



METRONIC GLOBAL BERHAD

Company No. : 200301029648 (632068-V)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

FOR THE FIFTH QUARTER ENDED

31 JANUARY 2026

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE FIFTH QUARTER ENDED 31 JANUARY 2026

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
		31.01.2026	31.01.2025	31.01.2026	31.01.2025
		RM	RM	RM	RM
Revenue	A8	277,214	-	13,603,445	-
Cost of sales		(221,445)	-	(13,433,901)	-
Gross Profit		55,769	-	169,544	-
Other income		634,266	-	4,934,779	-
Administration expenses		(2,056,234)	-	(12,111,582)	-
Other operating expenses		(175,995)	-	(1,494,630)	-
Profit/(Loss) from operations		(1,542,194)	-	(8,501,889)	-
Finance costs		(474,971)	-	(2,307,555)	-
Loss before tax for the period		(2,017,165)	-	(10,809,444)	-
Income tax expense/(reveral)	B5	15,050	-	(526,332)	-
Loss for the period from:					
- continuing operations		(2,002,115)	-	(11,335,776)	-
- discontinued operations		-	-	-	-
Loss for the period	B12	(2,002,115)	-	(11,335,776)	-
Loss attributable to:					
<u>Owners of the parent</u>					
- continuing operations		(2,001,440)	-	(11,312,732)	-
- discontinued operations		-	-	-	-
		(2,001,440)	-	(11,312,732)	-
<u>Non controlling interest</u>					
- continuing operations		(675)	-	(23,044)	-
- discontinued operations		-	-	-	-
		(675)	-	(23,044)	-
		(2,002,115)	-	(11,335,776)	-

Notes:

- 1) The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. The current financial year 2025 that is ended on 31 October 2025 has also been changed to 30 April 2026 and therefore no comparative financial information available for the fifth quarter financial year 2026 ended 31 January 2026. Shareholders are advised to refer to the financial results for the quarter ended 31 January 2025 to view the financial performance of the Group for the said period.
- 2) The condensed Consolidated Statement of Profit or Loss should be read in conjunction with the annual financial statements for the year ended 31 October 2024 and the accompanying explanatory notes attached to the interim financial statements.

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE FIFTH QUARTER ENDED 31 JANUARY 2026

(The figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31.01.2026 RM	Preceding Year Quarter 31.01.2025 RM	Current Year To Date 31.01.2026 RM	Preceding Year To Date 31.01.2025 RM
Loss for the period from:					
- continuing operations		(2,002,115)	-	(11,335,776)	-
- discontinued operations		-	-	-	-
Loss for the period	B12	(2,002,115)	-	(11,335,776)	-
Other comprehensive income :					
Foreign currency translation:		21,957	-	(161,280)	-
- continuing operations		21,957	-	(161,280)	-
- discontinued operations		-	-	-	-
Other comprehensive income /(expense) for the period, net of tax		21,957	-	(161,280)	-
Total comprehensive income/ (loss) for the period, net of tax		(1,980,158)	-	(11,497,057)	-
Total comprehensive income/(loss) attributable to:					
<u>Owners of the parent</u>					
- continuing operations		(1,979,483)	-	(11,474,012)	-
- discontinued operations		-	-	-	-
		(1,979,483)	-	(11,474,012)	-
<u>Non-controlling interests</u>					
- continuing operations		(675)	-	(23,044)	-
- discontinued operations		-	-	-	-
		(675)	-	(23,044)	-
		(1,980,158)	-	(11,497,057)	-

Profit/(Loss) per share attributable to equity holders of the Company (sen):

Basic / Diluted	B11	(0.13)	-	(0.74)	-
-----------------	-----	--------	---	--------	---

Notes:

- 1) The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. The current financial year 2025 that is ended on 31 October 2025 has also been changed to 30 April 2026 and therefore no comparative financial information available for the fifth quarter financial year 2026 ended 31 January 2026. Shareholders are advised to refer to the financial results for the quarter ended 31 January 2025 to view the financial performance of the Group for the said period.
- 2) The condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 31 October 2024 and the accompanying explanatory notes attached to the interim financial statements.

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JANUARY 2026**

	Note	As at 31.01.2026 RM	(Audited) As at 31.10.2024 RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		9,112,184	8,253,936
Right-of-use assets		14,149	69,051
Investment properties		3,513,868	3,513,868
Intangible assets		1,354,503	3,468,600
Other Investment		3,653,711	5,144,711
		17,648,415	20,450,166
CURRENT ASSETS			
Property development cost		15,969,412	9,908,261
Inventories		282,859	341,202
Trade receivables		4,469,681	5,638,979
Amount due from contract customers		1,090,745	7,195,617
Other receivables and deposits		14,935,293	15,016,554
Fixed deposits		125,763,038	126,459,714
Cash and bank balances		603,848	686,290
		163,114,876	165,246,617
TOTAL ASSETS		180,763,291	185,696,783
EQUITY AND LIABILITIES			
Share capital		263,942,757	263,942,757
Fair value reserve		(248,540)	(248,540)
Revaluation reserve		5,669,118	5,669,118
Warrant reserve		-	6,011,001
Foreign currency translation reserve		331,240	492,520
Accumulated losses		(129,843,560)	(124,541,828)
Equity attributable to owners of the parent		139,851,015	151,325,028
Non-controlling interests		(743,680)	(720,636)
TOTAL EQUITY		139,107,335	150,604,392
NON-CURRENT LIABILITIES			
Term loan	B9	16,500,000	-
Finance lease liabilities	B9	80,952	122,082
		16,580,952	122,082
CURRENT LIABILITIES			
Trade payables		9,799,217	11,525,137
Other payables and provisions		10,973,134	11,910,698
Amount owing to director		104,428	22,429
Finance lease liabilities	B9	30,656	56,255
Loans and borrowings	B9	4,167,569	11,455,790
		25,075,004	34,970,309
TOTAL LIABILITIES		41,655,956	35,092,391
TOTAL EQUITY AND LIABILITIES		180,763,291	185,696,783
NET ASSET PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		0.09	0.10

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

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIFTH QUARTER ENDED 31 JANUARY 2026

	<----- Attributable to owners of the parent ----->					<----- Non-distributable reserve -----> Distributable			
	Share capital RM	Fair value reserve RM	Revaluation reserve RM	Warrant reserve RM	Foreign currency translation reserve RM	Accumulated losses RM	Total RM	Non- controlling interests RM	Total equity RM
As at 1 July 2023	263,942,757	(248,540)	5,669,118	6,011,001	286,611	(95,139,093)	180,521,854	(111,272)	180,410,582
Total comprehensive loss for the financial period									
Loss after tax	-	-	-	-	-	(29,402,735)	(29,402,735)	(609,364)	(30,012,099)
Other comprehensive income:									
- Foreign currency translation differences	-	-	-	-	205,909	-	205,909	-	205,909
	-	-	-	-	205,909	(29,402,735)	(29,196,826)	(609,364)	(29,806,190)
As at 31 October 2024 and 1 November 2024	263,942,757	(248,540)	5,669,118	6,011,001	492,520	(124,541,828)	151,325,028	(720,636)	150,604,392
Expiry of warrants				(6,011,001)		6,011,001	-	-	-
Net profit/(loss) for the period									
- continuing operations	-	-	-	-	-	(11,312,732)	(11,312,732)	(23,044)	(11,335,776)
Other comprehensive income/(expenses):									
- Foreign currency translation differences	-	-	-	-	(161,279)	-	(161,279)	-	(161,279)
Total comprehensive income/(loss) for the year	-	-	-	-	(161,279)	(11,312,732)	(11,474,012)	(23,044)	(11,497,056)
As at 31 January 2026	263,942,757	(248,540)	5,669,118	-	331,241	(129,843,559)	139,851,016	(743,680)	139,107,336

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

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 JANUARY 2026

(The figures have not been audited)

		31.01.2026	31.01.2025
	NOTE	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation - Continuing operations		(10,809,444)	-
Adjustments for:			
Amortisation of intangible assets		2,114,097	-
Depreciation of property, plant and equipment	B12	376,412	-
Depreciation of right-of-use assets	B12	68,444	-
(Gain)/Loss on disposal of quoted shares	B12	90,000	-
Net loss on Fair value change of investment in quoted share	B12	951,471	-
Interest expenses	B12	2,307,555	-
Interest income	B12	(4,091,444)	-
Operating loss before working capital changes		(8,992,909)	-
Changes in working capital:			
Amount due from contract customers		6,104,872	-
Inventories		58,343	-
Trade & other receivables		84,804	-
Trade & other payables		(1,951,197)	-
Net cash used in operations		(4,696,086)	-
Tax refunded / (paid)		(753,690)	-
Net cash generated from/(used) in operating activities		(5,449,776)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		3,503,809	-
Upliftment of fixed deposits		2,272,469	-
Purchase of property, plant and equipment		(1,233,615)	-
Property development expenditure		(6,061,151)	-
Net proceeds from disposals of investment in quoted shares		449,529	-
Net cash generated from/(used for) investing activities		(1,068,958)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(2,214,055)	-
Net drawdown/(repayment) of borrowings		9,594,566	-
Repayment of finance leases		(51,972)	-
Net (repayment) / drawdown of margin facility		(476,288)	-
Net cash generated from / (used in) financing activities		6,852,251	-
NET CHANGES IN CASH AND CASH EQUIVALENTS		333,517	-
CASH AND CASH EQUIVALENTS AS AT 1 NOVEMBER 2024		686,290	-
FIXED DEPOSITS		126,459,714	-
BANK OVERDRAFT		(3,939,335)	-
CASH AND CASH EQUIVALENTS AS AT 31 JANUARY 2026		123,540,186	-
<u>Cash and cash equivalents at the balance sheet date comprise the following:</u>			
CASH AND BANK BALANCES		603,848	-
FIXED DEPOSITS		125,763,038	-
BANK OVERDRAFT		(2,826,700)	-
		123,540,186	-

Notes:

- 1) The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. The current financial year 2025 that is ended on 31 October 2025 has also been changed to 30 April 2026 and therefore no comparative financial information available for the fifth quarter financial year 2026 ended 31 January 2026. Shareholders are advised to refer to the financial results for the quarter ended 31 January 2025 to view the financial performance of the Group for the said period.
- 2) The condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 October 2024 and the accompanying explanatory notes.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIFTH QUARTER ENDED 31 JANUARY 2026

PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the financial period ended 31 October 2024 and the accompanying explanatory notes. The explanatory notes attached to the interim financial statements provides 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 period ended 31 October 2024.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial period ended 31 October 2024. The adoption of the new/amended MFRS and its amendments does not give rise to any adjustment to the opening balances of retained profit of prior period and current period or changes in comparatives.

2 Qualification of Annual Financial Statements

There was no audit qualifications on the financial statements for the financial period ended 31 October 2024.

3. Seasonality or cyclical of interim operations

The Group's interim operations are not materially affected by seasonal or cyclical factors during the financial period under review.

4. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

5. Material changes in estimates

There were no changes in estimates that have had any material effect on the result for the current financial quarter and financial period under review.

6. Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities during the financial period under review.

7. Dividends

There were no dividends paid during the current financial quarter and previous corresponding quarter.

PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING

8. Segmental information

The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. The current financial year 2025 that is ended on 31 October 2025 has also been changed to 30 April 2026 and therefore no comparative financial information available for the fifth quarter financial year 2026 ended 31 January 2026. Shareholders are advised to refer to the financial results for the quarter ended 31 January 2025 to view the financial performance of the Group for the said period.

Analysis by segments is as follow:

By geographical segments:

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Quarter	Changes	Current Year to Date	Preceding Year to Date	Changes
	31.01.2026	31.01.2025	%	31.01.2026	31.01.2025	%
	RM	RM		RM	RM	
Segment revenue						
Total revenue	277,214	-	N/A	13,603,445	-	N/A
Inter-segment elimination	-	-	N/A	-	-	N/A
External customers	<u>277,214</u>	<u>-</u>	N/A	<u>13,603,445</u>	<u>-</u>	N/A
Results						
Operating results			N/A			N/A
Malaysia	(1,542,194)	-	N/A	(8,501,889)	-	N/A
Overseas	<u>-</u>	<u>-</u>	N/A	<u>-</u>	<u>-</u>	N/A
	(1,542,194)	-	N/A	(8,501,889)	-	N/A
Finance costs	<u>(474,971)</u>	<u>-</u>	N/A	<u>(2,307,555)</u>	<u>-</u>	N/A
<u>Profit / (Loss) before tax:</u>						
- Continued operations	(2,017,165)	-	N/A	(10,809,444)	-	N/A
- Discontinued operations	-	-	N/A	-	-	N/A
Profit/(Loss) before tax	<u>(2,017,165)</u>	<u>-</u>	N/A	<u>(10,809,444)</u>	<u>-</u>	N/A

By business segments:

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Quarter	Changes	Current Year to Date	Preceding Year to Date	Changes
	31.01.2026	31.01.2025	%	31.01.2026	31.01.2025	%
	RM	RM		RM	RM	
Segment revenue						
Engineering	277,214	-	N/A	13,603,445	-	N/A
Solar Energy	-	-	N/A	-	-	N/A
Others	<u>-</u>	<u>-</u>	N/A	<u>-</u>	<u>-</u>	N/A
Total revenue	<u>277,214</u>	<u>-</u>	N/A	<u>13,603,445</u>	<u>-</u>	N/A
Continuing operations	277,214	-	N/A	13,603,445	-	N/A
Discontinued operations	-	-	N/A	-	-	N/A
External customers	<u>277,214</u>	<u>-</u>	N/A	<u>13,603,445</u>	<u>-</u>	N/A

PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING

8 Segmental information (continue)

By business segments:

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Quarter	Changes %	Current Year to Date	Preceding Year to Date	Changes %
	31.01.2026	31.01.2025		31.01.2026	31.01.2025	
	RM	RM		RM	RM	
Results						
Operating results						
Engineering	(1,352,263)	-	N/A	(8,038,255)	-	N/A
Solar Energy	(2,251)	-	N/A	(15,053)	-	N/A
Others	(187,679)	-	N/A	(448,581)	-	N/A
	(1,542,194)	-	N/A	(8,501,889)	-	N/A
Finance costs	(474,971)	-	N/A	(2,307,555)	-	N/A
<u>Profit / (Loss) before tax:</u>						
- Continuing operations	(2,017,164)	-	N/A	(10,809,445)	-	N/A
- Discontinued operations	-	-	N/A	-	-	N/A
Profit/(Loss) before tax	(2,017,164)	-	N/A	(10,809,445)	-	N/A

9 Material subsequent events

There were no material subsequent events after the period ended 31 January 2026.

10 Changes in the composition of the Group

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

11 Contingent liabilities

Contingent liabilities for the Group are as follows;

	As at 31.01.2026 RM	As at 31.01.2025 RM
(a) <u>Secured</u> Performance and financial guarantees issued by the banks to third parties	3,987,854	3,947,428
(b) <u>Unsecured</u> Corporate guarantees given to licensed banks for credit facilities granted to subsidiaries	56,300,000	56,300,000
Corporate guarantees given to performance for project granted to subsidiaries	45,042,826	45,042,826

12 Capital commitments

	Group	
	As at 31.01.2026 RM	As at 31.01.2025 RM
The total approved and committed for establishment of a joint venture company	950,380	20,950,380

13 Significant related party transactions

There were no significant related party transactions for the current quarter under review.

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA

1. Performance review

Quarter and Period Ended 31 January 2026

	Individual Quarter			Cumulative Quarter		
	Current Year	Preceding	Changes	Current Year to	Preceding	Changes
	Quarter	Year Quarter		Date	Year to Date	
	31.01.2026	31.01.2025	%	31.01.2026	31.01.2025	%
	RM	RM		RM	RM	
Revenue	277,214	-	N/A	13,603,445	-	N/A
Gross Profit/(Loss)	55,769	-	N/A	169,544	-	N/A
Profit/(Loss) Before Interest & Tax	(1,542,194)	-	N/A	(8,501,889)	-	N/A
Profit/(Loss) Before Tax	(2,017,165)	-	N/A	(10,809,444)	-	N/A
Profit/(Loss) After Tax	(2,002,115)	-	N/A	(11,335,776)	-	N/A
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	(2,001,440)	-	N/A	(11,312,732)	-	N/A

The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. The current financial year 2025 that was ended on 31 October 2025 has also been changed to 30 April 2026 and therefore no comparative financial information available for the fifth quarter financial year 2026 ended 31 January 2026. Shareholders are advised to refer to the financial results for the quarter ended 31 January 2025 to view the financial performance of the Group for the said period.

The Group recorded a revenue of RM277 thousand and a loss before tax of RM2.0 million for the current quarter. The Group's unfavorable performance for the current quarter mainly due to low revenue as a result of low progress claims as most of the on-going key projects are at the final stage of completion.

For the cumulative quarter, the Group recorded a loss before tax of RM10.8 million at the back of the revenue of RM13.6 million.

2. Material Change in Profit Before Taxation of Current Quarter Compared with Preceding Quarter

	Individual Quarter		
	Current Year	Immediate	Changes
	Quarter	Preceding	
	31.01.2026	31.10.2025	%
	RM	RM	
Revenue	277,214	3,576,389	-92%
Gross Profit/(Loss)	55,769	699,687	>100%
Profit/(Loss) Before Interest & Tax	(1,542,194)	63,151	2542%
Profit/(Loss) Before Tax	(2,017,165)	(402,024)	-402%
Profit/(Loss) After Tax	(2,002,115)	(628,646)	-218%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	(2,001,440)	(627,972)	-219%

The Group reported lower revenue of RM277 thousand in the current quarter compared to RM3.6 million in the preceding quarter, mainly due to lower progress billings for its on-going projects that are at the final stage of completions.

As a result, the Group has reported loss before tax of RM2.0 million, higher compared with a loss before tax of RM402 thousand recorded in the preceding quarter.

3. Current year prospects

The Group is mindful of the challenges ahead within the engineering and construction industries, which are experiencing intense competition due to reduction of public spending projects under existing fiscal policies, while absorbing price inflation over most engineering materials and equipment.

Notwithstanding, the Group continues to deliver projects on time and successfully completed all its projects. The Group demonstrated resilience in its pursuit of growth under its engineering core business, particularly in the Building Management System and Extra Low Voltage segmentations. Expected replenishment of the order book and an orderly build-up in contractual projects in the next financial year.

We will remain vigilant and continue adopting prudent financial management, improve the competitiveness, implementing cost optimisation initiatives and enhance the operational efficiencies. We remain positive in near term prospect and continue with our transformation journey.

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA

4. Profit forecast or profit guarantee

No profit forecast was published by the Group.

5. Taxation

The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. The current financial year 2025 that was ended on 31 October 2025 has also been changed to 30 April 2026 and therefore no comparative financial information available for the fifth quarter financial year 2026 ended 31 January 2026. Shareholders are advised to refer to the financial results for the quarter ended 31 January 2025 to view the financial performance of the Group for the said period.

The tax expense comprises:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
<u>Continuing operations</u>	31.01.2026	31.01.2025	31.01.2026	31.01.2025
	RM	RM	RM	RM
Malaysian income tax:				
- current period	(15,050)	-	526,332	-
- prior period - (over) / under provision	-	-	-	-
	(15,050)	-	526,332	-
Deferred tax				
- current period	-	-	-	-
- prior period - (over) / under provision	-	-	-	-
Tax expense/(reversal)	(15,050)	-	526,332	-

Income tax expense is recognized in each interim period based on the best estimate of the income tax payable for the full financial year.

6. Status of On-going Corporate Developments

a) On 1 October 2020, Metronic Smart Tech Sdn Bhd ("MSTSB"), a wholly-owned subsidiary of the Company, had entered into a joint venture agreement with JF Strategic Management Pte Ltd ("JFSM") to undertake the design, research, development and production of an automated storage and retrieval system based on technologies of Industry 4.0 to be used for smart factories within the estate of Jurong Town Corporate. This is in line with the Group's intention to expand its business into the provision of smart solutions services.

On 9 December 2020, a new 80% subsidiary of the Company, Metronic JF System Pte Ltd, had been incorporated in Singapore for the joint venture. This joint venture was initially expected to provide an additional source of income and contribute positively to the future earnings of the Company.

MSTSB and JFTM, due to the various constraints and challenges facing for the proposed undertakings, presently evaluating the JV arrangement and the next course of action.

b) On 2 February 2021, Metronic Medicare Sdn Bhd ("MMSB"), a wholly-owned subsidiary of the Company, entered into a joint research and development agreement with Joysbio (Tianjin) Biotechnology Co. Ltd ("Joysbio") to undertake a research program for SARS-CoV-2 Neutralizing Antibody Test Kits ("Test Kits"). The Test Kits are expected to be able to analyse a patient's level of immunity against future COVID-19 infections post-vaccination, and are anticipated to be more efficient than traditional test kits which are currently available in the market.

On 9 February 2021, the Company announced that a periodical test report from Joysbio for the Test Kit showed an accuracy of 100%, pursuant to which, a final test on the Test Kit will be undertaken in a lab in Italy. In view of the global travel restriction imposed by governments worldwide, both parties are in the midst of extending the joint research and development agreement and the final test is expected to be carried out by the first quarter of 2023.

On 23 February 2021, the company announced that MMSB has been awarded Letters of Intent from MTPS Innotech Company Limited ("MTPS") (a company incorporated in Thailand principally involved in trading of medical devices and distribution of medical glove) and Genesprint Limited ("Genesprint") (a company incorporated in Hong Kong principally involved in genetic test analysis and trading of medical products) for the proposed purchase of the test kits valued at USD210 million and USD140 million respectively. The definitive agreements with MTPS and Genesprint have both been executed on 26 February 2021.

The Company has entered into Sale and Purchase Agreement with Genesprint on 18 May 2021 and subsequently with MTPS on 20 May 2021.

MMSB, due to the various constraints and challenges facing for the proposed undertaking, presently evaluating the plan and the next course of action.

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES

7. Utilisation of Proceeds

- a) On 15 October 2019, the Group announced that it offered a total of 156,826,100 new shares under the private placement which represent 10% of the total number of issued shares of the company (excluding treasury shares) at RM0.06 per shares. The private placement has been completed with a total share subscribed of 113,250,000 at the offered price of RM0.0451 per share during the exercise. Following is the status utilisation of the RM5.11 million proceeds received from the private placement:

Utilization of proceeds	Timeframe for utilisation	Proposed utilisation (RM,000)	Proposed recategorisation		Revised utilisation (RM'000)	Actual utilised (RM'000)	Balance to be utilised (RM'000)
			Amount (RM,000)	Variance (%)			
Development of smart city solutions in Malaysia	Within 84 months (Included 36 mths extended period)	4,948	(1,216)	-24%	3,732	3,232	500
Expenses in relation to the private placement	Immediate	160	-	-	160	160	-
Capital expenditure	Within 12 months	-	1,216	24%	1,216	1,210	6
Total		5,108	-		5,108	4,602	506

- b) On 11 May 2021, Bursa Malaysia Securities approved the Group's proposal of a total of 500,428,000 new shares offered under the private placement which representing 30% of the existing total number of issued shares, to independent third-party investor(s). The private placement exercise was fully completed on 13 September 2021 with a total of RM22.71 million received. Following is the status utilisation of the proceeds from the private placement:

Utilization of proceeds	Timeframe for utilisation	Proposed utilisation (RM,000)	Proposed recategorisation		Revised utilisation (RM'000)	Actual utilised (RM'000)	Balance to be utilised (RM'000)
			Amount (RM,000)	Variance (%)			
Funding for business	Within 60 months (Included 36 mths extended period)	21,789	(5,289)	-23%	16,500	1,072	15,428
Expenses in relation to the private placement	Immediate	920	(65)	-0.3%	855	855	-
Property development	Within 12 months	-	5,354	24%	5,354	5,354	-
Total		22,709	-		22,709	7,281	15,428

- c) On 13 July 2022, the Group announced that the Rights Issue of Shares with Warrants proposed on 19 November 2021 has been completed following the listing and quotation for 1,299,562,731 Rights Share and 433,187,525 Warrants B on the Main Market of Bursa Securities. The Group has received a total of RM77.97 million from the exercise. Following is the breakdown utilisation of the right issue proceeds:

Utilization of proceeds	Timeframe for utilisation	Proposed utilisation (RM,000)	Actual utilisation (RM'000)	Balance to be utilised (RM'000)	Projects progress
Funding for solar projects	Within 48 months (Included 24 months extended period)	56,000	4,299	51,701	-The proceeds have been utilized for the procurement of materials, equipment and fees for the secured project in Kedah with the estimated projects cost of RM12 million. -The progress of the project presently at 80% and it has been stalled due to impending resolution of several contractual issues with the client.
Funding for engineering	Within 48 months (Included 24 months extended period)	20,000	20,000	-	-The proceeds have been utilized for several projects' working capital such as labour costs and purchase of equipment. The contract value of the projects are between RM5 million to RM20 million with the status progress between 90% to 100%.
Working capital	Within 48 months (Included 24 mths extended period)	1,224	1,224	-	
Expenses in relation to right	Immediate	750	750	-	
Total		77,974	26,273	51,701	

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA

8 Material Litigations

Since the date of the last annual statement of financial position, there was no pending material litigation as at to-date, except the following:

- a) On 19 May 2016, Metronic Microsystem (Beijing) Co. Ltd (“MMBCL”), a wholly-owned subsidiary of the Company, has filed a legal claim against 英泰格瑞房地产投资顾问有限公司, which has occupied MMBCL’s property in Beijing at No. 18, Level 8, Top Fine International Centre, Dong San Huan Middle Road, Chao Yang District, Beijing, People’s Republic of China (“Beijing Property”), for outstanding rental and late payment charges amounting to RMB7.25 million (approximately RM4.11 million⁽¹⁾) (“Claim”). The amount comprises outstanding rental amounting to RMB5.81 million (approximately RM3.29 million⁽¹⁾) and late payment charges of RMB1.44 million (approximately RM0.82 million⁽¹⁾).

The case was heard before the Beijing Chaoyang Municipal Council Court on 8 December 2016 and 2 June 2017, respectively. The Beijing Chaoyang Municipal Council Court had appointed a professional valuer to conduct a valuation on the Beijing Property. Based on the valuation report provided, MMBCL had on 11 May 2018 submitted the justification of Claim to the Beijing Chaoyang Municipal Court.

On 19 October 2018, the Beijing Chaoyang Municipal Council Court had awarded the outstanding rental amounting to RMB3.97 million (approximately RM2.25 million⁽¹⁾) payable to MMBCL. The outstanding rental however has yet to be paid.

Necessary documents had been submitted to court on 10 July 2019, pending for court’s execution order for rental payment from tenant. The progress has been slow due to COVID-19 pandemic in China. Currently MMBCL is in the midst of seeking legal advice for the alternative course of action in recovering the judgement sum.

⁽¹⁾ Based on BNM’s exchange rate of RMB1:RM0.5671 as at 31 January 2026

- b) On 3 June 2019, the Company announced that it had initiated investigation on unauthorised transfer of one unit of office property held by its wholly owned subsidiary, MMBCL in Beijing, China at Room 801, Level 8, Top Fine International Centre, Dong San Huan, Middle Road, Chao Yang District, Beijing, China measuring 700.53 square metre. The current valuation price of the said property is at RM15.8 million.

In the announcement dated 3 June 2019, the Board informed that Mr. Tan Ew Chew (“TEC”) was advisor for the Company from 1 January 2013 to 16 May 2017 while Mr. Tan Kian Hong (“TKH”), son of TEC, was director of Metronic from 8 February 2013 to 10 April 2017. During the controlling time under both TEC and TKH in July 2016, the ownership of the above office unit in Beijing has been allegedly transferred to a third party without consent and/or Board resolution from the Company. Once the above made aware to the new Board of Directors in 2017, the Board of Directors requested lawyer in China to investigate on the above and found that the said office has been transferred to third party with the name of Shouguang Yaoweiping (“Shouguang”) in China. Subsequently in October 2018, the Court from China via documents issued, confirmed the said transfer of property to Shouguang.

The Company also announced that on 3 June 2019, it had lodged a police report on investigation against TEC and TKH on the alleged breach of trust and causing the Company from suffering a loss of more than RM15.7 million.

The case is currently under police investigation and still in the midst of gathering evidence and obtaining statements from the relevant parties. The management will seek legal advice upon receiving the police report on the findings.

9 Borrowings

The Group’s total borrowing as at 31 January 2026 stood at RM20.8 million, representing a gearing ratio of 0.15 to shareholders’ equity. The amount increased by 79% as compared to the previous financial year end of RM11.6 million due to drawdown of RM16.5 million term loan on 12 December 2024.

Breakdown by type of facilities is shown below:

	RM	As at 31 January 2026		
		Long Term	Short term	Total
Secured borrowings				
Bank overdraft		-	2,826,699	2,826,699
Bankers’ acceptances		-	239,626	239,626
Revolving credit		-	204,520	204,520
Margin Financing		-	896,724	896,724
Term loan		16,500,000	-	16,500,000
Sub-Total		16,500,000	4,167,569	20,667,569
Un-Secured borrowings				
Finance lease liabilities		80,952	30,656	111,609
Sub-Total		80,952	30,656	111,609
Total		16,580,952	4,198,225	20,779,178

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA

9. Borrowings (continue)

RM	As at 31 Oct 2024 (audited)		
	Long Term	Short term	Total
Secured borrowings			
Bank overdraft	-	3,568,689	3,568,689
Bankers' acceptances	-	2,504,216	2,504,216
Revolving credit	-	4,009,873	4,009,873
Margin Financing	-	1,373,012	1,373,012
Sub-Total	-	11,455,790	11,455,790
Un-Secured borrowings			
Finance lease liabilities	122,082	56,255	178,337
Sub-Total	122,082	56,255	178,337
Total	122,082	11,512,045	11,634,127

The Group does not have any borrowing in foreign currency denomination.

10 Proposed Dividend

There was no dividend proposed in the current quarter and the previous corresponding quarter.

11 Profit/(Loss) per share (EPS)

Basic / Diluted EPS

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31.01.2026	31.01.2025	31.01.2026	31.01.2025
	RM	RM	RM	RM
<u>Profit/(Loss) attributable to equity holders of the Company:</u>				
- Continuing operations	(2,001,440)	-	(11,312,732)	-
	(2,001,439)	-	(11,312,733)	-
<u>Weighted average number of ordinary shares</u>				
	1,531,096,683	-	1,531,096,683	-
Basic / Diluted profit/(loss) per share (Sen):				
- Continuing operations	(0.131)	-	(0.739)	-
	(0.131)	-	(0.739)	-

The basic profit/(loss) per share of the Group is calculated by dividing the Group's profit/(loss) after tax for the financial period attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the period/cumulative period respectively. There is no dilution effect to the earnings per share in the current period as the exercise price of warrant is higher than the average market price of the ordinary shares during the period.

12 Profit / (Loss) for the period

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31.01.2026	31.01.2025	31.01.2026	31.01.2025
	RM	RM	RM	RM
After charging/(crediting):				
Amortisation of intangible assets	422,819	-	2,114,097	-
Auditors' remuneration	50,805	-	246,820	-
Dep. of property, plant and equipment	71,729	-	376,412	-
Depreciation of right-of-use assets	(14,149)	-	40,145	-
Directors' fee	52,500	-	262,500	-
Loss on fair value change of quoted shares	68,678	-	951,471	-
Interest expenses	474,971	-	2,307,555	-
Interest income	(487,186)	-	(4,091,444)	-
Staff cost	1,318,141	-	7,715,052	-

13 Audit Report

The audited financial statements of the Group for the financial year ended 31 October 2024 was not subject to any audit qualification.

14 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors.