

GE-SHEN CORPORATION BERHAD
(Incorporated in Malaysia)

Interim Financial Statements

Third Quarter Results
Period ended
30 September 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

	Notes	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		<u>3 Months</u>	<u>3 Months</u>	<u>9 Months</u>	<u>9 Months</u>
		<u>Ended</u>	<u>Ended</u>	<u>Ended</u>	<u>Ended</u>
		<u>30 Sep 2024</u>	<u>30 Sep 2023</u>	<u>30 Sep 2024</u>	<u>30 Sep 2023</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue		67,859	65,586	216,843	183,339
Other income		867	1,234	7,149	6,134
Changes in inventories of finished goods and work-in-progress		2,580	(798)	2,268	(2,083)
Raw materials used		(42,302)	(39,737)	(137,360)	(114,562)
Employee benefits		(11,215)	(12,979)	(38,491)	(37,168)
Depreciation and amortisation		(2,715)	(3,261)	(9,086)	(9,111)
Other operating expenses		(9,057)	(5,741)	(21,227)	(18,165)
Net impairment loss on financial asset		-	-	-	-
Finance costs		(1,387)	(1,447)	(4,729)	(4,326)
Profit before tax		4,630	2,857	15,367	4,058
Tax expenses	B6	(1,164)	(652)	(3,534)	(1,776)
Profit for the period		3,466	2,205	11,833	2,282
Other Comprehensive Income:					
Exchange differences on translating foreign operations		(2,182)	127	(1,774)	1,058
Total Comprehensive Income for the period		1,284	2,332	10,059	3,340
Profit after tax attributable to:					
Owners of the Company		3,139	2,144	10,678	2,579
Non-Controlling Interest		327	61	1,155	(297)
		3,466	2,205	11,833	2,282
Total Comprehensive Income attributable to:					
Owners of the Company		957	2,271	8,904	3,637
Non-Controlling Interest		327	61	1,155	(297)
		1,284	2,332	10,059	3,340
Earnings per share (Sen)					
Basic	B14	2.43	1.87	8.51	2.31
Diluted	B14	2.37	1.87	8.27	2.16

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024**

	Notes	<u>Unaudited</u> As at 30 Sep 2024 RM'000	<u>Audited</u> As at 31 Dec 2023 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		100,199	128,673
Right-of-use assets		15,297	16,136
Goodwill		40,351	42,819
		<u>155,847</u>	<u>187,628</u>
Current Assets			
Inventories		43,050	49,455
Trade receivables		31,803	38,569
Other receivables, deposits and prepayments		34,303	4,417
Current tax assets		3,567	1,811
Fixed deposits with licensed banks		4,642	6,150
Cash and bank balances		27,920	22,756
		<u>145,285</u>	<u>123,158</u>
Total Assets		<u><u>301,132</u></u>	<u><u>310,786</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital		86,707	75,960
Treasury shares		-	(159)
Reserves		77,781	71,226
Total Equity Attributable to Owners of the Company		<u>164,488</u>	<u>147,027</u>
Non-controlling interests		5,461	9,052
		<u>169,949</u>	<u>156,079</u>
Non-Current Liabilities			
Long-term borrowings	B8	48,894	55,170
Deferred taxation		2,369	2,511
		<u>51,263</u>	<u>57,681</u>
Current Liabilities			
Trade payables		14,411	22,621
Other payables and accruals		20,719	22,391
Tax payables		2,971	1,861
Short-term borrowings	B8	32,980	39,161
Bank overdrafts		8,839	10,992
		<u>79,920</u>	<u>97,026</u>
Total Liabilities		<u>131,183</u>	<u>154,707</u>
Total Equity and Liabilities		<u><u>301,132</u></u>	<u><u>310,786</u></u>
Net Assets per Ordinary Share Attributable to Owners of the Company (RM)		1.28	1.21

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

	9 Months Ended 30 Sep 2024 RM'000	9 Months Ended 30 Sep 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	15,367	4,058
Adjustments for:		
Depreciation of property, plant and equipment	8,634	8,681
Depreciation of right-of-use asset	452	430
Other receivables written off	19	22
Interest expense on lease liabilities	7	25
Other interest expense	4,722	4,301
Loss on foreign exchange - unrealised	91	623
Property, plant and equipment written off	41	-
Inventories written down	668	831
Employee benefits expense	12	-
(Gain)/loss on disposal of property, plant and equipment	(1,342)	10
Gain on foreign exchange - unrealised	(776)	(2,750)
Gain on deconsolidation of subsidiary	(2,161)	-
Interest income	(330)	(268)
Operating profit before working capital changes	25,404	15,963
Net changes in inventories	(84)	4,872
Net changes in trade and other receivables	(13,450)	9,811
Net changes in trade and other payables	(8,253)	(11,313)
CASH FLOWS FROM OPERATIONS	3,617	19,333
Tax paid	(4,258)	(3,063)
Tax refunded	3	332
NET CASH FROM OPERATING ACTIVITIES	(638)	16,602
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	330	268
Proceeds from disposal of property, plant and equipment	1,761	51
Purchase of property, plant and equipment	(6,076)	(1,813)
Acquisition of a subsidiary, net of cash and bank balances acquired	-	(13,854)
Proceeds from disposal of subsidiary	1,500	-
NET CASH FOR INVESTING ACTIVITIES	(2,485)	(15,348)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 - CONTINUED**

	9 Months Ended 30 Sep 2024 RM'000	9 Months Ended 30 Sep 2023 RM'000
CASH FLOWS FOR FINANCING ACTIVITIES		
Interest paid	(4,729)	(4,326)
Proceeds from Private Placement	-	13,530
Net drawdown/ (repayment) of term loan	2,774	(2,228)
Net (repayment)/drawdown of multi currency trade loan	372	4,182
Net repayment of invoice financing	976	(2,869)
Decrease in pledged fixed deposits with licensed banks	1,508	3,512
Drawdown of bankers' acceptance	29,880	25,319
Repayment of bankers' acceptance	(29,955)	(29,658)
Net repayment of revolving credits	(1,920)	321
Net drawdown/(repayment) of hire purchase obligations	2,308	(2,432)
Proceeds from exercise of employees' share options	8,009	512
Resold of treasury shares	520	-
Repayment of lease liabilities	(151)	(173)
NET CASH FROM FINANCING ACTIVITIES	9,592	5,690
NET INCREASE IN CASH AND CASH EQUIVALENTS	6,469	6,944
Effect of changes in exchange rates	848	1,195
CASH AND CASH EQUIVALENT AS AT BEGINNING OF PERIOD	11,764	(2,315)
CASH AND CASH EQUIVALENT AS AT END OF PERIOD	19,081	5,824

Cash and cash equivalents included in the cash flows statement comprise of the followings:

	30 Sep 2024 RM'000	30 Sep 2023 RM'000
Fixed deposits with licensed banks	4,642	6,092
Cash and bank balances	27,920	18,056
Less: Bank overdrafts	(8,839)	(12,232)
Less: Fixed Deposits pledged to licensed banks	(4,642)	(6,092)
	19,081	5,824

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the interim financial statements.

GE-SHEN CORPORATION BERHAD
Company No. 200301031393 (633814-X)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

	← Non-Distributable			Distributable →				
	Share Capital	Treasury Shares	Employee Share Option Reserve	Foreign Exchange Translation Reserve	Retained Profits	Attributable to Owners of the Company	Non- controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2024	75,960	(159)	2,536	3,406	65,285	147,028	9,052	156,080
Profit after tax for the financial period	-	-	-	-	10,677	10,677	1,155	11,832
Other comprehensive income for the financial period								
- Disposal of group subsidiary	-	-	-	15	-	15	(4,746)	(4,731)
- Foreign currency translation differences	-	-	-	(1,774)	-	(1,774)	-	(1,774)
Total comprehensive income for the financial period	-	-	-	(1,759)	10,677	8,918	(3,591)	5,327
Contributions by and distributions to owners of the Company:								
- Employees' share options exercised	10,386	-	(31)	-	-	10,355	-	10,355
- Dividends by a subsidiary to non-controlling interests	-	-	-	-	-	-	-	-
- Resold of treasury shares	361	159	-	-	-	520	-	520
	10,747	159	(31)	-	-	10,875	-	10,875
As at 30 September 2024	86,707	-	2,505	1,647	75,962	166,821	5,461	172,282

GE-SHEN CORPORATION BERHAD
Company No. 200301031393 (633814-X)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 - CONTINUED**

	← Non-Distributable			Distributable →				
	Share Capital	Treasury Shares	Employee Share Option Reserve	Foreign Exchange Translation Reserve	Retained Profits	Attributable to Owners of the Company	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2023	61,855	(159)	2,545	2,593	56,840	123,674	4,946	128,620
Profit after tax for the financial period	-	-	-	-	2,579	2,579	(297)	2,282
Other comprehensive income for the financial period								
- Foreign currency translation differences	-	-	-	1,058	-	1,058	-	1,058
Total comprehensive income for the financial period	-	-	-	1,058	2,579	3,637	(297)	3,340
Contributions by and distributions to owners of the Company:								
- Private Placement	13,530	-	-	-	-	13,530	-	13,530
- Employees' share options exercised	547	-	(34)	-	-	513	-	513
- Acquisition of subsidiary	-	-	-	-	-	-	3,458	-
	14,077	-	(34)	-	-	14,043	3,458	14,043
As at 30 September 2023	75,932	(159)	2,511	3,651	59,419	141,354	8,107	146,003

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the interim financial statements.

PART A - EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134

A1. Basis of Preparation

Statement of compliance

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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

Significant accounting policies

- (a) The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the preparation of the financial statements of the Group for the financial year ended 31 December 2023.
- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:

MFRSs and Interpretations	Effective for financial periods beginning on or after
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
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 & MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2024

A2. Seasonality or Cyclical Factors

The Group's operations experience certain seasonality or cyclical factors that is common in the industry of which the Group operates in.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

During the quarter, there were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

PART A - EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134 (CONTINUED)

A4. Change in Estimates

There were no significant changes in estimates that have a material effect on the results for the quarter.

A5. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

Save for the following, there were no issuance and repayment of debts and equity securities, share buy-backs, shares cancellation, shares held as treasury shares and resale of treasury shares for the quarter under review other than the issuance of 2,513,600 new ordinary shares under the Company's Employees Share Option Scheme.

A6. Dividend Paid

There was no dividend paid during the quarter under review.

A7. Segmental Reporting

The Group is organised into the two main geographical segments and operating in manufacturing of plastic moulded products, metal stamping products and components. The segmental information has been presented as follows:-

(a) By Geographical Segment

Current Quarter

	Malaysia & Singapore	Vietnam	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
As at 30 September 2024				
Revenue				
- sales to external parties	61,156	6,702	-	67,859
- inter-segment sales	3,045	-	(3,045)	-
Total revenue	64,201	6,702	(3,045)	67,859
Segment results	3,140	(264)	2,988	5,865
Finance costs				(1,387)
Profit before taxation				4,478

Preceding Quarter

	Malaysia & Singapore	Vietnam	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
As at 30 June 2024				
Revenue				
- sales to external parties	65,162	9,970	-	75,132
- inter-segment sales	3,656	-	(3,656)	-
Total revenue	68,818	9,970	(3,656)	75,132
Segment results	7,117	1,270	(715)	7,672
Finance costs				(1,649)
Profit before taxation				6,023

PART A - EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134 (CONTINUED)

A7. Segmental Reporting - continued

(a) By Geographical Segment - continued

Preceding Year Corresponding Quarter	Malaysia RM'000	Vietnam RM'000	Elimination RM'000	Consolidated RM'000
As at 30 September 2023				
Revenue				
- sales to external parties	58,877	6,709	-	65,586
- inter-segment sales	2,217	-	(2,217)	-
Total revenue	61,094	6,709	(2,217)	65,586
Segment results	4,619	(251)	(63)	4,304
Finance costs				(1,447)
Profit before taxation				2,857

(b) By Industry Segment

Industrial segmental information is not applicable.

A8. Material Events Subsequent to the End of the Quarter Under Review

There was no material event subsequent to the end of the quarter that require disclosure or adjustments to the unaudited interim financial statements.

A9. Changes in the Composition of the Group

There are no material changes in the composition of the Group for the current financial period ended 30 September 2024.

A10. Changes in Contingent Liabilities or Contingent Assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter.

A11. Capital Commitments

The amount of capital commitments not provided for in the interim financial statements are as follows:

	<u>Unaudited</u> 30 Sep 2024 RM'000	<u>Audited</u> 31 Dec 2023 RM'000
Approved and contracted for:		
Purchase of property, plant and equipment	39,358	751

A12. Related Party Transactions

Significant transactions between the Company and related parties are as follows:

	Individual Quarter ended		Cumulative Quarter ended	
	30 Sep 2024 RM'000	30 Sep 2023 RM'000	30 Sep 2024 RM'000	30 Sep 2023 RM'000
Transaction with related parties:				
Purchase of components	-	246	57	647
Rental of premises	-	38	38	114

PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of Group's Results for the Quarter Ended 30 September 2024

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	3 Months Ended 30 Sep 2024 RM'000	3 Months Ended 30 Sep 2023 RM'000	Changes %	9 Months Ended 30 Sep 2024 RM'000	9 Months Ended 30 Sep 2023 RM'000	Changes %
Revenue	67,859	65,586	3.5	216,843	183,339	18.3
Operating Profit	6,017	4,304	39.8	20,096	8,384	139.7
Profit Before Interest and Tax	6,017	4,304	39.8	20,096	8,384	139.7
Profit Before Tax	4,630	2,857	62.1	15,367	4,058	278.7
Profit After Tax	3,466	2,205	57.2	11,833	2,282	418.5
Profit Attributable to Owners of the Company	3,139	2,144	46.4	10,678	2,579	314.0
EBITDAF	9,442	7,682	22.9	25,403	15,963	59.1

Quarter Ended 30 September 2024 compared to Quarter Ended 30 September 2023

In the current quarter under review, the Group improved revenue and profit compared to the corresponding quarter in the previous financial year. The Group reported a profit after tax of RM3.47 million compared to RM2.21 million in the corresponding quarter in the previous financial year, an increase of RM1.26 million or 57.0%. The contribution was supported by the Penang and Vietnam factories, as well as the newly acquired subsidiary in Kedah.

B2. Variation of Results Against Preceding Quarter

	INDIVIDUAL QUARTER		
	3 Months Ended 30 Sep 2024 RM'000	3 Months Ended 30 Jun 2024 RM'000	Changes %
Revenue	67,859	75,132	(9.7)
Operating Profit	6,017	7,672	(21.6)
Profit Before Interest and Tax	6,017	7,672	(21.6)
Profit Before Tax	4,630	6,023	(23.1)
Profit After Tax	3,466	5,023	(31.0)
Profit Attributable to Owners of the Company	3,139	4,470	(29.8)
EBITDAF	9,442	7,980	18.3

Compared to the preceding quarter, revenue has decreased by 9.7%, amounting to a decline of RM7.27 million. This decline is attributable to delays in delivery orders at customers' request. Additionally, profitability has also experienced a reduction of 31%, translating to a decrease of RM1.56 million mainly due to the recognition of a one-off gain from the disposal of a subsidiary, which amounted to 2.10 million in the last quarter.

**PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS
(CONTINUED)**

B3. Prospects of the Group

STRATEGIC ACQUISITION AND DIVESTMENT

Ge-Shen has approval from the shareholder in recent EGM to acquired a 40% stake in Local Assembly Sdn. Bhd., enhancing its Electronics Manufacturing Services (EMS), particularly in the artificial intelligence (“AI”) and data center application. This acquisition will diversify Ge-Shen’s offerings, including E&E connectors for data centers and bicycle components, streamlining the manufacturing process and adding value for customers.

A major focus is expanding in high-speed data products, crucial for the rapidly growing data center and telecommunications industries. Local Assembly’s expertise will help Ge-Shen provide high-performance connectors and components needed in these sectors, aligning with industry trends like cloud computing and digital services. This positions Ge-Shen to capitalize on the rising demand in data centers and advanced networking.

In the medical sector, Ge-Shen completed the acquisition of Kibaru Manufacturing Sdn. Bhd. in September 2023 and is expanding its factory footprint with new facilities, expected to be ready by the end of November 2024. Additionally, Polyplas Sdn. Bhd., another subsidiary of Ge-Shen, is also undergoing factory expansion, with more than 32,000 sqft. of control room facilities to cater to current and future medical customers. These new facilities will significantly boost production capacity at various subsidiaries located at Penang and Kedah, allowing Ge-Shen to meet the rising demand for medical devices and services.

Ge-Shen Vietnam is also expanding its plant to cater for the 2025 ramp in production, as demand surges from both existing and new customer. This expansion will help the company take on larger projects and increase its share in the medical device markets. To further support the growing demand in the E&E industry, Amity Research & Development Sdn. Bhd.—another proposed acquisition by Ge-Shen—will focus on increasing production of PCBA (Printed Circuit Board Assembly) and strengthens the Group’s value-added services as a one-stop solutions for customers

With these advancements in both the E&E and medical sectors, particularly in data centers and telecommunications, Ge-Shen is well-positioned for long-term growth and innovation.

IMPACT OF CURRENCY FLUCTUATIONS

Ge-Shen Group primarily exports to the US and Europe, with most transactions conducted in US dollars. Recently, currency fluctuations have affected the value of our export earnings when converted to ringgit, leading to a reduction of approximately 1.5 million ringgit. Despite these challenges, we are actively implementing strategies to mitigate the impact and remain focused on driving growth in key international markets.

We are proactively optimizing costs and strengthening our supply chain, focusing on higher-margin sectors like medical devices and Electronics Manufacturing Services (EMS), especially high-speed data products. This strategic approach positions us to capitalize on new opportunities, enhance our competitiveness, and meet growing global demand with confidence. With expanded production capacity and value-added services, we are well-prepared for future growth and success.

Despite currency fluctuations, the management remains confident that our diverse product range and expanding market presence will drive long-term growth and profitability. The Group is committed to continuous improvement (Kaizen) by enhancing efficiency, productivity, and value-added services for our customers. With a focus on disciplined cost management and refining engineering services to improve customer experience and product quality, we aim to stay competitive. Management is optimistic that the Group will achieve stronger results in 2024 compared to 2023.

B4. Profit Forecast

The Group did not publish any profit forecast during the quarter.

B5. Explanation Note on Profit Forecast

Not Applicable.

**PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS
(CONTINUED)**

B6. Tax Expense

Tax expense comprises of the followings:

	Individual Quarter ended		Cumulative Quarter ended	
	30 Sep 2024 RM'000	30 Sep 2023 RM'000	30 Sep 2024 RM'000	30 Sep 2023 RM'000
In respect of the current period :				
Income tax	1,165	653	3,538	1,782
Deferred tax	(2)	(1)	(5)	(6)
Tax expenses	<u>1,164</u>	<u>652</u>	<u>3,534</u>	<u>1,776</u>

B7. Corporate Proposals

The following are the corporate proposals that have been announced by the Company which have not yet completed as at 7 November, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report:

Proposed Disposal of Demand Option Sdn. Bhd.

On 31 May 2024, the Company entered into a share sale agreements ("SSA") with Har Yeow Cheong and Mok Wai Sum (collectively, "Purchasers") for the proposed disposal of 70% equity interest in the Demand Options Sdn.Bhd. ("DOSB") comprising 910,000 ordinary shares ("Sale Shares") to the Purchasers for a total cash consideration of RM15,000,000.00 only ("Disposal Consideration") ("Proposed Disposal"). The Company agreed and extended the Second Tranche payment to 30 November 2024.

Proposed Acquisition of Amity Research & Development Sdn Bhd and Amity Technical Services & Consultancy Sdn. Bhd.

On 25 September 2024, the Company had entered into the following agreements (SSA):-

(a) Acquisition of 60,000 ordinary shares in Amity Reseach & Development Sdn. Bhd. ("ARD"), representing 60% equity interest in ARD ("Proposed Acquisition") for a total cash consideration of RM3,375,000.00.

(b) Acquisition of 300,000 ordinary shares in Amity Technical Services & Consultancy (M) Sdn. Bhd. ("ATSCM"), representing 60% equity interest in ATSCM ("Proposed Acquisition") for a total cash consideration of RM10,125,000.00.

Both Proposed Acquisitions of the SSA have been in conditional agreements with the vendors.

Acquisition of Local Assembly Sdn. Bhd. ("LASB")

On 22 October 2024, the Company obtained the shareholders' approvals during the Extraordinary General Meeting for the following proposals:-

- (i) Acquisition by the Company of 400,000 ordinary shares in LASB, representing 40% equity interest for a cash consideration of RM48 million ("Acquisition");
- (ii) Diversification of the existing business of the Company to include the business of electronic manufacturing services; and
- (iii) Private Placement of up to 39,595,000 new ordinary shares in Ge-Shen, representing not more than 30% of the issued ordinary shares of Ge-Shen to independent third-party investor(s) to be identified and at an issue price to be

On even date, the Company also announced that the conditions precedent of the share sales agreement for the Acquisition have been fulfilled, the share sales agreement for the Acquisition has become unconditional.

**PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS
 (CONTINUED)**

B7. Corporate Proposals (Cont'd.)

Proposed Disposal of all that piece of freehold industrial land by Ge-Shen Plastic Sdn. Bhd.

On 30th October 2024, the Company entered into a sale and purchase agreement with Sim-Ray Engineering Sdn. Bhd. for the disposal of all that piece of freehold industrial land held under individual title H.S.(D) 6374, Lot 4174, Mukim Tebrau, Daerah Johor Bahru, Negeri Johor, owned by a subsidiary", for the consideration of RM7,600,000.00. This "Proposed Disposal" is expected to be completed by the first quarter of 2025.

B8. Borrowings (Secured)

The Group's borrowings, all are repayable in Ringgit Malaysia, United States Dollar and Vietnamese Dong secured, as of the end of the quarter are as follows:

	Unaudited 30 Sep 2024 RM'000	Audited 31 Dec 2023 RM'000
Short term borrowings:		
Bankers' acceptance	9,553	13,958
Term loans	5,352	7,724
Revolving credits	8,705	10,623
Multi currency trade loan	2,509	2,137
Invoice Financing	2,686	1,709
	<u>28,805</u>	<u>36,151</u>
Long term borrowings:		
Term loans	46,022	52,878
	<u>46,022</u>	<u>52,878</u>
Lease liabilities:		
Current liabilities	4,175	3,010
Non-Current Liabilities	2,872	2,292
	<u>7,047</u>	<u>5,302</u>
	<u>81,874</u>	<u>94,331</u>

B9. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at the date of this report.

B10. Material Litigation

The directors do not have any knowledge of any material proceedings pending or threatened against the Group as the date of this report.

B11. Dividend Proposed

There was no dividend declared or proposed by the Company for the current quarter ended 30 September 2024.

**PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS
(CONTINUED)**

B12. Earnings per share (Sen)

Basic earnings per share

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	<u>30 Sep 2024</u>	<u>30 Sep 2023</u>	<u>30 Sep 2024</u>	<u>30 Sep 2023</u>
Profit attributable to ordinary shareholders (RM'000)	3,139	2,144	10,678	2,579
	<u>3,139</u>	<u>2,144</u>	<u>10,678</u>	<u>2,579</u>
Weighted average number of shares in issue ('000)*	128,946	114,842	125,530	111,608
	<u>128,946</u>	<u>114,842</u>	<u>125,530</u>	<u>111,608</u>
Basic EPS (Sen)	<u>2.43</u>	<u>1.87</u>	<u>8.51</u>	<u>2.31</u>

Diluted earnings earnings per share

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	<u>30 Sep 2024</u>	<u>30 Sep 2023</u>	<u>30 Sep 2024</u>	<u>30 Sep 2023</u>
Profit attributable to ordinary shareholders (RM'000)	3,139	2,144	10,678	2,579
	<u>3,139</u>	<u>2,144</u>	<u>10,678</u>	<u>2,579</u>
Weighted average number of shares in issue ('000)*	128,946	114,842	125,530	111,608
Weighted average number of shares deemed to be issued for no consideration:				
Share Options Outstanding ('000)	3,560	8,032	3,560	8,032
Weighted average number of ordinary shares in issue (Diluted) - ('000)	<u>132,506</u>	<u>122,874</u>	<u>129,090</u>	<u>119,640</u>
Diluted EPS (Sen)	<u>2.37</u>	<u>1.74</u>	<u>8.27</u>	<u>2.16</u>

B13. Audit Report

The auditors' report of the company for the financial year ended 31 December 2023 was not subject to any qualification.

**PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS
(CONTINUED)**

B14. Notes to the Statement of Comprehensive Income

	Individual Quarter ended		Cumulative Quarter ended	
	30 Sep 2024 RM'000	30 Sep 2023 RM'000	30 Sep 2024 RM'000	30 Sep 2023 RM'000
Profit before taxation is arrived at after crediting:				
Interest income	(109)	(97)	(330)	(268)
Gain on foreign exchange				
- realised	(1,229)	(405)	(1,966)	(2,070)
- unrealised	753	(422)	(776)	(2,127)
Gain on disposal of property, plant and equipment	(77)	-	(1,342)	-
and after charging:				
Depreciation and amortisation	2,715	3,261	9,086	9,111
Interest expenses	1,387	1,447	4,729	4,326
Loss on foreign exchange				
- realised	2,760	436	3,975	2,327
- unrealised	9	-	91	-
Inventories written down	123	590	668	590
Loss on disposal of property, plant and equipment	-	36	-	10
Property, plant and equipment written off	-	-	41	-
Other receivables written off	-	-	19	-

Save as disclosed in the above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.

B15. Authorisation for issue

The interim unaudited financial report was duly reviewed by Audit and Risk Management Committee and approved by the Board of Directors on 14 November 2024.