



PENSONIC HOLDINGS BERHAD

**Registration No : 199401014746 (300426-P)
(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER ENDED 31 AUGUST 2024**

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Period Ended 31 August 2024

	Note	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
		31-Aug-24 RM'000	31-Aug-23 RM'000	(Unaudited) 31-Aug-24 RM'000	(Audited) 31-Aug-23 RM'000
Revenue	9	79,946	73,235	79,946	73,235
Cost of sales		(66,015)	(59,064)	(66,015)	(59,064)
Gross profit		13,931	14,171	13,931	14,171
Other operating income		1,098	746	1,098	746
Interest income		3	8	3	8
Operating expenses		(13,927)	(13,129)	(13,927)	(13,129)
Results from operating activities		1,105	1,796	1,105	1,796
Finance costs		(747)	(1,003)	(747)	(1,003)
Operating loss		358	793	358	793
Share of results of associates		13	(14)	13	(14)
Profit before tax		371	779	371	779
Tax expenses	18	(73)	(600)	(73)	(600)
Profit after tax		298	179	298	179
Other comprehensive (expenses)/income, net of tax					
Foreign currency translation differences		(1,166)	205	(1,166)	205
Total comprehensive (loss) /profit for the period		(868)	384	(868)	384
Profit/(Loss) attributable to :					
Shareholders of the Company		42	336	42	336
Non-controlling interests		256	(157)	256	(157)
		298	179	298	179
Total comprehensive (loss)/profit attributable to :					
Shareholders of the Company		(1,144)	542	(1,144)	542
Non-controlling interests		276	(158)	276	(158)
		(868)	384	(868)	384
Basic/Diluted earnings per ordinary share (sen)	24	0.03	0.27	0.03	0.27

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 May 2024 and the accompanying explanatory notes attached to the interim financial statements.

Unaudited Condensed Consolidated Statement of Financial Position for the Period Ended 31 August 2024

	(Unaudited) 31-Aug-24 RM'000	(Audited) 31-May-24 RM'000
ASSETS		
Property, plant and equipment	115,254	114,420
Intangible assets	870	870
Investment in associates	1,277	1,263
Deferred tax assets	803	693
Total non-current assets	<u>118,204</u>	<u>117,246</u>
Inventories	62,339	58,815
Trade and other receivables	55,758	61,721
Current tax assets	1,064	410
Fixed deposit	534	558
Cash and bank balances	28,685	31,868
Total current assets	<u>148,380</u>	<u>153,372</u>
TOTAL ASSETS	<u>266,584</u>	<u>270,618</u>
EQUITY		
Share capital	84,305	84,305
Reserves	57,697	58,841
Total equity attributable to owners of the Company	<u>142,002</u>	<u>143,146</u>
Non-controlling interests	3,609	3,334
TOTAL EQUITY	<u>145,611</u>	<u>146,480</u>
LIABILITIES		
Loans and borrowings	21,553	22,183
Deferred tax liabilities	753	753
Lease liabilities	342	345
Total non-current liabilities	<u>22,648</u>	<u>23,281</u>
Trade and other payables	51,494	56,385
Loans and borrowings	42,334	40,118
Current tax liabilities	3,915	3,757
Lease liability	582	597
Total current liabilities	<u>98,325</u>	<u>100,857</u>
TOTAL LIABILITIES	<u>120,973</u>	<u>124,138</u>
TOTAL EQUITY AND LIABILITIES	<u>266,584</u>	<u>270,618</u>
Net assets per share attributable to equity holders (RM)	0.94	1.16

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 May 2024 and the accompanying explanatory notes attached to the interim financial statements.

Unaudited Condensed Consolidated Statement of Changes in Equity for the Period Ended 31 August 2024

	← Attributable to owners of the company →							Total	Non-Controlling Interests	Total Equity
	← Non-Distributable →				Distributable					
	Share Capital	Treasury Share	Exchange Translation Reserve	Capital Reserve	Warrant Reserve	Other Reserve	Retained Earnings			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 June 2023	67,671	(2,376)	1,931	4,488	6,483	(639)	60,800	138,358	323	138,581
Loss for the period	-	-	-	-	-	-	336	336	(157)	179
Foreign currency translation differences	-	-	207	-	-	-	-	207	(1)	206
Total comprehensive loss for the period	-	-	207	-	-	-	336	543	(158)	385
Dividend paid	-	-	-	-	-	-	-	-	-	-
Additional NCI	-	-	-	-	-	-	-	-	-	-
Repurchase of treasury shares	-	-	-	-	-	-	-	-	-	-
At 31 August 2023	67,671	(2,376)	2,138	4,488	6,483	(639)	61,136	138,901	165	139,066
At 1 June 2024	84,305	(3,120)	2,600	4,488	-	(639)	55,512	143,146	3,333	146,479
Loss for the period	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	42	42	256	298
Foreign currency translation differences	-	-	(1,186)	-	-	-	-	(1,186)	20	(1,166)
Total comprehensive profit/(loss) for the period	-	-	(1,186)	-	-	-	42	(1,144)	276	(868)
Repurchase of treasury shares	-	-	-	-	-	-	-	-	-	-
Decrease in NCI	-	-	-	-	-	-	-	-	-	-
At 31 August 2024	84,305	(3,120)	1,414	4,488	-	(639)	55,554	142,002	3,609	145,611

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 May 2024 and the accompanying explanatory notes attached to the interim financial statements.

Unaudited Condensed Consolidated Statement of Cash Flows for the Period Ended 31 August 2024

	Cumulative Quarters	
	3 months ended	
	(Unaudited)	(Audited)
	31-Aug-24	31-Aug-24
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	371	779
Adjustments for :		
Depreciation of property, plant and equipment	1,454	1,275
Interest expense	734	989
Accretion of interest on lease liabilities	9	6
Gain /(Loss) on disposal of plant, equipment and right-of-used assets	16	(10)
Property, plant and equipment written off	0	-
Inventory Provision	272	-
Interest income	(3)	(8)
Share of results of associates	(13)	14
Operating profits before working capital changes	2,840	3,045
Changes in working capital :		
Inventories	(4,353)	246
Trade and other receivables	1,205	11,347
Trade and other payables	(231)	(7,731)
	(3,379)	3,862
Cash generated from operations	(539)	6,907
Income tax paid	(678)	(330)
Net cash (used in) /generated from operating activities	(1,217)	6,577
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment and right-of-used assets	-	21
Purchase of property, plant and equipment	(2,166)	(594)
Interest received	3	8
Net cash used in investing activities	(2,163)	(565)
Cash flows from financing activities		
Drawing/(Repayment) of loans and borrowings, net	2,475	(2,341)
Repayment of hire purchase creditors, net	(150)	(164)
Repayment of lease liability	(168)	(144)
Placement of fixed deposits	12	(5)
Interest paid	(743)	(995)
Net cash generated/(used in) financing activities	1,426	(3,649)
Net increase in cash and cash equivalents	(1,954)	2,363
Cash and cash equivalents at beginning of the period	31,005	23,059
Effect of exchange differences on cash and cash equivalents	(488)	87
Cash and cash equivalents at end of the period	28,563	25,509
Cash and cash equivalents comprised the followings:		
Cash and bank balances	28,685	26,331
Bank overdraft	(122)	(822)
	28,563	25,509



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The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 May 2024 and the accompanying explanatory notes attached to the interim financial statements.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements for the Period Ended 31 August 2024**1. Basis of preparation**

These condensed consolidated interim financial statements ("Condensed Report") has been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Reports also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

The Condensed Report should be read in conjunction with the audited financial statements for the year ended 31 May 2024. The explanatory notes attached to these Condensed Report 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 year ended 31 May 2024.

The following are accounting standards and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRS Accounting Standards and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, Leases – Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
- Amendments to MFRS 107, Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements

MFRS Accounting Standards and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rules – Lack of Exchangeability

MFRS Accounting Standards and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments

MFRS Accounting Standards and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, Presentation and Disclosure in Financial Statements
- MFRS 19, Subsidiaries without Public Accountability: Disclosures

MFRSs Accounting Standards and amendments effective for annual periods beginning on or after a date yet to be confirmed

- 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 Associate or Joint Venture

The Group and the Company plan to apply the abovementioned accounting standard and amendments, where applicable in the respective financial years when the abovementioned amendments become effective.

The initial application of the accounting standard and amendments is not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company.

2. Significant Accounting Policies

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 31 May 2024 except for those as disclosed in Note 1 above.

3. Audit Qualification

There was no audit qualification on the annual financial statements of the Company and the Group for the year ended 31 May 2024.

4. Seasonality of Operations

The Group's business operations are generally affected by festive seasons, school holidays and carnival sales in Malaysia.

5. Unusual and Material Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual material items affecting assets, liabilities, equity, net income or cash flow during the current period ended 31 August 2024.

6. Significant Estimates and Changes in Estimates

There were no changes in estimates of amounts reported in the prior quarter and/ or financial period that have a material effect on the Group in the current period under review.

7. Debt and Equity Securities

There were no issuance and repayment of debts and equity security, share buy-backs, share cancellation, share held as treasury shares by the Company during the financial period under review.

8. Dividend Paid

There was no dividend paid during the period under review.

9. Segmental Information

				For the 3 months ended 31 August 2024		
	Manufacturing	Trading	Others	Total	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external Customers	13,888	66,058	-	79,946	-	79,946
Segment (loss)/profit	1,701	(733)	(92)	876	(505)	371
Segment assets <i>Included in the measure of segment assets is:</i>						
Capital expenditure	1,245	906	15	2,166	-	2,166
				For the 3 months ended 31 August 2023		
	Manufacturing	Trading	Others	Total	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external Customers	7,696	65,539	-	73,235	-	73,235
Segment (loss)/profit	1,999	(797)	(138)	1,064	(285)	779
Segment assets <i>Included in the measure of segment assets is:</i>						
Capital expenditure	89	502	5	596	(2)	594

10. Event after the Reporting Period

There were no material events subsequent to the end of the current period that have not been reflected in the financial statements for the current period under review.

11. Changes in Composition of the Group

There were no changes in composition of the Group during the current period under review.

12. Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets of a material nature as at the end of current financial period.

13. Significant Related Party Transactions

The significant transactions with companies in which certain Directors and persons connected to Directors have substantial financial interests are as follows:

	Individual Quarter		Cumulative Period	
	3 months ended		3 months ended	
	31-Aug-24	31-Aug-23	31-Aug-24	31-Aug-23
	RM'000	RM'000	RM'000	RM'000
Transaction with associate				
-Sales	257	458	257	458
Transaction with related parties				
- Purchases	312	964	312	964
- Services acquired	278	127	278	127
- Sales	-	4	-	4

14. Review of Performance

	Individual Quarter			Cumulative Period		
	3 months ended		%	3 months ended		%
	31-Aug-24	31-Aug-23		31-Aug-24	31-Aug-23	
	RM'000	RM'000		RM'000	RM'000	
Revenue	79,946	73,235	9	79,946	73,235	9
Profit before tax	371	779	52	371	779	52
Profit after tax	298	179	(66)	298	179	(66)
Profit attributable to owner of the Company	42	336	88	42	336	88

On a quarter-on-quarter comparison, consolidated revenue rose to RM80 million, a 9% upside compared to RM73.2 million reported in the preceding year corresponding quarter ("Q1 FY2024"). The lower profit before tax contributed by higher cost and lower gain on forex compared to Q1 FY2024.

15. Review of Performance

	Current Quarter Ended	Immediate Preceding Quarter Ended	%
	31-Aug-24 RM'000	31-May-24 RM'000	
Revenue	79,946	85,141	(6)
Profit before tax	371	222	67
Profit after tax	298	259	15
Profit attributable to owner of the Company	42	104	(60)

The Group reported revenue of RM80 million for the current financial quarter compared to RM85.1 million reported in the immediate preceding financial quarter ended 31 May 2024. On the same comparative basis, the Group incurred profit of RM0.3 million compared with profit before tax of RM0.2 million.

16. Commentary on Prospects

As part of our ongoing efforts to ensure the sustainability of our business, the Group remains responsive to evolving market demands while maintaining vigilance against rising inflationary pressures. We are optimistic about growth opportunities and committed to delivering value to our stakeholders.

Our strategic initiatives and renewed focus on innovation position us favourably for a successful year ahead. Moving forward, we are empowering our teams to take greater ownership which will enhance responsiveness and drive further innovation, thereby positioning ourselves for continued success in a competitive landscape.

17. Profit Forecast

Not applicable as no profit forecast was published.

18. Taxation

	Individual Quarter		Cumulative Period	
	3 months ended		3 months ended	
	31-Aug-24 RM'000	31-Aug-23 RM'000	31-Aug-24 RM'000	31-Aug-23 RM'000
Current tax expenses				
- Current year	183	620	183	620
- Prior year	-	-	-	-
Deferred tax expenses				
- Current year	(110)	(20)	(110)	(20)
- Prior year	-	-	-	-
	<u>73</u>	<u>600</u>	<u>73</u>	<u>600</u>

Domestic income tax rate is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the period. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

19. Status of Corporate Proposal

As at the date of this report, there are no corporate proposals that are pending for completion.

20. Trade Receivables

The age analysis of trade receivables is as follow:

	Unaudited 31-Aug-24 RM'000	Audited 31-May-24 RM'000
Neither past due nor impaired	22,046	39,030
Past due but not impaired:		
Less than 60 days	11,723	15,647
60 to 120 days	12,323	945
More than 120 days	9,354	3,033
	<u>33,400</u>	<u>19,625</u>
	55,446	58,655
Impaired	(1,429)	(1,461)
	<u>54,017</u>	<u>57,194</u>

Except for the impairment provided, the Group is satisfied that recovery of the remaining amount is possible.

21. Borrowings and Debts Securities

Details of the Group's borrowings as at the end of this financial year are as follows:

	Unaudited 31-Aug-24 RM'000	Audited 31-May-24 RM'000
Current		
Unsecured		
Bank overdraft	123	-
Revolving credit	18,556	19,463
Bankers' acceptance	6,210	6,210
	<u>24,889</u>	<u>25,673</u>
Secured		
Bank overdraft	-	863
Term loans	2,269	2,285
Bankers' acceptance	14,732	10,778
Hire Purchase Creditors	444	519
	<u>17,445</u>	<u>14,445</u>
	<u>42,334</u>	<u>40,118</u>
Non – current		
Secured		
Term loans	21,004	21,558
Hire Purchase Creditors	549	625
	<u>21,553</u>	<u>22,183</u>
	<u>63,887</u>	<u>62,301</u>
Currency Denominated In		
Ringgit Malaysia ("MYR")	<u>63,887</u>	<u>62,301</u>

The bank borrowings and term loans are secured by the following:

- (a) Legal charges over certain properties belonging to the Company and subsidiary companies;
- (b) Lien on fixed deposits belonging to the subsidiary companies; and
- (c) Corporate guarantee by the Company.

22. Material Litigation

The Group is not engaged in any material litigation for the current financial period ended 31 Aug 2024.

23. Dividend

The Board does not recommend any dividend for the current financial period ended 31 Aug 2024.

24. Earnings per Share (“EPS”)

Basic and diluted profit per ordinary share

	Individual Quarter		Cumulative Period	
	3 months ended		3 months ended	
	31-Aug-24	31-Aug-23	31-Aug-24	31-Aug-23
Profit attributable to owners of the Company (RM'000)	42	336	42	336
Weighted average number of ordinary shares in issue (units'000)	155,297	125,750	155,297	125,750
Basic Earnings per share (sen)	0.03	0.27	0.03	0.27

The diluted earnings per ordinary share for 2024 and 2023 was the same as basic earnings per ordinary share as there were no outstanding instruments with potential dilutive effect.

25. Profit for the Period

Profit for the period has been arrived at:

	Individual Quarter		Cumulative Period	
	3 months ended		3 months ended	
	31-Aug-24	31-Aug-23	31-Aug-24	31-Aug-23
After charging / (crediting):-				
Property, plant & equipment written off	-	-	-	-
Loss/(gain) on disposal of property, plant and equipment	16	(10)	16	(10)
Interest Income	(3)	(8)	(3)	(8)
Royalty Income	-	(109)	-	(109)
Realised loss/(gain) on foreign exchange	81	(365)	81	(365)
Unrealised gain on foreign exchange	(298)	(33)	(298)	(33)
Interest expense	734	989	734	989

26. Authorization for Issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board of Directors.