

T7 GLOBAL BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT
FOR THE YEAR ENDED 30 JUNE 2024
(the figures have not been audited)

	2024 Current Quarter 30-Jun (RM'000)	2023 Preceding Quarter 30-Jun (RM'000)	Changes (%)	2024 Current Year Cumulative to Date 30-Jun (RM'000)	2023 Preceding Year Cumulative to Date 30-Jun (RM'000)	Changes (%)
Continuing Operations						
Revenue	150,003	104,035	44%	282,571	198,076	43%
Cost of Sale	(98,760)	(75,112)	31%	(190,460)	(140,956)	35%
Gross Profit	51,243	28,923	77%	92,111	57,120	61%
Other Income	205	201	2%	1,199	389	208%
Operating Expenses	(25,904)	(17,613)	47%	(54,914)	(34,479)	59%
Finance Cost	(7,761)	(2,698)	188%	(14,737)	(5,906)	150%
Profit Before Taxation From Continuing Operations	17,783	8,813	102%	23,659	17,124	38%
Taxation: Company and Subsidiary Companies	(6,827)	(2,716)	151%	(8,419)	(6,896)	22%
Profit For The Year From Continuing Operations	10,956	6,097	80%	15,240	10,228	49%
Discontinued Operations						
Profit For The Year After Tax	-	-	-	-	-	-
Net Profit For the Year	10,956	6,097	80%	15,240	10,228	49%
Attributable to:						
Equity Holders of the Company	10,623	6,427	65%	15,242	10,668	43%
Non-Controlling Interest	333	(330)	-201%	(2)	(440)	-100%
	10,956	6,097	80%	15,240	10,228	49%
Earnings Per Share						
Basic						
- Continuing Operations	1.40	0.82	71%	2.00	1.38	45%
- Discontinued Operations	-	-	-	-	-	-
	1.40	0.82	71%	2.00	1.38	45%
Diluted						
- Continuing Operations	1.40	0.82	71%	2.00	1.38	45%
- Discontinued Operations	-	-	-	-	-	-
	1.40	0.82	71%	2.00	1.38	45%

Company No.: 200401023809 (662315-U)

T7 GLOBAL BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024
(the figures have not been audited)

	2024 Current Quarter 30-Jun (RM'000)	2023 Preceding Quarter 30-Jun (RM'000)	Changes (%)	2024 Current Year Cumulative to Date 30-Jun (RM'000)	2023 Preceding Year Cumulative to Date 30-Jun (RM'000)	Changes (%)
Net Profit For the Year	10,956	6,097	80%	15,240	10,228	49%
Other Comprehensive Income: <i>Items that will be Reclassified Subsequently to Profit or Loss</i>						
Exchange Differences on Translating Foreign Operations	-	(6)	-100%	(13)	(14)	-7%
Total Comprehensive Income For The Year	10,956	6,091	80%	15,227	10,214	49%
Attributable to:						
Equity Holders of the Company	10,623	6,421	65%	15,229	10,654	43%
Minority Interest	333	(330)	-201%	(2)	(440)	-100%
	10,956	6,091	80%	15,227	10,214	49%

T7 GLOBAL BERHAD (Incorporated in Malaysia)		
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024 (the figures have not been audited)	As at 30-Jun-24 (RM'000)	As at 31-Dec-23 (RM'000)
NON-CURRENT ASSETS		
Property, plant and equipment	896,620	912,778
Right-of-use asset	52,156	53,665
Investment Properties	16,200	16,200
Other Investment	1,179	1,038
Other Receivables	1,527	1,527
Cash and bank balances, deposits and placements	9,212	9,193
Total Non-Current Assets	976,894	994,401
CURRENT ASSETS		
Inventories	309,425	210,554
Trade Receivables	62,137	67,081
Other Receivables	36,275	4,608
Contracts assets	24,354	9,608
Tax Recoverable	3,954	2,320
Cash and bank balances, deposits and placements	90,315	146,463
Total Current Assets	526,460	440,634
Total Assets	1,503,354	1,435,035
NON-CURRENT LIABILITIES		
Deferred tax liabilities	3,544	3,544
Lease liabilities	20,900	24,335
Borrowings	544,471	486,927
Government grants	3,914	4,039
Total Non-Current Liabilities	572,829	518,845
CURRENT LIABILITIES		
Trade Payables	24,709	63,647
Other payables	57,095	80,303
Contract Liabilities	5,041	5,041
Lease liabilities	10,613	6,964
Borrowings	455,705	429,112
Government grants	249	249
Tax payable	5,126	5,619
Total Current Liabilities	558,538	590,935
Total Liabilities	1,131,367	1,109,780
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share Capital	282,224	250,730
Reserves	100,816	85,576
Treasury Shares	(9,699)	(9,699)
	373,341	326,607
Non-controlling interests	(1,354)	(1,352)
Total Equity	371,987	325,255
Total Liabilities and Equity	1,503,354	1,435,035

Company No.: 200401023809 (662315-U)

T7 GLOBAL BERHAD
(Incorporated in Malaysia)

SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2024
(the figures have not been audited)

	2024 Current Quarter 30-Jun (RM'000)	2023 Preceding Year 30-Jun (RM'000)	2024 Current Year Cumulative to Date 30-Jun (RM'000)	2023 Preceding Year Cumulative to Date 30-Jun (RM'000)
Continuing Operations				
Gross interest income	102	91	465	176
Gross interest expenses	7,795	5,788	14,737	7,012
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
Net assets per shares attributable to ordinary equity holders of the parent	0.49		0.41	

T7 GLOBAL BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024
(The figures have not been audited)

← Equity Attributable to Equity Holders of the Company →

Distributable
Non-Distributable

	Share Capital RM'000	(Accumulated Losses)/ Retained Earnings RM'000	Capital Reserves RM'000	Revaluation Reserves RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Share Issuance Scheme Reserve RM'000	Treasury Shares RM'000	Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
Balance as at 01.01.2024	250,730	61,223	18,296	6,047	(11)	21	-	(9,699)	326,607	(1,352)	325,255
Own shares acquired	-	-	-	-	-	-	-	-	-	-	-
Issuance of shares pursuant to warrant	2	-	-	-	-	-	-	-	2	-	2
Issuance of shares pursuant to private placement	31,492	-	-	-	-	-	-	-	31,492	-	31,492
Profit for the financial year	-	15,242	-	-	-	-	-	-	15,242	(2)	15,240
Other comprehensive income for the financial year	-	-	-	-	(2)	-	-	-	(2)	-	(2)
Balance as at 30.06.2024	282,224	76,465	18,296	6,047	(13)	21	-	(9,699)	373,341	(1,354)	371,987

T7 GLOBAL BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023
(The figures have not been audited)

← Equity Attributable to Equity Holders of the Company →

Distributable
Non-Distributable

	Share Capital RM'000	(Accumulated Losses)/ Retained Earnings RM'000	Capital Reserves RM'000	Revaluation Reserves RM'000	Foreign Currency Translation Reserve RM'000	Investment Revaluation Reserve RM'000	Share Issuance Scheme Reserve RM'000	Treasury Shares RM'000	Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
Balance as at 01.01.2023	249,950	27,991	18,297	6,047	(9)	21	-	(9,699)	292,598	(612)	291,986
Own shares acquired	-	-	-	-	-	-	-	-	-	-	-
Issuance of shares pursuant to private placement	-	-	-	-	-	-	-	-	-	-	-
Profit for the financial year	-	10,668	-	-	-	-	-	-	10,668	(440)	10,228
Other comprehensive income for the financial year	-	5	-	-	(5)	-	-	-	-	(1)	(1)
Balance as at 30.06.2023	249,950	38,664	18,297	6,047	(14)	21	-	(9,699)	303,266	(1,053)	302,213

Company No.: 200401023809 (662315-U)

T7 GLOBAL BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024
(The figures have not been audited)

	As at 30-Jun-24 (RM'000)	As at 30-Jun-23 (RM'000)	Changes (%)
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation from continuing operations	23,659	17,124	38%
Total profit before taxation	23,659	17,124	38%
Adjustments:			
Non-cash items	18,471	4,540	307%
Non-operating items	13,870	6,829	103%
Operating profit before changes in working capital	56,000	28,493	97%
Changes in working capital			
Net change in current assets	(140,340)	(106,400)	32%
Net change in current liabilities	(56,486)	8,730	-747%
Cash used in from operating activities	(140,826)	(69,178)	104%
Tax paid	(10,546)	(1,672)	531%
Net cash used in from operating activities	(151,372)	(70,850)	114%
CASH FLOW FROM INVESTING ACTIVITIES			
Interest received	465	176	164%
Disposal of property, plant and equipment	760	-	0%
Dividend received	11	7	1000%
Purchase of property, plant and equipment	(1,439)	(772)	86%
Net cash used in investing activities	(203)	(589)	-66%
CASH FLOW FROM FINANCING ACTIVITIES			
Issuance of shares pursuant to warrant	2	-	0%
Issuance of shares pursuant to private placement	31,492	-	0%
Repayment of finance lease	(5,447)	(2,128)	156%
Drawdown/(Repayment) of borrowing	84,136	94,673	-11%
Interest paid	(14,737)	(7,012)	110%
Net cash generated from financing activities	95,446	85,534	12%
Net change in cash and cash equivalents	(56,129)	14,095	-498%
Opening cash and cash equivalents	155,656	37,163	319%
Closing cash and cash equivalents	99,527	51,258	94%

NOTES TO THE QUARTERLY REPORT FOR THE PERIOD ENDED 30 JUNE 2024

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with IAS 34 Interim Financial Reporting, MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements as at and for the year ended 31 December 2023.

The financial information presented herein has been prepared in accordance with the accounting policies used in preparing the audited financial statements as at and for the year ended 31 December 2023 under the Malaysian Financial Reporting Standards (MFRS) framework.

A2 Seasonal or Cyclical Factors

The business operations of the Group were not affected by any seasonal or cyclical factors in the oil and gas industry.

A3 Unusual Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income or cash flows in the interim financial report for the period ended 30 June 2024.

A4 Change in Estimates of Amounts Reported Previously

There were no changes in estimates of amounts reported in prior interim periods or prior financial year that have a material effect on the current interim financial period.

A5 Issues of Debt

There was no issuance of debt for the current financial period under review.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

A6 Dividends Declared or Paid

No dividend was declared or paid during the current financial quarter under review.

A7 Segmental Information

Segmental analysis for the current quarter is set out below:

Cumulative as at 30 June 2024	Energy RM'000	Industrial Solutions RM'000	Total RM'000
Revenue	178,090	104,481	282,571
Segment results	22,157	16,239	38,396
Share of profit from joint venture			0
Finance cost			(14,737)
Profit before taxation			23,659
Taxation			(8,419)
Net profit from continuing operations			15,240
Net profit/(loss) from discontinued operations			-
Net profit for the year			15,240

Cumulative as at 30 June 2023	Energy RM'000	Industrial Solutions RM'000	Total RM'000
Revenue	124,713	73,363	198,076
Segment results	19,844	3,186	23,030
Share of profit from joint venture			0
Finance cost			(5,906)
Profit before taxation			17,124
Taxation			(6,896)
Net profit from continuing operations			10,228
Net profit/(loss) from discontinued operations			-
Net profit for the year			10,228

A8 Events after the Interim Period

No material event was registered after the interim period which will materially affect the earnings or income of the Group.

A9 Changes in the Composition of the Group

Save as disclosed above, there were no significant changes in the composition of the Group in the interim financial report.

A10 Capital Commitment

No capital commitments were recorded in the current quarter under review.

A11 Related Party Transactions

The followings table provides the total amount of transactions which have been entered into with related parties during the year ended 30 June 2024 and 30 June 2023 as well as balances with related parties as of 30 June 2024 and 30 June 2023.

	Sales to related parties	Purchases from related parties	Amount owing by related parties	Amount owing to related parties
	RM'000	RM'000	RM'000	RM'000
2024	Nil	915	Nil	3,033
2023	Nil	1,007	1,444	2

A12 Contingent Liabilities

There were no significant changes in contingent liabilities since the last annual statement of financial position date and there were no additional contingent liabilities reported in the current financial quarter ended 30 June 2024.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

B ADDITIONAL INFORMATION REQUIRED UNDER LISTING REQUIREMENTS

B1 Variance of Current Quarter Against Preceding Quarter

For the current year quarter ended 30 June 2024, the Group recorded consolidated revenue of approximately RM150 million as compared to RM132.57 million recorded in the preceding quarter ended 31 March 2024. In the current quarter under review, the Group recorded a net profit after tax of RM10.96 million as compared to a net profit after tax of RM4.28 million recorded in the preceding quarter ended 31 March 2024.

Energy

The Energy division registered revenue of RM75.78 million in the current quarter as compared to RM102.31 million registered in the preceding quarter ended 31 March 2024, representing a decrease of approximately 25.93%.

Industrial Solutions

The Industrial Solutions division registered revenue of RM74.22 million in the current quarter as compared to RM30.26 million registered in the preceding quarter ended 31 March 2024, representing an increase of approximately 145.27%.

B2 Variance of Current Period Against Preceding Period

For the current period ended 30 June 2024, the Group recorded consolidated revenue of approximately RM282.57 million as compared to RM198.07 million recorded in the corresponding period ended 30 June 2023, representing an increase of approximately 42.66%.

The Group registered an overall profit after tax of RM15.24 million for current period ended June 2024 as compared to net profit after tax of RM10.23 million in the preceding period ended 30 June 2023.

Energy

Revenue for the current period derived from the energy division which consists of Integrated Production Solutions (IPS), Offshore Services (OS), Wells and Decommissioning (W&D) and Subsea Services (SS) registered revenue of approximately RM178.09 million as compared to RM124.71 million registered in the preceding year period, representing an increase of approximately 42.80%.

Industrial Solutions

The Industrial Solutions division registered revenue of approximately RM104.48 million in the current period as compared to RM73.36 million registered in the preceding year period, representing an increase of approximately 42.42%.

B3 Current Year Prospects

The recovery in oil & gas activities in the region did have a positive impact on the T7 Group's ongoing projects. The outlook for the upstream oil and gas sector remains positive given high oil & gas prices, increase capex spending and the reopening of China's borders, despite concerns on the world economy and potential for a global recession.

For the T7 Global Group, oil & gas remains as the Group's core business and the Energy Division will continue to bid and secure new contracts and be on the lookout for new opportunities in the South East Asia region.

For the Aerospace Division, the industry has been affected by the Covid-19 pandemic and is expected to remain challenging for the next few years. However, the division has managed to secure new international clients which will bring in recurring revenue to its metal surface treatment facility. The division will continue to pursue new clients and new orders in the Aerospace industry given the recovery in travel demand in 2023.

For the Construction Division, the T7 Global Group had secured the baggage handling system asset replacement program at Terminal 1, KL International Airport in Dec 2022. The said division will focus on project execution and is expected to record satisfactory results in the coming years.

The Board and Management is cautiously optimistic in the Group's ability to achieve satisfactory results for the financial year ending 31 December 2023 due to its resilient orderbook and continued performance in project execution and operations.

B4 Variance of Actual and Profit Estimates

The Group has not provided any profit forecasts and therefore no comparison is available.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

B5 Taxation

	Individual Quarter		Cumulative Year	
	30/06/2024 RM'000	30/06/2023 RM'000	30/06/2024 RM'000	30/06/2023 RM'000
a. Income Tax Expenses	6,827	2,716	8,419	6,896
b. (Over)/under provision in previous year	-	-	-	-
c. Deferred Tax Liabilities/(Assets)	-	-	-	-
d. Total	6,827	2,716	8,419	6,896

B6 Status of Corporate Proposal

There were no corporate proposal announced but not completed as at the date of this report.

B7 Bank Borrowings

	30/06/2024 RM'000	30/06/2023 RM'000
a) <u>Secured short term borrowings</u>		
i) Hire purchase	10,613	3,308
ii) Term Loan / BA	455,705	309,473
Sub Total	466,318	312,781
a) <u>Secured long term borrowings</u>		
i) Hire purchase	20,900	13,712
ii) Term Loan	544,471	423,370
Sub Total	565,371	437,082
TOTAL BORROWINGS	1,031,689	749,863

B8 Material Litigation/ Special Notice

Save as previously announced, the Group is not engaged in any litigation, which has a material effect on the financial position of the Group, and the Directors are not aware of any proceedings pending or threatened or of any likely to give any proceedings which might materially and/or adversely affected the position or business of the Group.

B9 Dividend Declared or Paid

No dividend was declared or paid during the current quarter under review.

B10 (Losses)/Earnings per share

	Quarter Ended		Period Ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
Net (loss)/profit attributable to ordinary shareholders (RM'000)				
Continuing operations	10,956	6,097	15,240	10,228
Discontinued operations	-	-	-	-
	<u>10,956</u>	<u>6,097</u>	<u>15,240</u>	<u>10,228</u>
Basic				
Total number of ordinary shares ('000)	817,923	757,055	817,923	757,055
Adjusted weighted average number of ordinary shares ('000)	<u>780,897</u>	<u>739,706</u>	<u>761,302</u>	<u>739,706</u>
Basic (losses)/earnings per ordinary share (sen)				
Continuing operations	1.40	0.82	2.00	1.38
Discontinued operations	-	-	-	-
	<u>1.40</u>	<u>0.82</u>	<u>2.00</u>	<u>1.38</u>
Diluted				
Adjusted weighted average number of ordinary shares ('000)	780,897	739,706	761,302	739,706
Diluted (losses)/earnings per ordinary share (sen)				
Continuing operations	1.40	0.82	2.00	1.38
Discontinued operations	-	-	-	-
	<u>1.40</u>	<u>0.82</u>	<u>2.00</u>	<u>1.38</u>

Certain diluted earnings/(losses) per ordinary share are not presented, as the computation would result in anti-dilutive earnings per ordinary share.

B11 Qualification of Financial Statements

There was no qualification made on the preceding audited financial statements for the financial year ended 31 December 2023.