of RM1.3 million for the current quarter, a decrease of RM1.4 million or 51.9% compared to RM2.7 million in segment results last year, mainly from competitive prices for products in the other industry in the current quarter and also from foreign exchange losses of RM0.6 million.

Revenue for the healthcare customer segment was RM15.6 million, compared to RM15.4 million last year, reflecting an increase of RM0.2 million or 1.3%, mainly from the consistent growth driven by the subsidiaries in Thailand. Segment results for the current quarter were RM1.1 million, a decrease of RM0.5 million or 31.3%, compared to RM1.6 million in segment results last year. The decrease in segment results is mainly due to higher operating costs during the current quarter.

The electrical and electronics ("E&E") customer segment contributed RM19.8 million revenue for the current quarter, compared to RM21 million last year, representing a reduction of RM1.2 million or 5.7%, mainly due to the continuous soft demand in the E&E industry in Malaysia as compared to previous year. Segment results was RM0.5 million for the current quarter, an increase of RM0.1 million or 25% compared to RM0.4 million in segment results last year, due to a change in product mix with higher margin this quarter, mainly from the recovery of the HDD sector in Thailand.

Revenue for the other industries segment during the quarter was RM11.4 million, compared to RM8.5 million last year, reflecting an increase of RM2.9 million or 34.1%. This growth was mainly due to the implementation of new strategies, offset by foreign exchange losses in this year. Segment results showed a loss of RM0.3 million for the current quarter, a decrease of RM1 million or 142.9%, compared to a segment profit of RM0.7 million last year, due to competitive pricing for products during the quarter.

Based on the above and after accounting for unallocated expenses, finance costs and taxation, the Group posted a loss attributable to ordinary equity holders of parent of RM6.6 million for the current quarter as compared to a profit attributable of RM2.7 million for the same quarter last year.

[The remainder of this page is intentionally left blank]

15 Material Changes in Profit Before Taxation Against Preceding Quarter

| | Q2'25 30 September 2024 RM'000 | Q1'25 30 June 2024 RM'000 | Variance % |
|--|---|--|---------------------------------|
| Revenue | 46,708 | 44,875 | 4% |
| Operating profit | 2,992 | 2,624 | 14% |
| Loss before interest and tax | (5,869) | (1,273) | -361% |
| Loss before tax | (6,631) | (1,970) | -237% |
| Loss after tax | (6,626) | (1,996) | -232% |
| Loss attributable to ordinary equity holders of the parent | (6,581) | (1,926) | -242% |

Group

The Group achieved RM46.7 million in revenue for the current quarter, an increase of RM1.8 million or 4% compared to RM44.9 million in the preceding quarter. The loss attributable to the ordinary equity holders of the parent was RM6.6 million, compared to a loss of RM1.9 million in the previous quarter.

The performance by business segments are further analysed as below:

Healthcare

The revenue for this segment was RM15.6 million for the current quarter consistent with RM15.7 million in the preceding quarter. The segment generated RM1.1 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 RM19.8 million for the current quarter, compared to RM18.4 million in the preceding quarter, an increase of RM1.4 million or 7.6%. The segment generated RM0.5 million in segment results, consistent with RM0.3 million in the last quarter.

Other Industries

The revenue for this segment was RM11.4 million for the current quarter, compared to RM10.8 million in the preceding quarter, an increase of RM0.6 million or 5.6%. The segment generated a loss of RM0.3 million in the current quarter, compared to a segment profit of RM0.4 million in the last quarter, mainly due to competitive pricing for the products in this segment during the quarter.

Others

The segment incurred a gain of RM6,000 in this quarter, compared to a loss of RM49,000 in the last quarter.

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

16 Prospects

While the global economy is forecasted to grow moderately in 2025, the overall economic environment remains fragile amid geopolitical risks, potential for disruptive policy changes, financial market vulnerability, and foreign currency risks. 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 September 2024 RM'000 | 30 September 2023 RM'000 | 30 September 2024 RM'000 | 30 September 2023 RM'000 |
| Current tax: | | | | |
| Current period | 10 | (112) | (19) | (154) |
| Prior period | (22) | 22 | (22) | - |
| Deferred tax: | | | | |
| Current period | (2) | 3 | 20 | 23 |
| Prior period | 19 | - | - | (23) |
| Tax expenses | 5 | (87) | (21) | (154) |

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 may be 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.

D'NONCE TECHNOLOGY BHD.**(200001000687 / 503292-K)****19 Status of Corporate Proposal**

On 15 March 2024, the corporate proposal for Right Issue with Warrants has been completed.

On 22 March 2024, TA Securities announced that the effective date for the implementation of the New SIS is 22 March 2024, being the date on which the Company is in full compliance with relevant requirements including Paragraph 6.43(1) of the Listing Requirements.

The amount raised is utilized in the following manner:

| Purpose | Proposed Utilisation | Actual Utilisation | Balance to be Utilised | Expected time frame for the utilisation of proceeds (from the date of listing of the Rights Shares) |
|---|-----------------------------|---------------------------|-------------------------------|--|
| | RM'000 | RM'000 | RM'000 | |
| Construction of a new warehouse and additional production area | 2,000 | - | 2,000 | Within 24 months |
| Capital expenditure for purchase of machinery and equipment and installation of enterprise resource planning system | 4,200 | 582 | 3,618 | Within 24 months |
| Repayment of bank borrowings | 16,000 | 13,429 | 2,571 | Within 12 months |
| Working capital | 7,352 | 7,352 | - | Within 24 months |
| Construction of new factory building in Thailand | 8,000 | - | 8,000 | Within 24 months |
| Estimated expenses in relation to the Corporate Exercises | 1,492 | 1,492 | - | Within 1 month |
| Total | 39,044 | 22,855 | 16,189 | |

* As at 26 November 2024

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 September 2024 were as follows:

| | As At 30 September 2024 | |
|--|---------------------------|---------------|
| | Foreign Denomination '000 | RM'000 |
| Secured: | | |
| Short Term (Denominated in THB) | | |
| Bank overdrafts | 10,250 | 1,304 |
| Trust receipts | 39,196 | 4,986 |
| Promissory note | 7,783 | 990 |
| Term loans | 2,271 | 289 |
| | 59,500 | 7,569 |
| Short Term (Denominated in RM) | | |
| Bank overdrafts | - | 5,983 |
| Bankers' acceptance | - | 7,209 |
| Revolving credits | - | 7,702 |
| Term loans | - | 1,438 |
| Hire purchases and lease creditors | - | 829 |
| | - | 23,161 |
| Total Short Term | 59,500 | 30,730 |
| Long Term (Denominated in THB) | | |
| Term loans | 8,471 | 1,077 |
| | 8,471 | 1,077 |
| Long Term (Denominated in RM) | | |
| Term loans | - | 25,350 |
| Hire purchases and lease creditors | - | 2,917 |
| | - | 28,267 |
| Total Long Term | 8,471 | 29,344 |
| Total | 67,971 | 60,074 |

Total borrowings as at 30 September 2024

| | | Exchange Rate | RM'000 |
|-------------------------|----------------|---------------|---------------|
| (a) in Thai Baht | THB 67,971,000 | 0.1272 | 8,646 |
| (b) in Ringgit Malaysia | RM 51,428,000 | - | 51,428 |
| | | | <u>60,074</u> |

D'NONCE TECHNOLOGY BHD.**(200001000687 / 503292-K)****20 Group Borrowings and Debt Securities (cont'd)**

The Group Borrowings as at 30 September 2024 were as follows (cont'd):

| | As At 30 September 2023 | |
|--|---------------------------|---------------|
| | Foreign Denomination '000 | RM'000 |
| Secured: | | |
| Short Term (Denominated in THB) | | |
| Bankers' acceptance | 8,075 | 1,035 |
| Trust receipts | 7,770 | 996 |
| Hire purchases and lease creditors | 48 | 6 |
| | 15,893 | 2,037 |
| Short Term (Denominated in RM) | | |
| Bank overdrafts | - | 6,710 |
| Bankers' acceptance | - | 5,736 |
| Revolving credits | - | 8,000 |
| Term loans | - | 942 |
| Hire purchases and lease creditors | - | 706 |
| | - | 22,094 |
| Total Short Term | 15,893 | 24,131 |
| Long Term (Denominated in THB) | | |
| Term loans | 21,161 | 2,713 |
| Hire purchases and lease creditors | | |
| | 21,161 | 2,713 |
| Long Term (Denominated in RM) | | |
| Term loans | - | 27,581 |
| Hire purchases and lease creditors | - | 3,648 |
| | - | 31,229 |
| Total Long Term | 21,161 | 33,942 |
| Total | 37,054 | 58,073 |

Total borrowings as at 30 September 2023

| | | Exchange Rate | RM'000 |
|-------------------------|----------------|---------------|---------------|
| (a) in Thai Baht | THB 37,054,000 | 0.1282 | 4,750 |
| (b) in Ringgit Malaysia | RM 53,323,000 | - | 53,323 |
| | | | <u>58,073</u> |

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

| | 30 September 2024 | 31 March 2024 |
|----------------|--------------------------|----------------------|
| Fixed rates | 2.29% - 5.39% | 2.29% - 5.39% |
| Floating rates | 4.47% - 7.58% | 4.47% - 7.58% |

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.

D'NONCE TECHNOLOGY BHD.

(200001000687 / 503292-K)

25 Earnings Per Share

| | Current Quarter | | Cumulative Quarter | |
|--|-------------------|-------------------|--------------------|-------------------|
| | 3 months ended | | 6 months ended | |
| | 30 September 2024 | 30 September 2023 | 30 September 2024 | 30 September 2023 |
| Basic | | | | |
| (Loss)/Profit attributable to ordinary equity holders of the parent (RM'000) | (6,581) | 2,704 | (8,507) | (3,205) |
| Weighted average number of ordinary shares in issue ('000) | 868,281 | 434,462 | 868,281 | 434,462 |
| Basic (loss)/earnings per share (sen) | (0.76) | 0.62 | (0.98) | (0.74) |

| | Current Quarter | | Cumulative Quarter | |
|--|-------------------|-------------------|--------------------|-------------------|
| | 3 months ended | | 6 months ended | |
| | 30 September 2024 | 30 September 2023 | 30 September 2024 | 30 September 2023 |
| Diluted | | | | |
| (Loss)/Profit attributable to ordinary equity holders of the parent (RM'000) | (6,581) | 2,704 | (8,507) | (3,205) |
| Weighted average number of ordinary shares in issue ('000) | 868,281 | 434,462 | 868,281 | 434,462 |
| Diluted (loss)/earnings per share (sen) | (0.76) | 0.62 | (0.98) | (0.74) |

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

| | As At 30 September 2024 RM'000 | As At 31 March 2024 RM'000 |
|--|---|---|
| Total assets | 331,266 | 334,181 |
| Less: Total liabilities | (102,266) | (95,719) |
| Net Assets | 229,000 | 238,462 |
| | | |
| Number of ordinary shares in issue ('000) (Note 7) | 868,281 | 868,281 |
| | | |
| Net Assets Per Share (RM) | 0.26 | 0.27 |

27 Authorisation For Issue

The Board of Directors authorised the issue of this unaudited interim financial statements on 28 November 2024.