



AURELIUS TECHNOLOGIES BERHAD
(Company Registration No. 202101005015 (1405314-D))
(Incorporated in Malaysia)

**UNAUDITED CONDENSED
INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER (COVERING A PERIOD OF 2
MONTHS FROM 1 NOVEMBER 2023 UNTIL 31
DECEMBER 2023) ENDED
31 DECEMBER 2023**

**UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

	4th Quarter		Cumulative Quarter (11 Months)		
	31 December 2023 (a) RM	31 December 2022 RM	31 December 2023 (a) RM	31 December 2022 RM	
Revenue	83,095,767	N/A	385,558,994	N/A	
Cost of sales	(68,248,097)	N/A	(335,636,800)	N/A	
Gross profit	14,847,670	N/A	49,922,194	N/A	
Other income	154,301	N/A	6,565,238	N/A	
Administrative expenses	(5,208,031)	N/A	(11,953,720)	N/A	
Selling and distribution expenses	(62,372)	N/A	(367,607)	N/A	
Operating profit	9,731,568	N/A	44,166,105	N/A	
Finance income	670,419	N/A	3,262,515	N/A	
Finance costs	(232,888)	N/A	(1,647,241)	N/A	
Profit before tax	10,169,099	N/A	45,781,379	N/A	
Taxation	(235,643)	N/A	(7,534,643)	N/A	
Profit for the financial period/ year	9,933,456	N/A	38,246,736	N/A	
Total other comprehensive income, net of tax					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Transfer of revaluation surplus to retained profits	31,254	N/A	171,895	N/A	
Realisation of revaluation surplus upon depreciation	(31,254)	N/A	(171,895)	N/A	
Total comprehensive income for the financial period/ year attributable to :					
Owners of the Company	9,933,456	N/A	38,246,736	N/A	
	9,933,456	N/A	38,246,736	N/A	
Earnings Per Share attributable to Owners of the Company					
Basic EPS (sen)	(b)	2.53	N/A	9.72	N/A
Diluted EPS (sen)	(c)	2.52	N/A	9.72	N/A

UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (*cont'd*)

Notes:

As announced on 14 December 2023, the Group has changed its financial year end from 31 January to 31 December, and the next audited financial statements will be made up from 1 February 2023 to 31 December 2023 covering a period of 11 months. As such, the 4th quarter ended 31 December 2023 comprises only two calendar months (November 2023 and December 2023) and there will be no comparative financial information available for the preceding year's corresponding periods.

(a) The Unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 January 2023 and the accompanying explanatory notes.

*(b) Basic earnings per share ("EPS") is calculated based on the profit attributable to owners of the Company divided by the weighted average number of ordinary shares issued. For the 4th quarter ended 31 December 2023, the weighted average number of ordinary shares issued is **393,368,814** pursuant to the issuance of 70,000 ordinary shares under the Employees Share Scheme ("ESS") as disclosed in B12 (i).*

*(c) Diluted earnings per share ("DEPS") is calculated based on the profit attributable to owners of the Company divided by the weighted average number of applicable ordinary shares. The weighted number of applicable ordinary shares is **393,623,814** for the 4th quarter ended 31 December 2023 pursuant to the issuance of 70,000 ordinary shares and deemed Performance Share Grant ("PSG"), both offered under the ESS as disclosed in B12 (ii).*

CONDENSED STATEMENT OF FINANCIAL POSITION

	<u>Unaudited</u>	<u>Audited</u>
	As at 31 December 2023 (a) RM	As at Preceding Financial Year Ended 31 January 2023 RM
ASSETS		
Non-current asset		
Property, plant and equipment	122,349,422	115,374,459
Right-of-use assets	880,042	1,848,088
Current assets		
Inventories	154,941,770	101,739,307
Trade receivables	99,116,048	131,825,689
Other receivables, deposits and prepayments	7,729,856	4,310,579
Contract assets	12,814,096	12,241,534
Current tax asset	56,200	1,145,547
Short term investments	22,334,713	1,965,053
Fixed deposits with licensed banks	33,093,465	7,216,508
Cash and bank balances	33,946,638	41,707,054
	<u>364,032,786</u>	<u>302,151,271</u>
TOTAL ASSETS	<u>487,262,250</u>	<u>419,373,818</u>
EQUITY & LIABILITIES		
Share capital	260,187,866	182,946,490
Merger deficit	(38,486,932)	(38,486,932)
Revaluation reserve	6,016,287	6,188,182
ESS reserve	282,321	96,199
Retained profits	102,328,149	80,851,432
Total equity	<u>330,327,691</u>	<u>231,595,371</u>
Non-current liabilities		
Borrowings	16,667,508	21,109,773
Lease liability	-	905,609
Deferred tax liabilities	12,881,000	8,691,000
	<u>29,548,508</u>	<u>30,706,382</u>
Current liabilities		
Trade payables	94,061,973	69,041,435
Other payables & accruals	26,790,264	13,343,109
Borrowings	5,230,205	72,704,172
Lease liability	905,609	1,038,387
Provision of taxation	398,000	944,962
	<u>127,386,051</u>	<u>157,072,065</u>
Total Liabilities	<u>156,934,559</u>	<u>187,778,447</u>
TOTAL EQUITY AND LIABILITIES	<u>487,262,250</u>	<u>419,373,818</u>
Net Assets per share attributable to owner of the Company (RM) (b)	0.84	0.65

CONDENSED STATEMENT OF FINANCIAL POSITION (*cont'd*)

Notes:-

(a) *The condensed statement of financial position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 January 2023 and the accompanying explanatory notes.*

(b) *Net Assets per share attributable to the Company's equity owners is calculated based on total equity divided by the total number of ordinary shares outstanding of **394,068,000** shares issued (for 4th quarter ended 31 December 2023 - after Private Placement and the issuance of 70,000 ordinary shares under the ESS) and **358,180,000** (for the financial year ended 31 January 2023) respectively.*

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

	Cumulative Quarter	
	31 December 2023 (a)	31 December 2022
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	45,781,379	N/A
Adjustments for:		
Depreciation of property, plant & equipment	11,659,318	N/A
Gain on disposal of property, plant & equipment	(76,928)	N/A
Fair value gain on short term investments	(533,353)	N/A
Interest expense	1,536,158	N/A
Interest income	(3,262,515)	N/A
Provision for doubtful debts	168,999	N/A
ESS reserve	296,716	N/A
Unrealised loss on foreign exchange	566,629	N/A
Operating profit before working capital changes	56,136,403	N/A
Changes in working capital:		
Inventories	(52,614,031)	N/A
Receivables	27,084,540	N/A
Contract assets	(572,562)	N/A
Payables	39,560,639	N/A
Net cash flows generated from operations	69,594,989	N/A
Interest paid	(1,536,158)	N/A
Income tax paid	(2,802,258)	N/A
Net cash flows generated from operating activities	65,256,573	N/A
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(17,670,767)	N/A
Proceeds from disposal of property, plant & equipment	81,459	N/A
Interest received	3,262,515	N/A
Short term investments	(19,836,307)	N/A
Fixed deposits with licensed bank	7,216,508	N/A
Net cash used in investing activities	(26,946,592)	N/A
CASH FLOW FROM FINANCING ACTIVITIES		
Net repayment in bankers acceptances and OFCL	(68,485,793)	N/A
Net repayment of finance lease	(58,735)	N/A
Net repayment of term financing	(4,062,833)	N/A
Net repayment of lease liability	(1,038,387)	N/A
Dividends paid	(16,941,914)	N/A
Net proceeds from Private Placement	77,130,783	N/A
Net cash used in financing activities	(13,456,879)	N/A
NET INCREASE IN CASH AND CASH EQUIVALENTS	24,853,102	N/A
Effect of changes in foreign exchange rate	479,947	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING	41,707,054	N/A
CASH AND CASH EQUIVALENTS AT END	67,040,103	N/A

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS (*cont'd*)

	Cumulative Quarter	
	31 December 2023 (a)	31 December 2022
	RM	RM
Cash and cash equivalents included in the statement of cash flows comprise the following balance sheet amounts:		
Fixed deposits with licensed banks	33,093,465	N/A
Cash and bank balances	33,946,638	N/A
	67,040,103	N/A
Less: Fixed deposits pledged with licensed banks	-	N/A
CASH AND CASH EQUIVALENTS AT END	67,040,103	N/A

Notes:

As announced on 14 December 2023, the Group has changed its financial year end from 31 January to 31 December, and the next audited financial statements will be made up from 1 February 2023 to 31 December 2023 covering a period of 11 months. As such, the 4th quarter ended 31 December 2023 comprises only two calendar months (November 2023 and December 2023) and there will be no comparative financial information available for the preceding year's corresponding periods.

(a) The unaudited condensed statement of cash flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 January 2023 and the accompanying explanatory notes.

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company				Distributable Retained Profits RM	Total Equity RM
	Share Capital RM	ESS Reserve RM	Merger Deficit RM	Revaluation Reserve RM		
Period ended 31 December 2023						
Balance as at 1 February 2023	182,946,490	96,199	(38,486,932)	6,188,182	80,851,432	231,595,371
Issuance of shares pursuant to:						
- Private Placement	77,725,060	-	-	-	-	77,725,060
- ESS	110,593	(110,593)	-	-	-	-
Shares issuance expenses pursuant to Private Placement	(594,277)	-	-	-	-	(594,277)
ESS reserve	-	296,715	-	-	-	296,715
Profit after taxation	-	-	-	-	38,246,736	38,246,736
Total comprehensive income/(loss)	-	-	-	(171,895)	171,895	-
Dividends paid	-	-	-	-	(16,941,914)	(16,941,914)
As 31 December 2023	260,187,866	282,321	(38,486,932)	6,016,287	102,328,149	330,327,691

Notes:

As announced on 14 December 2023, the Group has changed its financial year end from 31 January to 31 December, and the next audited financial statements will be made up from 1 February 2023 to 31 December 2023 covering a period of 11 months. As such, the 4th quarter ended 31 December 2023 comprises only two calendar months (November 2023 and December 2023) and there will be no comparative financial information available for the preceding year's corresponding periods.

(a) The Unaudited Condensed Statement of Changes in Equity should be read in conjunction with the Group's audited financial statement for the financial year ended 31 January 2023 and the accompanying explanatory notes.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

A. EXPLANATORY NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 OCTOBER 2023

A1. Basis of Preparation

The interim financial statements of Aurelius Technologies Berhad (“ATech” or “Company”) and BCM Electronics Corporation Sdn Bhd (“BCM Electronics”), the Company’s sole subsidiary (collectively, “the Group”), are unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad (“Main LR”).

As announced on 14 December 2023, the Group has changed its financial year end from 31 January to 31 December, and the audited financial statements will be made up from 1 February 2023 to 31 December 2023 covering a period of 11 months.

The accounting policies and methods of computation adopted by the Group in these unaudited condensed interim financial statements are consistent with those adopted in the audited financial statements of the Group for the year ended 31 January 2023. The interim financial statements should be read in conjunction with the consolidated financial information and the audited financial statements of the Group for the year ended 31 January 2023.

A2. Changes in Accounting Policies

The accounting policies adopted by the Group are consistent with those of the previous financial years except for the adoption of the following amendments to MFRSs that are mandatory for the current financial year:

Effective for annual period beginning on or after 1 January 2022

Amendments to MFRS 3 Business Combination: Reference to the Conceptual Framework

Amendments to MFRS 116 Property, Plant and Equipment: Property, Plant and Equipment - Proceeds before Intended Use

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 - 2020

Initial application of the above amendments/improvements to MFRSs did not have any material impacts to the financial statements of the Company.

Standards Issued But Not Yet Effective

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the Group and for the Company:

Effective for annual period beginning on or after 1 January 2023

MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts: Initial application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

Amendments to MFRS 112 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112 Income Taxes: International Tax Reform - Pillar Two Model Rules

Effective for annual period 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

Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

Effective for annual period beginning on or after 1 January 2025

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

Effective 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 initial application of the above standard and amendments to MFRS is not expected to have any material impacts to the financial statements of the Company upon adoption.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' reports to the respective members of ATech and BCM Electronics on the financial statements for the financial year ended 31 January 2023 were not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's revenues are typically lower in the first half of our financial year because our customers plan ahead for their requirements for the entire year and accordingly, the bulk of orders from customers are typically received after the end of the festive period, namely the calendar new year, Chinese New Year, and Hari Raya Aidiladha which occur at the beginning of the year. Whilst, the Q3 revenue was unusually affected by the destocking of excess inventory by customers, Q4 revenue started to pick up with selective customers.

A5. Unusual Items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the quarter under review.

A6. Material Changes in Estimates

There was no change in the estimate of amounts reported that have a material effect in the quarter under review.

A7. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale, and repayment of debt and equity securities by the Company for the quarter under review.

A8. Segmental Reporting

The management determines the business segments based on the reports reviewed and used by the management for strategic decisions making and resource allocation.

No segmental analysis by business segment is prepared as the Group operates predominantly in the electronic manufacturing services (“EMS”) focusing on industrial electronic products namely, communications and internet of things (“IoT”) products, electronics devices, and semiconductor components.

Revenue segmented by products

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31 December 2023 RM	31 December 2022 RM	31 December 2023 RM	31 December 2022 RM
Communications and IoT products	64,515,903	N/A	307,215,752	N/A
Electronics devices	15,434,764	N/A	58,167,765	N/A
Semiconductor components	3,145,100	N/A	20,175,478	N/A
	<u>83,095,767</u>	<u>N/A</u>	<u>385,558,995</u>	<u>N/A</u>

Revenue segmented by geographical markets

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31 December 2023 RM	31 December 2022 RM	31 December 2023 RM	31 December 2022 RM
MALAYSIA	21,169,255	N/A	88,267,297	N/A
AMERICAS	41,059,966	N/A	199,835,092	N/A
ASIA PACIFIC (excluding Malaysia)	12,049,339	N/A	57,293,840	N/A
EUROPE	8,817,207	N/A	40,162,766	N/A
	<u>83,095,767</u>	<u>N/A</u>	<u>385,558,995</u>	<u>N/A</u>

A9. Dividend Paid

The first interim tax-exempt (single-tier) dividend of 2.30 sen per ordinary share for the financial year ended 31 December 2023 amounting to RM9.06 million was declared on 29 September 2023 and paid on 10 November 2023.

Save as disclosed above, there was no dividend paid during the current quarter under review.

A10. Property, Plant and Equipment

The Group did not carry out any revaluation of its property, plant and equipment in the current quarter under review.

A11. Capital Commitments

	Unaudited As at 31 December 2023 RM	Audited As at 31 January 2023 RM
Contracted but not provided for:		
- Property, plant and equipment	12,354,985	5,259,402
Approved but not provided for:		
- Property, plant and equipment	46,304,530	31,544,324
	58,659,515	36,803,726

A12. Changes in the Composition of the Group

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

A13. Contingent Liabilities and Contingent Assets

There was no material contingent liability or contingent asset to be disclosed as at the date of this report.

A14. Significant Related Party Transactions

There was no related party transaction during the quarter under review.

A15. Fair value of financial instruments

The Group measures its financial instruments carried at fair value in accordance with the following levels of fair value hierarchy which are categorised based on the input used in the valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability; and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable input).

The Group's financial instruments as at the end of the financial period under review measured at fair value are as follows:

	Unaudited As at 31 December 2023 RM	Audited As at 31 January 2023 RM
Levels 1		
Financial assets at fair value through profit or loss - Placements in investment funds	22,334,713	1,965,053

The fair value of the investment funds is determined by reference to the market price at the end of the reporting period.

A16. Material Events Subsequent to the end of the Quarter

BCM Electronics (“**Purchaser**”) had on 3 January 2024 signed the acceptance of the letter of offer (referred to as the “**LO**”) from Northern Technocity Sdn Bhd (“**NTCSB**” or the “**Vendor**”) for the purchase of a vacant industrial land with a net land area measuring approximately 270,034 sq. ft. (“**Land Area**”), located at NTCSB’s industrial development within Kulim High-Tech Park (“**Northern Technocity**”) held under HS(D) 83933, PT 5938 Seksyen 39, Bandar Kulim, District of Kulim, Kedah, (“**New Land 2**”) for a total cash consideration of Ringgit Malaysia Twelve Million One Hundred Fifty One Thousand Five Hundred and Thirty (RM12,151,530.00).

The New Land 2 is located approximately 6.0 km from the existing operating factory (“**Current Plant**”) of BCM Electronics, and is also adjoining to the vacant freehold industrial land with net land area measuring approximately 301,874 sq. ft. located within Northern Technocity held under HS(D) 83925, PT 5930 Seksyen 39, Bandar Kulim, District of Kulim, Kedah (“**New Land 1**”), which was purchased by BCM Electronics from the Vendor on 10 May 2023.

Save as disclosed above, there was no other material event subsequent to the end of the current quarter.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES

B1. Review of performance

	Individual Period (a)		Changes (Amount/%) +/(-)	Cumulative Period (b)		Changes (Amount/%) +/(-)
	(4th quarter)			Current Year To- date	Preceding Year Corresponding Period	
	Current Year Quarter	Preceding Year Corresponding Quarter				
	31-Dec-2023	31-Dec-2022		31-Dec-2023	31-Dec-2022	
Revenue	83,095,767	N/A	N/A	385,558,994	N/A	N/A
Gross Profit	14,847,670	N/A	N/A	49,922,194	N/A	N/A
Profit Before Interest and Tax	9,731,568	N/A	N/A	44,166,105	N/A	N/A
Profit Before Tax	10,169,099	N/A	N/A	45,781,379	N/A	N/A
Profit After Tax	9,933,456	N/A	N/A	38,246,736	N/A	N/A
Profit Attributable to Ordinary Equity Holder of the Parent	9,933,456	N/A	N/A	38,246,736	N/A	N/A

(a) Results for the current quarter

For the current quarter ended 31 December 2023 under review, the Group recorded a revenue of RM83.1 million. The communication and IoT products contributed RM64.5 million (77.6%), electronics devices contributed RM15.4 million (18.6%) and semiconductor components contributed the remaining RM3.2 million (3.8%). There is no preceding year corresponding quarter ended 31 December 2023 comparison due to the change in the financial year end from 31 January to 31 December.

The current quarter registered a strong gross profit margin of 17.9% largely attributed to increasing revenue coupled with a product mix with a higher profit margin, and continued operational cost optimisation initiatives carried out over 2023. Profit before tax was dragged down by the weakening of the US dollar.

(b) Results for financial year-to-date

For the current cumulative quarters ended 31 December 2023 under review, the Group recorded a revenue of RM385.6 million. The communication and IoT products contributed RM307.2 million (79.7%), electronics devices contributed RM58.2 million (15.1%) and semiconductor components contributed the remaining RM20.2 million (5.2%). There is no preceding year corresponding year-to-date ended 31 December 2023 comparison due to the change in the financial year end from 31 January to 31 December.

The Group managed to successfully increase the overall gross profit margin from 12.5% (financial year ended 31 January 2023) to 12.9% (financial year ended 31 December 2023), despite operating below optimal capacity arising from the difficult global market conditions and customer destocking activities throughout 2023.

The Group recorded a stronger profit after tax of RM38.2 million compared to RM37.2 million for the full year ended 31 January 2023.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter 31-Dec-2023	Immediate Preceding Quarter 31-Oct-2023	Changes (Amount/%)
Revenue	83,095,767	N/A	N/A
Gross Profit	14,847,670	N/A	N/A
Profit Before Interest and Tax	9,731,568	N/A	N/A
Profit Before Tax	10,169,099	N/A	N/A
Profit After Tax	9,933,456	N/A	N/A
Profit Attributable to Ordinary Equity Holder of the Parent	9,933,456	N/A	N/A

The Group recorded revenue and profit before tax respectively of RM83.1 million and RM10.2 million in the current quarter under review, due to the change in the financial year end from 31 January to 31 December, the current quarter may not represent a comparison with the immediate preceding quarter.

The gross profit of RM14.8 million for the quarter under review, was contributed by improvements in operational efficiency and product mix with higher profit margin.

The Group did not record any business transactions that resulted in the material disposal of investment or properties, one-off gain or loss, or revaluation gain or loss in this quarter under review.

B3. Prospects for the Group

Similar to its industry peers, the Group continues to be confronted with various global economy, geopolitical, supply chain and financial markets volatilities.

To manage and overcome these challenges, the Group continues to remain prudent and cautiously optimistic in navigating through such unpredictable global markets as it strives to continue to selectively invest in technology infrastructure to further diversify and enhance the Group's IoT and automotive manufacturing capabilities – enabling the Group to successfully onboard new customers and projects to manufacture components for electric vehicles (“EV”).

As the development plans of the Group's proposed new 250,000 sq.ft. integrated facilities at the New Land 1 (“P5”) is progressing well and expected to be operationally ready by the calendar year 2024, the Group is currently prioritising the (a) development of electrification and automotive-related new product initiatives (“NPI”), and (b) acquisition and onboarding of new customers particularly in IoT and automotive segments.

The order book is approximately RM514 million on 19 February 2024.

Barring any unforeseen circumstances in executing our existing order book and subsequent new orders, we continue to be cautiously positive with optimistic about the Group's performance for the financial year ending 31 December 2024.

B4. Note to the Statement of Profit and Loss & Other comprehensive income

	Current quarter ended		Cumulative quarter ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM	RM	RM	RM
After Charging:				
Depreciation of property, plant and equipment	2,189,042	N/A	11,659,318	N/A
Employee benefits expense	6,090,352	N/A	37,466,522	N/A
Expenses relating to lease of low value assets	4,039	N/A	11,070	N/A
Expenses relating to short-term leases	6,117	N/A	27,035	N/A
Interest expenses on:				
- Finance lease	13,007	N/A	82,661	N/A
- Term loans	209,878	N/A	1,232,443	N/A
- Bankers acceptances and OFCL	-	N/A	217,554	N/A
- Revolving credit	-	N/A	3,500	N/A
Loss on foreign exchange				
- Realised	111,092	N/A	-	N/A
- Unrealised	2,529,161	N/A	566,629	N/A
Provision for doubtful debts	168,999	N/A	168,999	N/A
And crediting:				
Gain on disposal of property, plant and equipment	-	N/A	76,928	N/A
Gain on foreign exchange:				
- Realised	-	N/A	5,713,780	N/A
Fair value gain on revaluation of short term investment *	79,440	N/A	533,353	N/A
Interest income	670,419	N/A	3,262,515	N/A

*Included in Other Income

Save as disclosed above, there is no other provision for and/or write-off of receivables, impairment of assets, and gain or loss on derivatives for the financial quarter under review.

B5. Income tax expense

	Current Quarter ended		Cumulative quarter ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM	RM	RM	RM
Current period income tax	929,642	N/A	3,344,643	N/A
Deferred tax	(694,000)	N/A	4,190,000	N/A
	<u>235,643</u>	<u>N/A</u>	<u>7,534,643</u>	<u>N/A</u>

The effective tax rate of the Group for the current quarter and financial year under review was lower than the statutory tax rate. This was mainly due to capital investment during the current quarter under review.

B6. Profit forecast or Profit guarantee

The Group did not issue any profit forecast or profit guarantee in respect of any corporate proposals.

B7. Status of corporate proposals

There was no corporate proposal announced by the Company in the quarter under review.

B8. Utilisation of proceeds raised from the Private Placement

The utilisation of the private placement proceeds of RM77,725,060 received on 7 February 2023 (“**Private Placement**”) was utilised in the following manner as of 31 December 2023:

Purpose	Intended Timeframe for Utilisation	Proposed Utilisation	%	Actual Utilisation	Balance as at 31 December 2023
		RM		RM	RM
Purchase of 3 additional surface mount technology lines	within 24 months (1)	25,000,000	32.2	-	25,000,000
Installation of Rooftop Solar	within 12 months (1)	2,000,000	2.6	2,000,000	-
Part repayment of bank facilities	within 3 months (1)	29,925,060	38.5	29,925,060	-
Investment for new manufacturing plant	within 24 months (1)	20,000,000	25.7	1,358,433	18,641,567
Expenses in relation to the Private Placement	within 6 months (1)	800,000	1.0	800,000	-
Total		77,725,060	100.0	34,083,493	43,641,567

(1) From the completion date of the private placement of the Company shares on 7 February 2023.

B9. Group's Borrowings and Debts Securities

The details of the Group's borrowings as at 31 December 2023 are as follows: -

	As at 4th quarter FYE 31 December 2023					
	Long term		Short term		Total borrowing	
	Foreign denomination ^	RM denomination ^	Foreign denomination ^	RM denomination ^	Foreign denomination ^	RM denomination ^
Secured:						
Bankers acceptances	-	-	-	-	-	-
Onshore foreign currency loan (OFCL)	-	-	-	-	-	-
Finance lease	-	164,158	-	53,448	-	217,606
Term loans/ Islamic financing	-	16,503,350	-	5,176,757	-	21,680,107
Total	-	16,667,508	-	5,230,205	-	21,897,713

^ The OFCL is denominated in USD with the current quarter closing foreign exchange rate at USD1.00 = RM4.5950. There is no outstanding OFCL as at 31 December 2023. There is no preceding year corresponding quarter ended 31 December 2023 comparison due to the change in the financial year end from 31 January to 31 December.

The Group's borrowing facilities comprise of largely floating rate facilities bearing interest/profit rates ranging from 4.09% to 5.15% per annum during the quarter under review (preceding quarter 4.09% to 5.15%).

The Group did not enter into any financial hedging instruments as at the date of this quarterly report.

There were no significant changes in the total borrowing and banking facilities as compared to the preceding quarter.

There was no unsecured borrowing during the quarter under review.

B10. Material Litigation

There was no material litigation by the Company in the quarter under review.

B11. Dividends

The final tax-exempt (single-tier) dividend of 2.50 sen per ordinary share for the financial year ended 31 December 2023 amounting to RM9.85 million was declared on 28 February 2024 and to be paid on 9 April 2024.

Save as disclosed above, there was no other dividend declared during the current quarter under review.

B12. Earning Per Shares (“EPS”)

The basic EPS for the current quarter and financial year-to-date is computed as follow: -

The calculation of earnings per ordinary share is calculated based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding at the respective individual quarters as follows:

	Individual Quarter		Cumulative Quarter	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
(i) Basic EPS				
Profit attributable to ordinary equity owners of the Company (RM)	9,933,456	N/A	38,246,736	N/A
Earnings per ordinary share attributable to owners of the Company				
Weighted average number of ordinary shares	393,368,814	N/A	393,368,814	N/A
Earnings per ordinary share (sen)	<u>2.53</u>	<u>N/A</u>	<u>9.72</u>	<u>N/A</u>
(ii) Diluted EPS				
Profit attributable to ordinary equity owners of the Company (RM)	9,933,456	N/A	38,246,736	N/A
Earnings per ordinary share attributable to owners of the Company				
Weighted average number of ordinary shares	393,623,814	N/A	393,623,814	N/A
Earnings per ordinary share (sen)	<u>2.52</u>	<u>N/A</u>	<u>9.72</u>	<u>N/A</u>

B13. Fair value of financial liabilities

There was no gain or loss arising from fair value changes of financial liabilities for the current quarter and financial period under review as the Group did not have any financial liabilities measured at fair value.