

**KESM INDUSTRIES BERHAD**  
(Incorporated in Malaysia)

Registration No. : 197201001376 (13022-A)

**UNAUDITED SECOND QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL QUARTER ENDED 31 JANUARY 2023**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE QUARTER 31 JANUARY 2023**

	Individual period			Cumulative period		
	Current year quarter (31/01/2023) RM'000	Preceding year corresponding quarter (31/01/2022) RM'000	% Change	Current year to date (31/01/2023) RM'000	Preceding year corresponding year to date (31/01/2022) RM'000	% Change
<b>Revenue</b>	55,989	64,300	(13%)	108,753	132,883	(18%)
<b>Other items of income</b>						
Interest income	1,140	923	24%	1,917	1,894	1%
Dividend income	94	160	(41%)	159	200	(21%)
Other income	1,864	354	>100%	4,226	3,328	27%
<b>Items of expenses</b>						
Raw materials and consumables used	(4,541)	(6,703)	(32%)	(9,112)	(14,076)	(35%)
Changes in inventories of finished goods and work-in-progress	-	(836)	(100%)	-	(532)	(100%)
Employee benefits expense	(24,075)	(23,836)	1%	(48,687)	(49,391)	(1%)
Depreciation of property, plant and equipment	(9,805)	(13,594)	(28%)	(19,436)	(28,118)	(31%)
Finance costs	(470)	(105)	>100%	(784)	(233)	>100%
Other expenses	(20,931)	(20,538)	2%	(39,464)	(37,180)	6%
<b>(Loss)/profit before tax</b>	(735)	125	NM	(2,428)	8,775	NM
Income tax credit/(expense)	15	(1,134)	NM	168	(2,267)	NM
<b>(Loss)/profit, net of tax</b>	(720)	(1,009)	(29%)	(2,260)	6,508	NM
<b>Other comprehensive income:</b>						
<b>Item to be reclassified subsequently to profit or loss</b>						
Foreign currency translation (loss)/gain	(1,112)	505	NM	(1,864)	57	NM
<b>Total comprehensive income for the period, net of tax</b>	(1,832)	(504)	NM	(4,124)	6,565	NM
(Loss)/earnings per share attributable to owners of the Company (sen):						
- Basic	(1.7)	(2.3)	(29%)	(5.3)	15.1	NM

NM – percentage change not meaningful

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2022 and the accompanying explanatory notes attached to the interim financial statements.

**KESM INDUSTRIES BERHAD**  
**(Incorporated in Malaysia)**

Registration No. : 197201001376 (13022-A)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2023**

	<u>As at end of current quarter 31/01/2023</u>	<u>As at preceding financial year end 31/07/2022</u>
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	194,884	170,553
Deferred tax assets	5,223	4,410
Other receivables	104	367
	<u>200,211</u>	<u>175,330</u>
<b>Current assets</b>		
Inventories	1,733	1,867
Trade and other receivables	49,730	48,253
Prepayments	4,157	4,413
Investment securities	16,138	12,409
Tax recoverables	8,176	6,517
Cash and short-term deposits	172,553	176,853
	<u>252,487</u>	<u>250,312</u>
<b>Total assets</b>	<u>452,698</u>	<u>425,642</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	43,678	43,678
Other reserves	18,578	20,442
Retained earnings	293,397	298,238
<b>Total equity</b>	<u>355,653</u>	<u>362,358</u>
<b>Non-current liabilities</b>		
Loans and borrowings	24,942	15,394
Defined benefit liabilities	4,815	4,640
Deferred tax liabilities	6,634	5,300
	<u>36,391</u>	<u>25,334</u>
<b>Current liabilities</b>		
Trade and other payables	41,502	26,060
Loans and borrowings	19,152	11,890
	<u>60,654</u>	<u>37,950</u>
<b>Total liabilities</b>	<u>97,045</u>	<u>63,284</u>
<b>Total equity and liabilities</b>	<u>452,698</u>	<u>425,642</u>
Net assets per share attributable to owners of the Company (RM)	<u>8.27</u>	<u>8.42</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 July 2022 and the accompanying explanatory notes attached to the interim financial statements.

**KESM INDUSTRIES BERHAD**  
**(Incorporated in Malaysia)**

Registration No. : 197201001376 (13022-A)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 31 JANUARY 2023**

	< ----- Attributable to owners of the Company ----- >					Total equity
	< ----- Non-distributable ----- >				Distributable	
	Share capital	Foreign currency translation reserve	Statutory reserve fund	Capital reserve	Retained earnings	
<b>FY2023</b>						
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>As at 1 August 2022</b>	43,678	13,573	4,629	2,240	298,238	362,358
Loss for the period	-	-	-	-	(2,260)	(2,260)
Other comprehensive income for the period	-	(1,864)	-	-	-	(1,864)
<b>Transaction with owners</b>						
Dividends on ordinary shares	-	-	-	-	(2,581)	(2,581)
<b>As at 31 January 2023</b>	43,678	11,709	4,629	2,240	293,397	355,653

	< ----- Attributable to owners of the Company ----- >					Total equity
	< ----- Non-distributable ----- >				Distributable	
	Share capital	Foreign currency translation reserve	Statutory reserve fund	Capital reserve	Retained earnings	
<b>FY2022</b>						
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>As at 1 August 2021</b>	43,678	13,185	4,629	2,240	299,672	363,404
Profit for the period	-	-	-	-	6,508	6,508
Other comprehensive income for the period	-	57	-	-	-	57
<b>Transactions with owners</b>						
Dividends on ordinary shares	-	-	-	-	(2,581)	(2,581)
<b>As at 31 January 2022</b>	43,678	13,242	4,629	2,240	303,599	367,388

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 July 2022 and the accompanying explanatory notes attached to the interim financial statements.

**KESM INDUSTRIES BERHAD**  
(Incorporated in Malaysia)

Registration No. : 197201001376 (13022-A)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 31 JANUARY 2023**

	<b>Current year to date 31/01/2023 RM'000</b>	<b>Preceding year corresponding year to date 31/01/2022 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
(Loss)/profit before tax	(2,428)	8,775
Adjustments for:		
Depreciation of property, plant and equipment	19,436	28,118
Plant and equipment written off	-	2
Net gain on disposal of property, plant and equipment	(1,587)	-
(Write-back)/write-down of inventories	(699)	23
Net fair value gain on investment securities	(1,560)	(2,596)
Impairment of trade receivables	95	-
Unrealised exchange loss	64	23
Dividend income	(159)	(200)
Interest income	(1,917)	(1,894)
Finance costs	784	233
<b>Operating cash flows before changes in working capital</b>	<b>12,029</b>	<b>32,484</b>
Decrease in inventories	833	3,315
Increase in prepayments and receivables	(1,544)	(6,992)
Decrease in payables and contract liabilities	(3,239)	(6,391)
<b>Cash flows from operations</b>	<b>8,079</b>	<b>22,416</b>
Income taxes paid, net	(1,074)	(2,260)
Interest paid	(779)	(275)
Interest received	1,708	1,880
<b>Net cash flows from operating activities</b>	<b>7,934</b>	<b>21,761</b>
<b>INVESTING ACTIVITIES</b>		
Decrease in short-term deposits with maturity more than three months	13,000	4,300
Purchase of investment securities	(2,169)	(433)
Proceeds from disposal of investment securities	-	3,696
Dividend income	159	200
Purchase of property, plant and equipment	(24,763)	(17,323)
Proceeds from disposal of property, plant and equipment	2,539	-
<b>Net cash flows used in investing activities</b>	<b>(11,234)</b>	<b>(9,560)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of principal portion of lease liabilities	(1,963)	(1,275)
Repayment of bank loans	(6,962)	(3,722)
Proceeds from bank loans	22,503	-
Dividend paid on ordinary shares	(645)	(1,290)
<b>Net cash flows from/(used in) financing activities</b>	<b>12,933</b>	<b>(6,287)</b>
<b>Net increase in cash and cash equivalents</b>	<b>9,633</b>	<b>5,914</b>
Effect of exchange rate changes on cash and cash equivalents	(933)	18
Cash and cash equivalents at beginning of the period	82,353	65,568
<b>Cash and cash equivalents at end of the period</b>	<b>91,053</b>	<b>71,500</b>

**KESM INDUSTRIES BERHAD**  
**(Incorporated in Malaysia)**

Registration No. : 197201001376 (13022-A)

Cash and cash equivalents comprised the following:

	<b>Current year to date 31/01/2023 RM'000</b>	<b>Preceding year corresponding year to date 31/01/2022 RM'000</b>
Cash at banks and on hand	23,254	28,845
Deposits with licensed banks	149,299	188,155
Cash and short-term deposits	172,553	217,000
Less: Short-term deposits with maturity more than three months	(81,500)	(145,500)
Cash and cash equivalents	91,053	71,500

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 July 2022 and the accompanying explanatory notes attached to the interim financial statements.

## **NOTES TO THE INTERIM FINANCIAL STATEMENTS**

### **1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board, International Accounting Standards (“IAS”) 34 “Interim Financial Reporting”, requirements of the Companies Act 2016 in Malaysia and paragraph 9.22 and Part A of Appendix 9B of the Bursa Malaysia Securities Berhad’s Main Market Listing Requirements. The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 July 2022. 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 July 2022.

### **2. Significant accounting policies**

The significant accounting policies and methods of computation in the interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 July 2022 except that on 1 August 2022, the Group adopted the MFRSs, amendments and interpretations that are effective for annual periods beginning on or after 1 January 2022 which are applicable to the Group. The initial adoption of these applicable MFRSs, amendments and interpretations do not have any material impact on the financial performance or position of the Group.

### **3. Audit report of preceding annual financial statements**

The audit report of the Group’s preceding annual financial statements was not qualified.

### **4. Seasonality or cyclicity of operations**

There was no material seasonal or cyclical fluctuation in the operations of the Group.

### **5. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the current reporting period.

### **6. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years**

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

### **7. Issues, repurchases, and repayments of debt and equity securities**

There were no issues, repurchases and repayments of debt and equity securities for the current reporting period.

**KESM INDUSTRIES BERHAD**  
**(Incorporated in Malaysia)**

Registration No. : 197201001376 (13022-A)

**8. Dividends**

	<u>Current year to date</u>	<u>Preceding year corresponding year to date</u>
	<u>31/01/2023</u>	<u>31/01/2022</u>
	<u>RM'000</u>	<u>RM'000</u>
<b>Recognised during the financial year to date</b>		
Final tax exempt dividend for 2022 at 6 sen (2021: 6 sen) per ordinary share, paid on 14 February 2023	2,581	2,581

No dividend was declared during the current reporting period or preceding year corresponding period.

**9. Events not reflected in the financial statements**

There were no material subsequent events to be disclosed as at the date of this report.

**10. Changes in the composition of the Group**

There were no changes in the composition of the Group for the current reporting period.

**11. Acquisition or disposal of items of property, plant and equipment**

During the current reporting period, the Group acquired property, plant and equipment amounting to RM45,476,000, and disposed (including write-off) property, plant and equipment of net book value amounting to RM952,000.

**12. Significant related party transactions**

	<u>Current year to date</u>	<u>Preceding year corresponding year to date</u>
	<u>31/01/2023</u>	<u>31/01/2022</u>
	<u>RM'000</u>	<u>RM'000</u>
Transactions with Sunright Limited, holding company of the Company, and its subsidiaries:		
Management fees charged by holding company	4,175	4,784
Dividends paid/payable to holding company	1,250	1,250
Rental received/receivable from related company	18	-
Purchases of equipment and consumables from related companies	774	2,718

The directors are of the opinion that the above transactions were in the normal course of business and at terms mutually agreed between the companies.

**KESM INDUSTRIES BERHAD**  
**(Incorporated in Malaysia)**

Registration No. : 197201001376 (13022-A)

**13. Significant commitments for purchase of property, plant and equipment**

Commitments for purchases of property, plant and equipment amounted to RM12,610,000 as at 31 January 2023.

Included in the commitments was an amount of RM716,000 relating to purchases from certain related companies.

**14. Profit before tax**

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	<u>Current year quarter</u>	<u>Preceding year corresponding quarter</u>	<u>Current year to date</u>	<u>Preceding year corresponding year to date</u>
	<u>31/01/2023</u>	<u>31/01/2022</u>	<u>31/01/2023</u>	<u>31/01/2022</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit before tax is arrived at:				
After charging:				
Write-down of inventories	39	4	-	23
Net fair value loss on investment securities	-	1,999	-	-
Impairment of trade receivables	95	-	95	-
Net foreign exchange loss	784	17	500	51
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
And crediting:				
Write-back of inventories	-	-	699	-
Net gain on disposal of property, plant and equipment	1	-	1,587	-
Net fair value gain on investment securities	1,634	-	1,560	2,596
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

There was no gain or loss arising from derivatives, disposal of unquoted investments and exceptional items.

**15. Derivative**

The Group does not have any derivative for the current quarter and reporting period.

**16. Fair value changes of financial liabilities**

There was no gain or loss arising from fair value changes of the financial liabilities for the current quarter and reporting period.

**17. Segment information**

No segment reporting has been prepared as the Group has only one operating segment, namely burn-in, testing and electronic manufacturing services.



## **18. Detailed analysis of Group performance**

### Analysis of the performance for the current quarter

The Group's revenue was lower by 13% or RM8.3 million, from RM64.3 million in the preceding year's second quarter ("2QFY2022") to RM56.0 million for the current quarter ended 31 January 2023 ("2QFY2023"). This was largely attributed to reduced volumes for burn-in and testing services, and in the absence of revenue from electronic manufacturing service ("EMS") which was scaled down.

Interest income was higher by 24% or RM0.2 million, following higher interest rates on placement of fixed deposits.

Other income increased by RM1.5 million, mainly due to net fair value gain on investment securities of RM1.6 million.

Raw materials and consumables used and changes in inventories of finished goods and work-in-progress decreased by 40% or RM3.0 million, in line with reduced EMS activities.

Employee benefits expense increased by 1% or RM0.2 million, reflected wage and employee benefits adjustments and minimum wage rate increase, partially offset by reduced headcounts.

Depreciation of property, plant and equipment was lower by 28% or RM3.8 million, as certain machinery and test equipment were fully depreciated.

Finance costs were higher by RM0.4 million, following increased borrowings to fund capital expenditure.

Other expenses increased by 2% or RM0.4 million, largely attributable to increased utility costs by RM1.5 million and higher net exchange loss of RM0.8 million; partially offset by the absence of net fair value loss on investment securities of RM2.0 million.

Consequently, the Group reported a loss before tax of RM0.7 million in 2QFY2023, from profit before tax of RM0.1 million in 2QFY2022.

### Analysis of the performance for the current financial year to date

The Group's revenue was lower by 18% or RM24.1 million, from RM132.9 million in the preceding year's corresponding period, to RM108.8 million for the current financial period ended 31 January 2023. This was largely attributed to reduced volumes for burn-in and testing services, and in the absence of revenue from electronic manufacturing service ("EMS") which was scaled down.

Other income was higher by 27% or RM0.9 million, mainly due to gains on disposal of machinery and test equipment and spares, totalling RM2.0 million; partially offset by lower fair value gain on investment securities by RM1.0 million.

Raw materials and consumables used and changes in inventories of finished goods and work-in-progress decreased by 38% or RM5.5 million, in line with reduced EMS activities.

Employee benefits expense decreased by 1% or RM0.7 million, in line with lower headcounts but at higher minimum wage rates.

Depreciation of property, plant and equipment was lower by 31% or RM8.7 million, as certain machinery and test equipment were fully depreciated.

Finance costs were higher by RM0.6 million, following increased borrowings to fund capital expenditure.

**KESM INDUSTRIES BERHAD**  
**(Incorporated in Malaysia)**

Registration No. : 197201001376 (13022-A)

Other expenses were higher by 6% or RM2.3 million, largely attributable to higher repairs and maintenance and utility costs of RM3.0 million, and higher exchange loss of RM0.5 million ; partially offset by write-back of inventories of RM0.7 million and lower management fees of RM0.6 million.

Consequently, the Group reported a loss before tax of RM2.4 million in the current reporting period, from profit before tax of RM8.8 million in the preceding year's corresponding period.

Analysis of financial position

Property, plant and equipment was higher by 14% or RM24.3 million, from RM170.6 million as at 31 July 2022 to RM194.9 million as at 31 January 2023. The increase was primarily due to net additions of RM44.5 million, offset by depreciation charge of RM19.4 million .

Deferred tax assets increased by 18% or RM0.8 million, from RM4.4 million to RM5.2 million, as a result of higher deductible temporary differences arising from unutilised tax benefits.

Current trade and other receivables were higher by 3% or RM1.5 million, from RM48.3 million to RM49.7 million. This was largely due to slower collections.

Investment securities were higher by 30% or RM3.7 million, from RM12.4 million to RM16.1 million, as a result of additional investments of RM2.2 million and fair value gain of RM1.6 million.

Tax recoverables increased by 25% or RM1.7 million, from RM6.5 million to RM8.2 million, primarily due to higher tax instalment payments made.

Cash and short-term deposits declined by 2% or RM4.3 million, from RM176.9 million to RM172.6 million, representing net cash outflows to fund the purchases of property, plant and equipment.

Trade and other payables were higher by 59% or RM15.4 million, from RM26.1 million to RM41.5 million, largely due to increased payables for the purchases of machinery and test equipment.

The Group's loans and borrowings increased by 62% or RM16.8 million, from RM27.3 million to RM44.1 million, primarily due to net increase in bank loans of RM15.5 million.

Deferred tax liabilities increased by 25% or RM1.3 million, from RM5.3 million to RM6.6 million, as a result of higher taxable temporary differences arising from the utilisation of capital allowances.

**KESM INDUSTRIES BERHAD**  
**(Incorporated in Malaysia)**

Registration No. : 197201001376 (13022-A)

**19. Material change in the profit before taxation compared to the results of the preceding quarter**

The Group reported a loss before tax of RM0.7 million in 2QFY2023, compared to loss before tax of RM1.7 million in the preceding quarter ended 31 October 2022. The reduced loss by RM1.0 million, was mainly attributed to fair value adjustment on investment securities of RM1.7 million gain; partially offset by the absence of write-back of inventories of RM0.7 million.

**20. Prospects**

The global economic growth estimated at 3.4% in 2022, is projected to decline to 2.9% in 2023<sup>1</sup>. Whilst a global recession may not be expected, the rise in interest rates to fight inflation and the effects of the Russia war in Ukraine will continue to weigh on economic activities, amid the hope of the recent reopening in China for a faster-than-expected recovery.

The worldwide semiconductor revenue estimated at US\$601.7 billion in 2022, is forecasted to decline marginally by 1% to US\$596 billion. This is on the back of a dampened economic growth, given that reduced spendings by consumers and lower production by enterprises are expected due to inventory corrections. Notably, the non-memory market is nevertheless expected to grow, driven partly by the strong demand from the automotive market.

Following capital expenditure being expended, the Group expects increases in services for automotive devices as test equipment are progressively certified for production. The uplifting of COVID-19 restrictions in China will further enhance the Group's performance. However, inflation and energy cost spikes are affecting the production cost efficiencies.

The Group continues its focus on managing cost increases by productivity drives and improving throughputs.

**21. Financial estimate, forecast or projection, or profit guarantee**

The Group did not issue financial estimate, forecast or projection, or profit guarantee previously in any public document.

---

<sup>1</sup> According to International Monetary Fund's January 2023 outlook report.

**KESM INDUSTRIES BERHAD**  
**(Incorporated in Malaysia)**

Registration No. : 197201001376 (13022-A)

**22. Taxation**

	Individual Period		Cumulative Period	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding year to date
	31/01/2023	31/01/2022	31/01/2023	31/01/2022
	RM'000	RM'000	RM'000	RM'000
Current income tax				
- Malaysian income tax	(1,123)	341	(585)	1,585
Deferred tax				
- Relating to origination and reversal of temporary differences	1,108	793	417	682
Income tax (credit)/expense	(15)	1,134	(168)	2,267

The low effective tax rates for the current quarter and current year to date as compared to the statutory tax rate were mainly due to certain deferred tax assets not recognised on unutilised business losses as well as certain non-taxable income and other deductible temporary differences.

**23. Status of uncompleted corporate proposals**

There was no corporate proposal announced and not completed as at the date of this report.

**24. Group borrowings and debt securities**

	As at 31/01/2023	As at 31/07/2022
	RM'000	RM'000
Amount repayable within 12 months		
Secured	3,566	3,304
Unsecured	15,586	8,586
	19,152	11,890
Amount repayable after 12 months		
Secured	2,933	1,926
Unsecured	22,009	13,468
	24,942	15,394
Total loans and borrowings	44,094	27,284

Included in the loans and borrowings as at 31 January 2023 was an amount of RM544,000 (31 July 2022: RM1,045,000) denominated in Renminbi.

**KESM INDUSTRIES BERHAD**  
**(Incorporated in Malaysia)**

Registration No. : 197201001376 (13022-A)

**25. Changes in material litigation**

There was no material litigation as at the date of this announcement.

**26. Earnings per share**

Basic earnings/(loss) per ordinary share amounts are calculated by dividing profit net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the current reporting period.

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	<u>Current year quarter</u>	<u>Preceding year corresponding quarter</u>	<u>Current year to date</u>	<u>Preceding year corresponding year to date</u>
	<u>31/01/2023</u>	<u>31/01/2022</u>	<u>31/01/2023</u>	<u>31/01/2022</u>
(Loss)/profit, net of tax (RM'000)	(720)	(1,009)	(2,260)	6,508
Weighted average number of ordinary shares ('000)	43,014.5	43,014.5	43,014.5	43,014.5
Basic (loss)/earnings per share (sen)	<u>(1.7)</u>	<u>(2.3)</u>	<u>(5.3)</u>	<u>15.1</u>

The Group has no potential ordinary shares in issue as at reporting date and therefore diluted earnings per share has not been presented.

BY ORDER OF THE BOARD

Leong Oi Wah  
Company Secretary

Petaling Jaya  
Date: 8 March 2023

**KESM INDUSTRIES BERHAD**  
**(Incorporated in Malaysia)**

Registration No. : 197201001376 (13022-A)

**SUMMARY OF KEY FINANCIAL INFORMATION**  
**FOR THE SECOND QUARTER ENDED 31 JANUARY 2023**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER  (31/01/2023) RM'000	PRECEDING YEAR CORRESPONDING QUARTER  (31/01/2022) RM'000	CURRENT YEAR TO DATE  (31/01/2023) RM'000	PRECEDING YEAR CORRESPONDING PERIOD  (31/01/2022) RM'000
1. Revenue	55,989	64,300	108,753	132,883
2. (Loss)/profit before tax	(735)	125	(2,428)	8,775
3. (Loss)/profit for the period	(720)	(1,009)	(2,260)	6,508
4. (Loss)/profit attributable to ordinary equity holders of the Company	(720)	(1,009)	(2,260)	6,508
5. Basic (loss)/earnings per share (sen)	(1.67)	(2.35)	(5.25)	15.13
6. Proposed/Declared dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR
7. Net assets per share attributable to ordinary equity holders of the Company (RM)	8.2682	8.4241

**ADDITIONAL INFORMATION**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER  (31/01/2023) RM'000	PRECEDING YEAR CORRESPONDING QUARTER  (31/01/2022) RM'000	CURRENT YEAR TO DATE  (31/01/2023) RM'000	PRECEDING YEAR CORRESPONDING PERIOD  (31/01/2022) RM'000
1. Gross interest income	1,140	923	1,917	1,894
2. Gross interest expense	470	105	784	233