



PENSONIC HOLDINGS BERHAD

Registration No : 199401014746 (300426-P)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER ENDED 30 NOVEMBER 2024**

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Period Ended 30 November 2024

	Note	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
		30-Nov-24 RM'000	30-Nov-23 RM'000	(Unaudited) 30-Nov-24 RM'000	(Audited) 30-Nov-23 RM'000
Revenue	9	67,566	71,486	147,512	144,721
Cost of sales		(56,659)	(57,762)	(122,674)	(116,826)
Gross profit		10,907	13,724	24,838	27,895
Other operating income		1,222	448	2,320	1,194
Interest income		4	9	7	17
Operating expenses		(14,055)	(13,129)	(27,982)	(26,348)
Results from operating activities		(1,922)	1,052	(817)	2,758
Finance costs		(920)	(1,051)	(1,667)	(2,054)
Operating (loss)/profit		(2,842)	1	(2,484)	704
Share of results of associates		(30)	(41)	(17)	(55)
(Loss)/Profit before tax		(2,872)	(40)	(2,501)	649
Tax expenses	18	261	(403)	188	(1,003)
(Loss)/Profit after tax		(2,611)	(443)	(2,313)	(354)
Other comprehensive (expenses)/income, net of tax					
Foreign currency translation differences		152	649	(1,014)	854
Total comprehensive (loss) /profit for the period		(2,459)	206	(3,327)	500
Profit/(Loss) attributable to :					
Shareholders of the Company		(2,528)	(440)	(2,526)	(104)
Non-controlling interests		(43)	(93)	213	(250)
		(2,611)	(533)	(2,313)	(354)
Total comprehensive (loss)/profit attributable to :					
Shareholders of the Company		(2,416)	208	(3,560)	750
Non-controlling interests		(43)	(92)	233	(250)
		(2,459)	206	(3,327)	500
Basic/Diluted earnings per ordinary share (sen)	24	(1.68)	(0.34)	(1.65)	(0.08)

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 30 November 2024

	(Unaudited) 30-Nov-24 RM'000	(Audited) 31-May-24 RM'000
ASSETS		
Property, plant and equipment	118,011	114,420
Intangible assets	870	870
Investment in associates	1,246	1,263
Deferred tax assets	810	693
Total non-current assets	<u>120,937</u>	<u>117,246</u>
Inventories	86,577	58,815
Trade and other receivables	56,614	61,721
Current tax assets	1,090	410
Fixed deposit	534	558
Cash and bank balances	18,887	31,868
Total current assets	<u>163,702</u>	<u>153,372</u>
TOTAL ASSETS	<u>284,639</u>	<u>270,618</u>
EQUITY		
Share capital	84,305	84,305
Reserves	53,367	58,841
Total equity attributable to owners of the Company	<u>137,672</u>	<u>143,146</u>
Non-controlling interests	3,567	3,334
TOTAL EQUITY	<u>141,239</u>	<u>146,480</u>
LIABILITIES		
Loans and borrowings	20,913	22,183
Deferred tax liabilities	753	753
Lease liabilities	510	345
Total non-current liabilities	<u>22,176</u>	<u>23,281</u>
Trade and other payables	57,392	56,385
Loans and borrowings	59,633	40,118
Current tax liabilities	3,691	3,757
Lease liability	508	597
Total current liabilities	<u>121,224</u>	<u>100,857</u>
TOTAL LIABILITIES	<u>143,400</u>	<u>124,138</u>
TOTAL EQUITY AND LIABILITIES	<u>284,639</u>	<u>270,618</u>
Net assets per share attributable to equity holders (RM)	0.92	1.04

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 30 November 2024

	← Attributable to owners of the company →										
	← Non-Distributable →						Distributable		Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	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				
At 1 June 2023	67,671	(2,376)	1,931	4,488	6,483	(639)	60,800	138,358	323	138,681	
Loss for the period	-	-	-	-	-	-	(104)	(104)	(250)	(354)	
Foreign currency translation differences	-	-	855	-	-	-	-	855	-	855	
Total comprehensive loss for the period	-	-	855	-	-	-	(104)	751	(250)	501	
Warrant conversion	-	-	-	-	1,674	-	-	1,674	-	1,674	
Decrease in NCI	-	-	-	-	-	-	-	-	(31)	(31)	
Issued share capital	5,218	-	-	-	-	-	-	5,218	-	5,218	
At 30 November 2023	72,889	(2,376)	2,786	4,488	8,157	(639)	60,696	146,001	42	146,043	
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	-	-	-	-	-	-	(2,525)	(2,525)	214	(2,311)	
Foreign currency translation differences	-	-	(1,034)	-	-	-	-	(1,034)	20	(1,014)	
Total comprehensive profit/(loss) for the period	-	-	(1,034)	-	-	-	(2,525)	(3,559)	234	(3,325)	
Repurchase of treasury shares	-	(1,915)	-	-	-	-	-	(1,915)	-	-	
Decrease in NCI	-	-	-	-	-	-	-	-	-	-	
At 30 November 2024	84,305	(5,035)	1,566	4,488	-	(639)	55,554	137,672	3,567	141,239	

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 30 November 2024

	Cumulative Quarters	
	6 months ended	
	(Unaudited)	(Audited)
	30-Nov-24	30-Nov-23
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	(2,501)	649
Adjustments for :		
Depreciation of property, plant and equipment	2,951	2,479
Interest expense	1,633	2,031
Accretion of interest on lease liabilities	22	10
Gain /(Loss) on disposal of plant, equipment and right-of-used assets	(11)	(229)
Property, plant and equipment written off	-	4
Inventory Provision	496	-
Interest income	(6)	(17)
Share of results of associates	17	55
Operating profits before working capital changes	2,601	4,982
Changes in working capital :		
Inventories	(28,940)	(184)
Trade and other receivables	1,088	13,305
Trade and other payables	5,199	(10,024)
	(22,653)	3,097
Cash generated from operations	(20,052)	8,079
Income tax paid	(675)	(1,031)
Net cash (used in) /generated from operating activities	(20,727)	7,048
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment and right-of-used assets	21	258
Purchase of property, plant and equipment	(6,142)	(922)
Interest received	7	17
Increase of shareholding in subsidiary	-	(377)
Net cash used in investing activities	(6,114)	(1,024)
Cash flows from financing activities		
Drawing/(Repayment) of loans and borrowings, net	19,530	(3,245)
Repayment of hire purchase creditors, net	(285)	(306)
Repayment of term loan	(1,144)	-
Repayment of lease liability	(352)	(200)
Placement of fixed deposits	11	(8)
Purchase of treasury share	(1,915)	-
Proceeds from warrant conversion	-	1,674
Interest paid	(1,655)	(2,041)
Net cash generated/(used in) financing activities	14,190	(4,126)
Net increase in cash and cash equivalents	(12,651)	1,898
Cash and cash equivalents at beginning of the period	31,005	23,059
Effect of exchange differences on cash and cash equivalents	(475)	348
Cash and cash equivalents at end of the period	17,879	25,305

	Cumulative Quarters	
	6 months ended	
	(Unaudited)	(Audited)
	30-Nov-24	30-Nov-23
	RM'000	RM'000
Cash and cash equivalents comprised the followings:		
Cash and bank balances	18,887	26,338
Bank overdraft	(1,008)	(1,033)
	<hr/>	<hr/>
	17,879	25,305

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 30 November 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 30 November 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 except for the following:

The Company repurchased 3,837,900 of its issued share capital from the open market for an average price of RM0.50 per share. The repurchased transaction was financed by internally generated funds. All the shares bought are retained as treasury shares in accordance with the requirements of Section 127 of the Companies Act 2016.

The treasury shares held had been accounted for using cost method. The amount of consideration paid, including directly attributable costs, is recognised as costs and set off against equity. Total number of treasury shares held was 8,874,200 ordinary shares as at 30 November 2024.

8. Dividend Paid

There was no dividend paid during the period under review.

9. Segmental Information

	For the 6 months ended 30 November 2024					
	Manufacturing	Trading	Others	Total	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external Customers	22,986	124,526	-	147,498	-	147,512
Segment (loss)/profit	2,104	(3,585)	(454)	(1,935)	(566)	(2,501)
Segment assets						
<i>Included in the measure of segment assets is:</i>						
Capital expenditure	2,470	3,644	28	6,142	-	6,142

	For the 6 months ended 30 November 2023					
	Manufacturing	Trading	Others	Total	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external Customers	15,345	129,376	-	144,721	-	144,721
Segment (loss)/profit	3,900	(2,540)	(287)	1,073	(424)	649
Segment assets						
<i>Included in the measure of segment assets is:</i>						
Capital expenditure	5,954	182	7	6,143	(3)	6,140

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

On 08 January 2025, the Company acquired additional:

- 33% interest in PT Pensonic Appliances Indonesia ("PTPAI"), a 56.33% owned subsidiary from non-controlling interests. Subsequent to the acquisition, the Company's interest in PTPAI increased from 56.33% to 89.33%.
- 25% interest in PT Pensonic Industry Indonesia ("PTPII"), a 70% owned subsidiary from non-controlling interests. Subsequent to the acquisition, the Company's interest in PTPII increased from 70% to 95%.

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		6 months ended	
	30-Nov-24	30-Nov-23	30-Nov-24	30-Nov-23
	RM'000	RM'000	RM'000	RM'000
Transaction with associate				
-Sales	1,254	250	1,511	708
Transaction with related parties				
- Purchases	239	492	551	1,456
- Services acquired	145	201	423	328
- Sales	5	4	5	8

14. Review of Performance

	Individual Quarter			Cumulative Period		
	3 months ended			6 months ended		
	30-Nov-24	30-Nov-23	%	30-Nov-24	30-Nov-23	%
	RM'000	RM'000		RM'000	RM'000	
Revenue	67,566	71,486	(5)	147,512	144,721	2
Profit before tax	(2,872)	(40)	(7,080)	(2,501)	649	485
Profit after tax	(2,611)	(443)	(489)	(2,313)	(354)	(553)
Profit attributable to owner of the Company	(2,568)	(484)	(431)	(2,526)	(104)	(2,328)

On a quarter-on-quarter basis, consolidated revenue amounted to RM147.5 million, reflecting a slight 2% increase compared to RM144.7 million reported in the corresponding quarter of the previous year (Q2 FY2024). However, the profit before tax was lower due to higher costs incurred compared to Q2 FY2024.

15. Review of Performance

	Current Quarter Ended	Immediate Preceding Quarter Ended	%
	30-Nov-24	31-Aug-24	
	RM'000	RM'000	
Revenue	67,566	79,946	(15)
Profit before tax	(2,872)	371	(874)
Profit after tax	(2,611)	298	(976)
Profit attributable to owner of the Company	(2,568)	42	(6,214)

The Group reported revenue of RM67.5 million for the current financial quarter compared to RM80.0 million reported in the immediate preceding financial quarter ended 31 Aug 2024. On the same comparative basis, the Group incurred loss before tax of RM2.8 million compared with profit before tax of RM0.4 million.

16. Commentary on Prospects

The Group recognises that the outlook for the industry remains challenging due to inflationary pressures and high interest rates, which affect consumer spending and reduce purchases of non-essential products. Nevertheless, our strategic initiatives and renewed focus on innovation have been critical in positioning the Group for recovery and sustained growth. With our proven track record of resilience and adaptability, we are confident in our ability to navigate these challenges and capitalise on emerging opportunities.

17. Profit Forecast

Not applicable as no profit forecast was published.

18. Taxation

	Individual Quarter		Cumulative Period	
	3 months ended		6 months ended	
	30-Nov-24	30-Nov-23	30-Nov-24	30-Nov-23
	RM'000	RM'000	RM'000	RM'000
Current tax expenses				
- Current year	(253)	427	(70)	1,047
- Prior year	-	-	-	-
Deferred tax expenses				
- Current year	(8)	(24)	(118)	(44)
- Prior year	-	-	-	-
	<u>(261)</u>	<u>403</u>	<u>(188)</u>	<u>1,003</u>

Domestic income tax rate is calculated at the Malaysian statutory tax rate of 24% (2024: 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 30-Nov-24 RM'000	Audited 31-May-24 RM'000
Neither past due nor impaired	32,457	39,030
Past due but not impaired: Less than 60 days	10,412	15,647
60 to 120 days	3,555	945
More than 120 days	9,334	3,033
	<u>23,301</u>	<u>19,625</u>
	55,758	58,655
Impaired	<u>(1,429)</u>	<u>(1,461)</u>
	<u>54,329</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 30-Nov-24 RM'000	Audited 31-May-24 RM'000
Current		
Unsecured		
Bank overdraft	798	-
Revolving credit	6,210	6,210
Bankers' acceptance	32,270	19,463
	<u>39,278</u>	<u>25,673</u>
Secured		
Bank overdraft	210	863
Term loans	2,269	2,285
Bankers' acceptance	17,501	10,778
Hire Purchase Creditors	375	519
	<u>20,355</u>	<u>14,445</u>
	<u>59,633</u>	<u>40,118</u>
Non – current		
Secured		
Term loans	20,430	21,558
Hire Purchase Creditors	483	625
	<u>20,913</u>	<u>22,183</u>
	<u>80,546</u>	<u>62,301</u>
Currency Denominated In		
Ringgit Malaysia ("MYR")	<u>80,546</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 30 Nov 2024.

23. Dividend

The Board does not recommend any dividend for the current financial period ended 30 Nov 2024.

24. Earnings per Share (“EPS”)

Basic and diluted profit per ordinary share

	Individual Quarter		Cumulative Period	
	3 months ended		6 months ended	
	30-Nov-23	30-Nov-23	30-Nov-24	30-Nov-23
Profit attributable to owners of the Company (RM'000)	(2,568)	(440)	(2,526)	(104)
Weighted average number of ordinary shares in issue (units'000)	153,058	128,084	153,058	128,084
Basic Earnings per share (sen)	(1.68)	(0.34)	(1.65)	(0.08)

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		6 months ended	
	30-Nov-24	30-Nov-23	30-Nov-24	30-Nov-23
After charging / (crediting):-				
Property, plant & equipment written off	-	-	-	4
Loss/(gain) on disposal of property, plant and equipment	(21)	(219)	(5)	(229)
Inventories provision	450	450	450	450
Government Grant received	(17)	(9)	(17)	(9)
Interest Income	(4)	(9)	(7)	(17)
Royalty Income	(109)	-	(109)	(109)
Realised loss/(gain) on foreign exchange	(788)	(12)	(707)	(377)
Unrealised (gain)/loss on foreign exchange	384	(112)	86	(145)
Interest expense	899	1,042	1,633	2,031

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.