

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the First Quarter Ended 31 March 2025



Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Three Months Ended		Three Months Ended	
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		Unaudited	Unaudited	Unaudited	Unaudited
	Note	RM'000	RM'000	RM'000	RM'000
Revenue		150,312	57,633	150,312	57,633
Cost of sales		<u>(111,701)</u>	<u>(42,830)</u>	<u>(111,701)</u>	<u>(42,830)</u>
Gross profit		38,611	14,803	38,611	14,803
Other income		1,088	262	1,088	262
Administrative expenses		(19,046)	(9,311)	(19,046)	(9,311)
Other expenses		<u>(311)</u>	<u>-</u>	<u>(311)</u>	<u>-</u>
Operating profit		20,342	5,754	20,342	5,754
Finance income		166	104	166	104
Finance costs		(1,131)	(108)	(1,131)	(108)
Share of loss in associates		<u>(11)</u>	<u>(94)</u>	<u>(11)</u>	<u>(94)</u>
Profit before tax		19,366	5,656	19,366	5,656
Tax expense	B5	<u>(5,639)</u>	<u>(1,851)</u>	<u>(5,639)</u>	<u>(1,851)</u>
Profit for the period		13,727	3,805	13,727	3,805
Other comprehensive loss for the period, net of tax		<u>(2)</u>	<u>-</u>	<u>(2)</u>	<u>-</u>
Total comprehensive income for the period		<u>13,725</u>	<u>3,805</u>	<u>13,725</u>	<u>3,805</u>

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Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
(continued)

		Three Months Ended		Three Months Ended	
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		Unaudited	Unaudited	Unaudited	Unaudited
	Note	RM'000	RM'000	RM'000	RM'000
Profit attributable to:					
Owners of the Company		12,062	3,784	12,062	3,784
Non-controlling interests		<u>1,665</u>	<u>21</u>	<u>1,665</u>	<u>21</u>
		<u>13,727</u>	<u>3,805</u>	<u>13,727</u>	<u>3,805</u>
Total comprehensive income attributable to:					
Owners of the Company		12,060	3,784	12,060	3,784
Non-controlling interests		<u>1,665</u>	<u>21</u>	<u>1,665</u>	<u>21</u>
		<u>13,725</u>	<u>3,805</u>	<u>13,725</u>	<u>3,805</u>
Earnings per share:					
Basic (sen)	B10	<u>1.87</u>	<u>0.59</u>	<u>1.87</u>	<u>0.59</u>
Diluted (sen)	B10	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to these interim financial statements.
- (2) N/A denotes not applicable.

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Condensed Consolidated Statement of Financial Position

	Note	31.03.2025 Unaudited RM'000	31.12.2024 Audited RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		96,150	68,928
Investment property		140	141
Intangible assets		4,278	4,678
Goodwill on acquisition of subsidiaries		42,206	42,206
Investment in associates		11,291	11,302
Amount due from an associate		956	956
Total non-current assets		155,021	128,211
Current assets			
Other investments		7,168	8,339
Inventories		75,489	94,564
Trade receivables		126,341	110,319
Contract assets		43,913	39,203
Other receivables		2,538	11,528
Amount due from associates		3,725	2,340
Amount due from a related party		-	1
Tax recoverable		247	1,431
Fixed deposits with licensed banks		3,758	2,921
Cash and bank balances		62,787	34,340
Total current assets		325,966	304,986
TOTAL ASSETS		480,987	433,197
EQUITY AND LIABILITIES			
Equity			
Share capital		93,516	93,516
Merger reserve		(50,080)	(50,080)
Foreign currency translation reserve		(2)	*
Retained earnings		127,289	115,227
		170,723	158,663
Non-controlling interests		38,345	36,680
Total equity		209,068	195,343

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Condensed Consolidated Statement of Financial Position (continued)

	Note	31.03.2025 Unaudited RM'000	31.12.2024 Audited RM'000
EQUITY AND LIABILITIES (continued)			
Liabilities			
Non-current liabilities			
Lease liabilities		15,995	15,884
Borrowings	B7	66,599	37,766
Deferred tax liabilities		5,075	6,112
Total non-current liabilities		87,669	59,762
Current liabilities			
Trade payables		69,605	50,882
Contract liabilities		50,414	38,737
Other payables		16,161	45,206
Amount due to associates		-	14
Lease liabilities		1,372	1,369
Borrowings	B7	39,869	36,930
Derivative financial liabilities		11	13
Tax payable		6,818	4,941
Total current liabilities		184,250	178,092
Total liabilities		271,919	237,854
TOTAL EQUITY AND LIABILITIES		480,987	433,197
Net assets per share attributable to owners of the Company (RM)			
		0.26	0.25

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to these interim financial statements.
- (2) * represents less than RM1,000.

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Unaudited Condensed Consolidated Statement of Changes in Equity

	< -----Non-Distributable----- >			Distributable		Non-Controlling Interests	Total Equity
	Share Capital	Merger Reserve	Foreign Currency Translation Reserve	Retained Earnings	Attributable to Owners of the Company		
<u>Period ended 31 March 2025</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	93,516	(50,080)	*	115,227	158,663	36,680	195,343
Total comprehensive income for the period	-	-	(2)	12,062	12,060	1,665	13,725
At 31 March 2025	93,516	(50,080)	(2)	127,289	170,723	38,345	209,068

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to these interim financial statements.
- (2) * represents less than RM1,000.

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Unaudited Condensed Consolidated Statement of Changes in Equity (continued)

	<u>< -----Non-Distributable----- ></u>		<u>Distributable</u>	<u>Attributable</u>	<u>Non-</u>	
	<u>Share Capital</u>	<u>Merger</u>	<u>Retained</u>	<u>to Owners of</u>	<u>Controlling</u>	<u>Total Equity</u>
<u>Period ended 31 March 2024</u>	<u>RM'000</u>	<u>Reserve</u>	<u>Earnings</u>	<u>the Company</u>	<u>Interests</u>	<u>RM'000</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	
At 1 January 2024	93,516	(50,080)	93,226	136,662	116	136,778
Total comprehensive income for the period	-	-	3,784	3,784	21	3,805
At 31 March 2024	93,516	(50,080)	97,010	140,446	137	140,583

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Unaudited Condensed Consolidated Statement of Cash Flows

	Three Months Ended	
	31.03.2025	31.03.2024
	Unaudited	Unaudited
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit before tax	19,366	5,656
Adjustments for:		
Amortisation of intangible assets	438	40
Depreciation of investment property	1	1
Depreciation of property, plant and equipment	1,029	452
Fair value gain on derivative financial instruments	(2)	-
Fair value gain on other investment	(55)	(43)
Reversal of impairment loss on receivables	(703)	-
Interest expenses	1,131	108
Interest income	(166)	(104)
Share of loss in associates	11	94
Unrealised gain on foreign exchange	(17)	(48)
Operating profit before working capital changes	21,033	6,156
Changes in working capital:		
Inventories	19,075	1,779
Receivables	(6,321)	10,870
Payables	(10,307)	(4,476)
Contract assets or liabilities	6,967	(10,347)
Associates	(1,399)	(418)
Related parties	1	-
Cash generated from operations	29,049	3,564
Interest received	133	94
Tax paid	(3,615)	(1,077)
Net cash from operating activities	25,567	2,581
INVESTING ACTIVITIES		
Acquisition of intangible assets	(38)	(24)
Acquisition of property, plant & equipment	(27,855)	(410)
Interest received	25	3
Disposal / (Acquisition) of other investment	1,226	(3,525)
Net cash used in investing activities	(26,642)	(3,956)

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Unaudited Condensed Consolidated Statement of Cash Flows (continued)

	Three Months Ended	
	31.03.2025	31.03.2024
	Unaudited	Unaudited
	RM'000	RM'000
FINANCING ACTIVITIES		
Placement of fixed deposits pledged with licensed banks	(837)	(14)
Interest paid	(1,131)	(108)
Net drawdown of bankers' acceptance / trust receipt / invoice financing / revolving credit	1,710	3,368
Net repayment of lease liabilities	(282)	(210)
Net drawdown / (repayment) of term loan	30,062	(232)
Net cash from financing activities	29,522	2,803
Net increase in cash and cash equivalents	28,447	1,428
Cash and cash equivalents at beginning of financial period	34,340	23,944
Cash and cash equivalents at end of financial period	62,787	25,372
Cash and cash equivalents included in the statement of cash flows comprise the followings:		
Cash and bank balances	62,787	25,372
Fixed deposits with licensed banks	3,758	3,098
	66,545	28,470
Less: Fixed deposits with licensed banks pledged as security for bank facilities	(3,758)	(3,098)
	62,787	25,372

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

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report of Pekat Group Berhad ("Pekat" or "the Company") and its subsidiaries (collectively known as "the Group") have 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 of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. This interim financial report also complied with IAS 34: *Interim Financial Reporting* issued by the International Accounting Standard Board ("IASB").

This interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes are an integral part of this interim financial report.

A2. Significant Accounting Policies

Significant accounting policies and methods of computation adopted by the Group and the Company in this interim financial report are consistent with those as disclosed in the audited financial statements for the financial year ended 31 December 2024 of the Group and of the Company.

Adoption of new standards/amendments/improvements to MFRSs

At the beginning of the current financial period, the Group and the Company adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2025.

Initial application of the new standards/amendments/improvements to MFRSs did not have material impact on the financial statements of the Group and of the Company.

Standards issued but not yet effective

The new and amended standards that are issued, but yet effective, up to the date of issuance of the Group and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards, if applicable, when they become effective.

Effective for annual periods commencing on or after 1 January 2025

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

Effective for annual periods commencing on or after 1 January 2026

- Amendments to MFRS 7 and MFRS 9: *Financial Instruments and Financial Instruments - Disclosures - Amendments to the Classification and Measurement of Financial Instruments*
- Annual Improvements to MFRS Accounting Standards - Volume 11

Effective for annual periods commencing on or after 1 January 2027

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

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONTINUED)

A2. Significant Accounting Policies (continued)

Standards issued but not yet effective (continued)

Deferred (date to be determined by MASB)

- Amendments to MFRS 10 and MFRS 128: *Consolidated Financial Statements and 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 applicable amendments to standards are not expected to have any material impact on the financial statements of the Group and of the Company.

A3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2024.

A4. Seasonal or Cyclical Factors

Save for certain business activities that were affected by international copper price and solar photovoltaic module price, the Group does not experience any material seasonality during the current financial period under review.

A5. 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 during the current financial period under review.

A6. Changes in Estimates

There were no changes in estimates that have a material effect on the current financial period under review.

A7. Debt and Equity Securities

There were no significant issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period under review.

A8. Dividend Paid

There was no dividend paid during the current financial period under review.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segmental Reporting

Segmental information in respect of the Group's business activities is as follow:

Period Ended 31 March 2025	Solar Photovoltaics RM'000	Earthing and Lightning Protection RM'000	Power Distribution Equipment RM'000	Trading & Others RM'000	Adjustments/ Eliminations RM'000	Total RM'000
Revenue						
Sales to external customers	92,827	16,187	27,893	13,405	-	150,312
Inter-segment sales	4	209	-	12,487	(12,700)	-
	<u>92,831</u>	<u>16,396</u>	<u>27,893</u>	<u>25,892</u>	<u>(12,700)</u>	<u>150,312</u>

Results	RM'000
Segment profit	20,342
Finance income	166
Finance costs	(1,131)
Share of loss in associates	(11)
Tax expense	<u>(5,639)</u>
Profit after tax	<u>13,727</u>

Period Ended 31 March 2024	Solar Photovoltaics RM'000	Earthing and Lightning Protection RM'000	Power Distribution Equipment RM'000	Trading & Others RM'000	Adjustments/ Eliminations RM'000	Total RM'000
Revenue						
Sales to external customers	36,658	9,025	-	11,950	-	57,633
Inter-segment sales	6	1	-	10,585	(10,592)	-
	<u>36,664</u>	<u>9,026</u>	<u>-</u>	<u>22,535</u>	<u>(10,592)</u>	<u>57,633</u>

Results	RM'000
Segment profit	5,754
Finance income	104
Finance costs	(108)
Share of loss in associates	(94)
Tax expense	<u>(1,851)</u>
Profit after tax	<u>3,805</u>

A10. Material Events Subsequent to the End of Current Financial Period

There were no other material events subsequent to the end of current financial period under review that have not been reflected in this interim financial report.

A11. Changes in the Composition of the Group

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



A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONTINUED)

A12. Changes in Contingent Liabilities and Contingent Assets

There were no contingent assets at the date of this interim financial report. Contingent liabilities of the Group were as follows:

	31.03.2025	31.12.2024
	RM'000	RM'000
<u>Group</u>		
Corporate guarantee given to licensed banks for credit facilities granted to subsidiaries	27,502	27,619
Bank guarantee for tender bond, performance bond and warranty bond provided to third parties	<u>17,580</u>	<u>15,924</u>
	<u><u>45,082</u></u>	<u><u>43,543</u></u>

A13. Capital Commitment

	31.03.2025	31.12.2024
	RM'000	RM'000
<u>Group</u>		
Authorised and contracted for construction works of own solar power plant	<u>30,352</u>	<u>30,516</u>

Saved as disclosed above, there were no capital commitments that are contracted but not provided for as at the date of this interim financial report.

A14. Significant Related Party Transactions

The Group has the following significant transactions with the related parties during the financial period under review:

	31.03.2025	31.03.2024
	RM'000	RM'000
<u>Nature of transactions / Related parties</u>		
<u>Rental expenses of office buildings charged by:</u>		
- Startige Corporation Sdn Bhd	<u>243</u>	<u>243</u>

Startige Corporation Sdn. Bhd. is a related party in which certain Directors of the Company are also Directors of the related party.

The Directors are of the opinion that all the above transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

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B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group's Performance

	Three Months Ended		Variance	
	31.03.2025	31.03.2024		
	RM'000	RM'000	RM'000	%
Revenue				
- Solar photovoltaics	92,827	36,658	56,169	153.2
- Earthing and lightning protection	16,187	9,025	7,162	79.4
- Trading	13,405	11,950	1,455	12.2
- Power distribution equipment	27,893	-	27,893	100.0
Total revenue	150,312	57,633	92,679	160.8
Profit after tax	13,727	3,805	9,922	260.8

Comparison between the current quarter under review ("Q1 FY25") and preceding year corresponding quarter ("Q1 FY24")

In Q1 FY25, the Group recorded a significant increase in revenue of RM92.68 million or 160.8% to RM150.31 million compared to RM57.63 million in Q1 FY24. This increase was primarily driven by strong performances from the solar and power distribution equipment divisions, which contributed RM92.83 million and RM27.89 million in revenue, respectively. The earthing and lightning protection ("ELP") and trading divisions also delivered solid results, generating RM16.19 million and RM13.40 million in revenue, respectively.

The solar division remained the Group's primary growth driver, posting a revenue increase of RM56.17 million or 153.2%, supported by higher project execution across the commercial, industrial, and residential segments.

The newly acquired power distribution equipment division contributed RM27.89 million in revenue, significantly boosting the Group's overall top-line performance.

The ELP and trading divisions also recorded notable growth, with revenues increasing by RM7.16 million or 79.4% and RM1.46 million or 12.2%, respectively. Growth in the ELP division was driven by increased project execution, particularly for data centre projects, while the trading division benefited from stronger customer demand for its product offerings.

The administrative expenses rose to RM19.05 million in Q1 FY25, mainly due to workforce expansion and the consolidation of operating expenses from the power distribution equipment division. Finance costs increased to RM1.13 million, attributed to interest incurred on a term loan used to finance the acquisition of the power distribution equipment division and on trade financing facilities related to the construction of large-scale solar power plants currently under development.

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B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B1. Review of Group's Performance (continued)

The Group's profit after tax surged to RM13.73 million, representing an increase of RM9.92 million or 260.8% compared to Q1 FY24. Profit after tax attributable to shareholders rose to RM12.06 million, translating to earnings per share of 1.87 sen, up from 0.59 sen in Q1 FY24.

B2. Comparison with Immediately Preceding Quarter Results

	Quarter Ended		Variance	
	31.03.2025 RM'000	31.12.2024 RM'000	RM'000	%
Revenue				
- Solar photovoltaics	92,827	54,639	38,188	69.9
- Earthing and lightning protection	16,187	14,674	1,513	10.3
- Trading	13,405	15,093	(1,688)	(11.2)
- Power distribution equipment	27,893	9,852	18,041	183.1
Total revenue	150,312	94,258	56,054	59.5
Profit after tax	13,727	8,030	5,697	70.9

The Group reported a revenue increase of RM56.05 million, or 59.5%, to RM150.31 million for the quarter, compared to RM94.26 million in the preceding quarter ended 31 December 2024 ("Q4 FY24").

Revenue from the solar division grew by RM38.19 million, driven by higher project execution across C&I and the residential customer segment, while the power distribution equipment division recorded a RM18.04 million increase due to higher order fulfilment. The ELP division also contributed positively with a RM1.51 million increase, supported by higher project execution.

On the other hand, the trading division saw a slight decline in revenue, mainly due to lower customer order volumes and fewer deliveries fulfilled compared to Q4 FY24.

Aligned with the higher revenue, the Group's profit after tax rose by 70.9% to RM13.73 million, up from RM8.03 million in Q4 FY24.

**B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD (CONTINUED)**

B3. Commentary on Prospects

Malaysia is committed to achieving net-zero carbon emissions by 2050, in line with the Paris Agreement. The 12th Malaysia Plan targets a 45% reduction in greenhouse gas emissions by 2030. The Malaysia Renewable Energy Roadmap sets ambitious goals: 31% renewable energy share by 2025 and 40% by 2035—laying a solid foundation for long-term growth in the renewable energy sector.

To support this transition, the Ministry of Economy launched the National Energy Transition Roadmap (NETR), a strategy to accelerate sustainable energy adoption. Phase 1 has already outperformed expectations, attracting RM60.7 billion in investments across six key levers and ten flagship projects—more than double the initial RM25 billion target. These efforts target smart grids, energy efficiency, and storage, underscoring the government's strong commitment. They align with Pekato's core focus on renewable energy solutions, positioning the Group as a key contributor to the nation's energy transformation.

In September 2024, the Ministry of Energy Transition and Water Transformation introduced the Corporate Renewable Energy Supply Scheme (CRESS). This initiative enhances corporate access to renewable energy by allowing third parties to supply or purchase electricity via the national grid at a fixed access charge. CRESS is a pivotal step in liberalising Malaysia's energy market, encouraging competition and the expansion of corporate power purchase agreements. Solar photovoltaic EPCC players like Pekato are set to benefit from growing demand in the commercial and industrial sectors.

The Group is developing two 29.99 MWac solar power plants under the Corporate Green Power Programme. One is an internal investment, expected to boost recurring income upon completion by end-2025. The other, a recently secured EPCC project— is expected to positively impact the Group's financial performance for the financial year ending 31 December 2025.

The Group's ELP division is also well-positioned to capitalise on rising foreign direct investment in Malaysia's data center industry. With a proven record in delivering ELP solutions for data centers, the division is poised for further expansion.

A key priority moving forward is ensuring a smooth integration of the power distribution equipment division into the Group's strategic objectives. The Board is confident that the power distribution equipment division will significantly contribute to growth, leveraging synergies and specialised expertise to create greater value. This new business marks a strategic milestone, strengthening the Group's market position and unlocking long-term growth opportunities.

Barring any unforeseen circumstances, the Board remains optimistic about the Group's future prospects.

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B4. Profit Forecast

No profit forecast has been issued by the Group previously in any public document.

B5. Tax Expense

	Three Months Ended		Three Months Ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Current tax	6,676	1,851	6,676	1,851
Deferred tax	<u>(1,037)</u>	<u>-</u>	<u>(1,037)</u>	<u>-</u>
Total tax expense	<u>5,639</u>	<u>1,851</u>	<u>5,639</u>	<u>1,851</u>
Effective tax rate (%)	29.1	32.7	29.1	32.7

Note:

- (1) The Group's effective tax rate for the current quarter under review was 29.1%, which exceeds the statutory tax rate of 24%. The higher tax rate was primarily due to certain non-deductible expenses and business losses in certain subsidiaries that could not be offset against taxable profits of other subsidiaries.

B6. Status of Corporate Proposals

There were no other corporate proposals announced but not completed as at the date of this interim financial report.

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B7. Borrowings

The details of the Group's borrowings are as follows:

	31.03.2025 RM'000	31.12.2024 RM'000
Current liabilities		
<u>Secured:</u>		
- Bankers' acceptance	3,562	7,531
- Trust receipt	1,223	878
- Invoice financing	5,197	13,863
- Revolving credit	25,000	11,000
- Term loan	4,887	3,658
	<u>39,869</u>	<u>36,930</u>
Non-current liabilities		
<u>Secured:</u>		
- Term loan	66,599	37,766
	<u>66,599</u>	<u>37,766</u>
Total borrowings	<u>106,468</u>	<u>74,696</u>

B8. Material Litigation

There is no outstanding material litigation as at the date of this interim financial report.

B9. Dividend

The Board of Directors did not declare or recommend any dividend for the current financial period under review.

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B10. Earnings Per Share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to owners of the Company by weighted average number of ordinary shares in issue during the period:

	Three Months Ended		Three Months Ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Profit attributable to owners of the Company (RM'000)	12,062	3,784	12,062	3,784
Weighted average number of shares in issue ('000)	644,968	644,968	644,968	644,968
Basic earnings per share (sen)	<u>1.87</u>	<u>0.59</u>	<u>1.87</u>	<u>0.59</u>

(b) Diluted earnings per share

Not applicable. The Group does not have any financial instrument which may dilute its earnings per share.

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B11. Notes to Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

Profit for the period was derived after taking into consideration of the followings:

	Three Months Ended		Three Months Ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
After charging / (crediting):	RM'000	RM'000	RM'000	RM'000
Amortisation of intangible assets	438	40	438	40
Depreciation of investment property	1	1	1	1
Depreciation of property, plant and equipment	1,029	452	1,029	452
Fair value gain on derivative financial instruments	(2)	-	(2)	-
Fair value gain on other investment	(55)	(43)	(55)	(43)
Reversal of impairment loss on receivables	(703)	-	(703)	-
Interest expenses	1,131	108	1,131	108
Interest income	(166)	(104)	(166)	(104)
Share of loss in associates	11	94	11	94
Unrealised gain on foreign exchange	(17)	(48)	(17)	(48)

Note:

(1) * represents less than RM1,000.

Save as disclosed above, the other items required under Paragraph 16, Part A of the Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B12. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors on 20 May 2025.