

Press Release

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Minetech Posts 46% Growth in Revenue for 4Q

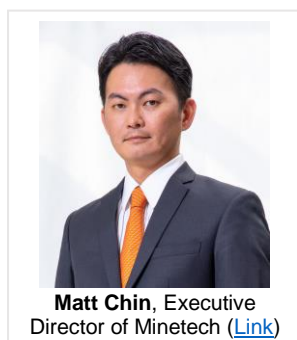
LBT for FY2023 halved as civil engineering and bituminous products businesses continue to show earnings improvement

KUALA LUMPUR, 30 MAY 2023 – Minetech Resources Berhad ("Minetech" or the "Company"), a civil engineering specialist and bituminous products manufacturer, today announced that the Company reported a 46.1% increase in revenue to RM36.9 million for the fourth quarter ended 31 March 2023 ("4Q FY2023") compared with revenue of RM25.2 million in 4Q FY2022.

The Company registered a loss before tax ("LBT") of RM7.2 million for 4Q FY2023 compared with LBT of RM12.1 million in 4Q FY2022. For FY2023, the Company recorded a 45.4% growth in revenue to RM124.2 million compared with RM85.4 million in FY2022 while LBT for the period under review has been halved to RM10.2 million from RM24.3 million.

For the quarter under review, the civil engineering division recorded revenue of RM23.4 million with an operating profit of RM2.3 million compared with revenue of RM14.7 million and operating profit of RM0.9 million in 4Q FY2022. The bituminous products division's revenue increased to RM8.6 million with an operating loss of RM0.2 million compared with revenue of RM5.1 million and an operating profit of RM0.5 million while the services division's revenue decreased to RM0.4 million with an operating loss of RM0.6 million compared with revenue of RM1.7 million and operating loss of RM4.8 million in 4Q FY2022.

For FY2023, the Company's adjusted EBITDA turned positive at RM0.75 million compared with adjusted negative EBITDA of RM11.2 million in FY2022.



Matt Chin, Executive Director of Minetech, said, "The civil engineering and bituminous products businesses continue to be the significant contributors to revenue. For the civil engineering business, the much higher contribution to revenue of RM14.9 million from the Selinsing gold mine compared with RM8.9 million a year ago was due to an increase in work volume. The increase in sales of coating enamel resulted in higher revenue for the bituminous products business while the operating loss was due to one-off repair and maintenance cost."

"The services business has seen an improvement with a much-reduced operating loss despite the decrease in revenue. The lower revenue was mainly due to lower supply of manpower, storage tank maintenance services and lower number of remittance transactions."

“The Company remains focused on growing the new businesses that we have diversified into over the past three years, which includes financial technology and renewable energy (“RE”) that can help sustain earnings and growth over the longer-term. For the RE venture, we won a contract valued at RM36.7 million in January this year from Tesdec Hydropower Sdn Bhd for the development of a 3MW mini hydropower plant in Besut, Terengganu. We are cautiously optimistic for the Company’s outlook given the better-than-expected economic growth of 5.6% in 1Q that was underpinned by broad-based growth across all sectors of the economy.”

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ABOUT MINETECH RESOURCES BERHAD

Minetech Resources Berhad (“Minetech” or the “Company”) is primarily a civil engineering specialist and bituminous products manufacturer that has diversified into renewable energy, oil and gas services, financial technology and food and beverage distribution. The Company is a registered solar photovoltaic investor with the Sustainable Energy Development Authority Malaysia and owns a 9.99MW AC floating solar power plant.

For more information, visit minetech.com.my.
