



MCLEAN TECHNOLOGIES BERHAD

(Company No: 201001009003 (893631-T))

(Incorporated in Malaysia)

Interim Financial Statements

31 December 2024

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2024**

	Note	3 months ended		Cumulative 12 months ended	
		31/12/24	31/12/23	31/12/24	31/12/23
		RM'000	RM'000	RM'000	RM'000
REVENUE		16,381	12,742	61,319	47,836
COST OF SALES		(12,547)	(10,117)	(44,257)	(38,300)
GROSS PROFIT		<u>3,834</u>	<u>2,625</u>	<u>17,062</u>	<u>9,536</u>
OTHER INCOME		4,357	183	4,446	612
ADMINISTRATIVE EXPENSES		(4,173)	(3,125)	(13,558)	(13,414)
SELLING AND DISTRIBUTION EXPENSES		(217)	(200)	(886)	(822)
OTHER EXPENSES		256	(474)	(239)	(656)
FINANCE COST		(79)	(78)	(458)	(586)
PROFIT/(LOSS) BEFORE TAX		<u>3,978</u>	<u>(1,069)</u>	<u>6,367</u>	<u>(5,330)</u>
TAX EXPENSE	24	(248)	448	(248)	448
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD / YEAR		<u>3,730</u>	<u>(621)</u>	<u>6,119</u>	<u>(4,882)</u>
OTHER COMPREHENSIVE (LOSS)/INCOME					
Foreign currency translation difference		(181)	(333)	(578)	212
Surplus on revaluation of properties, net of deferred tax		-	-	3,770	-
		<u>(181)</u>	<u>(333)</u>	<u>3,192</u>	<u>212</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD / YEAR		<u>3,549</u>	<u>(954)</u>	<u>9,311</u>	<u>(4,670)</u>
Profit/(Loss) attributable to:					
Owners of the Company		3,834	(430)	6,198	(4,099)
Non-controlling interests		(104)	(191)	(79)	(783)
		<u>3,730</u>	<u>(621)</u>	<u>6,119</u>	<u>(4,882)</u>
Total comprehensive income/(loss) attributable to:					
Owners of the Company		3,653	(763)	7,993	(3,887)
Non-controlling interests		(104)	(191)	1,318	(783)
		<u>3,549</u>	<u>(954)</u>	<u>9,311</u>	<u>(4,670)</u>
Earnings/(Loss) per share (sen)					
Basic	25	1.94	(0.22)	3.14	(2.08)

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited consolidated financial statements of MCLearn Technologies Berhad for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	(UNAUDITED)	(AUDITED)
		As at 31/12/2024	As at 31/12/2023
		RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		20,646	16,177
Right-of-use assets		1,319	3,255
Deferred tax assets		69	751
		22,034	20,183
Current assets			
Inventories		1,389	1,443
Trade receivables		16,486	13,458
Other receivables		3,843	3,231
Tax recoverable		83	63
Deposits with licensed banks		575	575
Cash and bank balances		5,295	3,972
		27,671	22,742
Asset held for sales		2,566	-
Total Current Assets		30,237	22,742
TOTAL ASSETS		52,271	42,925
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		50,973	50,973
Accumulated losses		(15,613)	(21,811)
Reserves		(14,149)	(15,944)
		21,211	13,218
Non-controlling interests		8,835	7,516
TOTAL EQUITY		30,046	20,734
Non-current liabilities			
Borrowings	20	4,212	4,386
Lease liabilities		886	942
Deferred tax liabilities		102	57
		5,200	5,385
Current liabilities			
Trade payables		7,614	5,824
Other payables		5,820	5,544
Contract liabilities		55	-
Borrowings	20	3,100	2,927
Lease liabilities		436	2,511
		17,025	16,806
TOTAL LIABILITIES		22,225	22,191
TOTAL EQUITY AND LIABILITIES		52,271	42,925
Net assets per share attributable to owners of the Company (RM)		0.11	0.07

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2024

Cumulative year ended 31 December 2024

	Non distributable					Distributable	TOTAL ATTRIBUTABLE TO OWNERS OF THE COMPANY RM'000	NON CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000	
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	MERGER DEFICIT RM'000	REVALUATION RESERVE RM'000	CURRENCY FLUCTUATION RESERVE RM'000	OTHER RESERVE RM'000				ACCUMULATED LOSSES RM'000
Balance as at 31.12.2023	50,973	-	(16,050)	-	4,053	(3,947)	(21,811)	13,218	7,516	20,734
Profit for the financial year	-	-	-	-	-	-	6,198	6,198	(79)	6,119
Other comprehensive loss for the financial year	-	-	-	2,373	(578)	-	-	1,795	1,397	3,192
Total comprehensive (loss)/income for the financial year	-	-	-	2,373	(578)	-	6,198	7,993	1,318	9,311
Balance as at 31.12.2024	50,973	-	(16,050)	2,373	3,475	(3,947)	(15,613)	21,211	8,834	30,045

Cumulative year ended 31 December 2023

	Non distributable					Distributable	TOTAL ATTRIBUTABLE TO OWNERS OF THE COMPANY RM'000	NON CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000	
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	MERGER DEFICIT RM'000	REVALUATION RESERVE RM'000	CURRENCY FLUCTUATION RESERVE RM'000	OTHER RESERVE RM'000				ACCUMULATED LOSSES RM'000
Balance as at 31.12.2022	50,973	-	(16,050)	-	3,841	(3,947)	(17,712)	17,105	8,299	25,404
Loss for the financial year	-	-	-	-	-	-	(4,099)	(4,099)	(783)	(4,882)
Other comprehensive income for the financial year	-	-	-	-	212	-	-	212	-	212
Total comprehensive income/(loss) for the financial year	-	-	-	-	212	-	(4,099)	(3,887)	(783)	(4,670)
Balance as at 31.12.2023	50,973	-	(16,050)	-	4,053	(3,947)	(21,811)	13,218	7,516	20,734

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited consolidated financial statements of Mclean Technologies Berhad for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial statements.)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2024**

	Note	12 months ended	
		31/12/2024	31/12/2023
		RM'000	RM'000
OPERATING ACTIVITIES			
Profit/(Loss) before tax		6,367	(5,330)
Adjustments for:			
Allowance for expected credit loss on trade receivables		(119)	113
Allowance for inventory written down		71	-
Allowance for impairment loss on property, plant and equipment		(4,067)	291
Depreciation of property, plant and equipment		3,281	1,692
Depreciation of right-of-use assets		2,161	3,255
Gain on disposal of termination of lease		-	(7)
Gain on derecognition of lease liabilities		(125)	(100)
Lease liabilities interest expenses		-	208
Interest expenses		458	365
Interest income		(2)	(13)
Unrealised loss/(gain) on foreign exchange		(306)	56
Operating profit before working capital changes		<u>7,719</u>	<u>530</u>
Changes in working capital:-			
Inventories		55	(467)
Receivables		(3,152)	(735)
Payables		1,454	3,252
Contract liabilities		55	-
CASH GENERATED FROM OPERATIONS		<u>6,131</u>	<u>2,580</u>
Net tax paid		<u>(82)</u>	<u>(48)</u>
NET CASH FROM OPERATING ACTIVITIES		<u>6,049</u>	<u>2,532</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,799)	(1,229)
Placements of deposits pledged with licenced banks		-	(12)
Interest received		2	13
NET CASH USED IN INVESTING ACTIVITIES		<u>(1,797)</u>	<u>(1,228)</u>
FINANCING ACTIVITIES			
Proceed from account receivables financing		327	1,530
Repayment of account receivables financing		-	(677)
Interest paid		(458)	(573)
Loan from directors		-	6,468
Repayment of directors		-	(7,043)
Repayment of lease liabilities		(2,235)	(3,150)
Proceed from term loan		-	2,660
Repayment of term loan		(505)	(86)
NET CASH USED IN FINANCING ACTIVITIES		<u>(2,871)</u>	<u>(871)</u>
CASH AND CASH EQUIVALENTS			
Net changes		1,381	433
Brought forward		3,972	3,012
Effects of exchange translation differences on cash and cash equivalents		(58)	527
Carried forward		<u>5,295</u>	<u>3,972</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial statements.)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 12 MONTHS FINANCIAL YEAR
ENDED 31 DECEMBER 2024

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE TWELVE
MONTHS FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. Basis of Preparation

The Condensed Interim Financial Statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) No 134: Interim Financial Reporting and Paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad. This Interim Financial Statements also complied with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

2. Significant Accounting Policies

The accounting policies adopted in these condensed consolidated interim financial statements are consistent with those adopted for the financial year ended 31 December 2023, except for the adoption of the following Amendments and Annual Improvements to Standards effective for the annual periods beginning on or after 1 January 2024.

- Amendments to MFRS 16 Leases - Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101 Presentation of Financial Statements - Non-current Liabilities with Covenants
- Amendment to MFRS 107 Statement of Cashflows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Agreements

The adoption of the above standards, amendments and annual improvement did not have any material financial impacts to the Group.

Standards issued but not yet effective

- i) MFRSs and amendments effective for annual periods beginning on or after 1 January 2025
 - Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability
- ii) MFRSs and amendments effective for annual periods beginning on or after 1 January 2026
 - Amendments to MFRS 9 and MFRS 7 - (Amendments to the Classification and Measurement of Financial Instruments)
 - Annual Improvements – Volume 11
 - Amendments to MFRS 1
 - Amendments to MFRS 7
 - Amendments to MFRS 9
 - Amendments to MFRS 10
 - Amendments to MFRS 107
 - Amendments to MFRS 9 and MFRS 7 - Contracts Referencing Nature-dependent Electricity

1. Significant Accounting Policies (continued)

Standards issued but not yet effective (continued)

iii) MFRSs and amendments effective for annual periods beginning on or after 1 January 2027

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

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

- Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above MFRS and amendments to be published standards is not expected to have any material impact on the financial statements of the Group, except for:

MFRS 18 – Presentation and Disclosure in Financial Statements

On 14 June 2024, MASB issued new standard MFRS 18 which replaces MFRS 101, MFRS 18 continues the general requirements from MFRS 101, enhancing guidance for grouping information through aggregation and disaggregation across all primary financial statements and notes. The standard provides structured summaries of assets, liabilities, equity, income, expenses, and cash flows.

In the statement of profit or loss, MFRS 18 introduces two new defined subtotals: operating profit and profit before financing and income taxes. Additionally, it categorises income and expenses into operating, investing, financing, income taxes and discontinued operations.

Limited changes are introduced to specific requirements for the statement of cash flows and the statement of financial position. There are no changes to the specific requirements for the statement of comprehensive income and the statement of changes in equity.

The notes to the financial statements will include material information that supplements the primary financial statements, with new and amended disclosures such as management-defined performance measures and specified expenses by nature. The information presented in the primary financial statements and notes will be clearly linked to ensure consistency and transparency.

2. Audit Report of Preceding Annual Financial Statements

The preceding year annual audited financial statements were not subject to any qualification.

3. Seasonal or Cyclical Factors

The Group's operations were not subject to any seasonal or cyclical changes.

4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There was no other item which is unusual because of its size or incidences that has affected the assets, liabilities, equity, net income or cash flow of the Group for the current financial quarter under review.

5. Material Changes in Estimates

There were no material changes in estimates for the quarter ended 31 December 2024.

6. Debt and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities for the current financial quarter.

7. Dividend Paid

There were no dividends declared or paid by the Group for the current quarter under review.

8. Segmental Reporting

The segmental results of the Group for the current and previous financial period-to-date under review is set out below:

Geographical information

Revenue information based on the geographical location of customers are as follows:-

Location	<u>12 Months Ended</u>	<u>12 Months Ended</u>
	31.12.2024	31.12.2023
	RM'000	RM'000
People's Republic of China	432	97
Malaysia	15,253	14,803
Singapore	62,833	44,175
Others	425	310
Inter segment	(17,624)	(13,549)
	<u>61,319</u>	<u>47,836</u>

The business of the Group is generated from the business of surface treatment and precision cleaning related service mainly in HDD and consumer electrics industries and there is only one business segment identified by the management.

9. Valuation of Property, Plant and Equipment

There were no revaluation being done in the current quarter under review.

10. Material Events Subsequent to the End of the Financial Quarter ended 31 December 2024

The Company has completed the Proposed Private Placement and successfully allotted 49,000,000 of shares on 8 Jan 2025. The Company had on 26 February received a notice dated 10 February 2025 issued by the Companies Commission of Malaysia confirming the reduction of share capital. Accordingly, the Share Capital Reduction is effective as at 10 February 2025. Following the completion of Proposed Private Placement and Share Capital Reduction, the issued share capital of the Company as at 10 February 2025 is RM29,203,332 comprising 246,213,000 shares. Further details are also set out in Section 17 below.

On 18 February 2025, DWZ Industries Sdn. Bhd., a 55% owned subsidiary of the Company (“DWZ Industries”) entered into a Sale and Purchase Agreement (“SPA”) with certain 3rd party purchasers to dispose a 1.5 storey semi-detached factory in Malaysia for a cash consideration of RM2.6 million. Further details on the disposal is set out in the Company's announcement dated 20 February 2025 and 26 February 2025.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial quarter under review for the 3 months ended 31 December 2024.

12. Contingent Liabilities and Contingent Assets

(a) Contingent liabilities

The Group has secured and unsecured bank guarantee given to the Royal Malaysian Customs Department and licensed bank for credit facilities granted to a subsidiary for RM300,000 and RM887,298 respectively.

(b) Contingent assets

There were no contingent assets as at the end of financial quarter ended 31 December 2024.

13. Capital Commitment

There were no capital commitments for the purchase of any property, plant and equipment or any other expenses that were not accounted for in the financial statements of the financial quarter ended 31 December 2024, save for the Proposed Acquisition, as defined and further elaborated in Section 17 of this announcement.

14. Review of Performance

Comparison between Financial Quarter Ended 31 December 2024 (“4Q2024”) and Previous Corresponding Quarter Ended 31 December 2023 (“4Q2023”)

A summary of the Group’s performance is set out below:-

	3 Months Ended		Increase/(Decrease)	
	31.12.2024	31.12.2023		
	Surface Treatment & Precision Cleaning	Surface Treatment & Precision Cleaning		
	RM’000	RM’000	RM’000	%
Revenue	16,381	12,742	3,639	28.56
Gross profit	3,834	2,625	1,209	46.06
Profit/(Loss) before tax	3,978	(1,069)	5,047	NA
Profit/(Loss) after tax	3,730	(621)	4,351	NA
Profit/(Loss) attributable to owners of the Company	3,834	(430)	4,264	NA

Revenue increased by 28.56% from RM12.7 million in 4Q2023 to RM16.4 million in 4Q2024 due mainly to the increase in revenue from both precision cleaning and surface treatment activities.

Gross profit margin increased from 20.60% in 4Q2023 to 23.41% in 4Q2024 due mainly to an overall improvement in operating efficiency of both precision cleaning and surface treatment activities.

Other income increased by RM4.2 million in 4Q2024 as compared with 4Q2023 due mainly to the reversal of impairment loss on property, plant and equipment (“PPE”) in our Thailand operation in 4Q2024.

Administrative expenses increased by RM1.0 million in 4Q2024 as compared with 4Q2023 due mainly to corporate exercise expenses incurred in 4Q2024.

Other expenses decreased by RM0.7 million in 4Q2024 as compared with 4Q2023 due mainly to the decrease in loss on foreign exchange in 4Q2024.

Overall, the Group reported a profit before tax of RM4.0 million in 4Q2024 as compared with a loss before tax of RM1.0 million in 4Q2023.

15. Review of Performance (continued)

Comparison between Current Year-to-date Ended 31 December 2024 (“12M2024”) and Previous Corresponding Year-to-date Ended 31 December 2023 (“12M2023”)

A summary of the Group’s performance is set out below:-

	12 Months Ended			
	31.12.2024	31.12.2023		
	Surface Treatment & Precision Cleaning RM’000	Surface Treatment & Precision Cleaning RM’000	Increase/(Decrease) RM’000 %	
Revenue	61,319	47,836	13,483	28.19
Gross profit	17,062	9,536	7,526	78.92
Profit/(Loss) before tax	6,367	(5,330)	11,697	NA
Profit/(Loss) after tax	6,119	(4,882)	11,001	NA
Profit/(Loss) attributable to owners of the Company	6,198	(4,099)	10,297	NA

Revenue increased by 28.19% from RM47.8 million in 12M2023 to RM61.3 million in 12M2024, due mainly to increase in revenue from both precision cleaning and surface treatment activities.

Gross profit margin increased from 19.94% in 12M2023 to 27.82% in 12M2024 due mainly to an overall improvement in operating efficiency from both precision cleaning and surface treatment activities.

Other income increased by RM4.0 million in 12M2024 as compared with 12M2023 due mainly to the reversal of impairment loss on PPE in our Thailand operation in 4Q2024.

Other expenses decreased by RM0.2 million in 12M2024 as compared with 12M2023 due mainly to the decrease in loss on foreign exchange in 12M2024.

Overall, the Group reported a profit before tax of RM6.4 million in 12M2024 as compared with a loss before tax of RM5.3 million in 12M2023.

16. Material Changes between 4Q2024 Financial Results as Compared with the Immediate Preceding Quarter (“3Q2024”)

	Current Quarter	Immediate Preceding Quarter		
	31.12.2024	30.09.2024		
	Surface Treatment & Precision Cleaning	Surface Treatment & Precision Cleaning	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	16,381	16,268	113	0.69
Gross profit	3,834	5,228	(1,394)	(26.66)
Profit before tax	3,978	1,052	2,926	278.14
Profit after tax	3,739	1,052	2,678	254.56
Profit attributable to owners of the Company	3,834	1,136	2,698	237.50

Revenue for 4Q2024 increased marginally by 0.69% as compared to the 3Q2024 due mainly from the increase in precision cleaning services.

Overall gross profit margin decreased from 32.14% in 3Q2024 to 23.41% in 4Q2024 due mainly to an increase in production overhead cost in 4Q2024.

Other income increased by RM4.5 million in 4Q2024 as compared to 3Q2024 due mainly to the reversal of impairment loss on PPE in our Thailand operation in 4Q2024.

Administrative expenses increased by RM0.8 million in 4Q2024 as compared to 3Q2024 due mainly to corporate exercise expenses incurred in 4Q2024.

Other expenses decreased by RM0.6 million in 4Q2024 as compared to 3Q2024 due mainly to a decrease in loss on foreign exchange in 4Q2024.

Overall, the Group registered a profit before tax of RM4.0 million in 4Q2024 as compared to a profit before tax of RM1.1 million in the 3Q2024.

17. Status of Corporate Proposals

As announced by the Company on 16 December 2024, the Company successfully obtained shareholders’ approval at the extraordinary general meeting held on the same day for the following proposals:

- i) proposed private placement of up to 49,300,000 new MClean Shares representing approximately 25% of the total number of issued MClean Shares (excluding any treasury shares) (“Proposed Private Placement”);
- ii) proposed acquisition (“Proposed Acquisition”) of the plastic injection business of We Total Engineering Sdn. Bhd. (“WTE”), a wholly-owned subsidiary of Jubilee Industries Holdings Ltd. (“Jubilee”), for a total purchase consideration of RM6,036,000 to be satisfied entirely in cash;
- iii) proposed diversification of the business activities of MClean Group to include plastic injection moulding business; and
- iv) proposed reduction of up to RM35,000,000 of the issued share capital of MClean pursuant to section 117 of the Act (“Capital Reduction”),

(collective, the “Corporate Proposals”).

On 8 January 2025, the Company successfully completed the Proposed Private Placement via the allotment and issuance of 49,000,000 new ordinary shares at RM0.27 each, raising gross proceeds of RM13.23 million for the Company.

The Company had on 26 February 2025 received a notice dated 10 February 2025 issued by the Companies Commission of Malaysia confirming the reduction of share capital. Accordingly, the Share Capital Reduction is effective as at 10 February 2025. Following the completion of Proposed Private Placement and Share Capital Reduction, the issued share capital of the Company as at 10 February 2025 is RM29,203,332 comprising 246,213,000 shares.

With regard to the Proposed Acquisition, the Company is currently working towards the completion of the acquisition of the plastic injection business by end of March 2025. The Company had, on 13 January 2025, incorporated a wholly-owned subsidiary, MClean Plastic Engineering Sdn. Bhd., for the purposes of owning and operating the plastic injection moulding business upon the completion of the Proposed Acquisition.

18. Future Prospects

With the improved balance sheet from the completion of the Proposed Private Placement, the immediate focus of the Company is to complete the Proposed Acquisition and focus on integrating the new plastic injection moulding business with the rest of the Group’s business while ensuring minimal disruption to businesses during such transition period. As announced previously, the Proposed Acquisition is a strategic move by the Group to enhance and diversify its revenue streams, with the intention of achieving operational synergies and to present a one stop solution to its customers, particularly in high demand industries such as E&E and automotive industries.

The Group also intends to continue exploring value-adding opportunities, including both organic and inorganic growth opportunities, as well as to continue to utilise our capital efficiently.

In terms of market outlook, we remain cautiously optimistic on the market outlook for 2025 aims to achieve stable growth for FY2025 results amidst the various initiatives mentioned above.

19. Variance of Profit Forecast and Shortfall in Profit Guarantee

The Group has not issued any profit forecast or profit guarantee for the current financial quarter.

20. Group Borrowings and Debt Securities

The Group’s borrowings as at 31 December 2024 are as follows:-

As at 31 December 2024						
	Long term		Short term		Total borrowings	
	Foreign denomination	RM denomination and RM equivalent	Foreign denomination	RM denomination and RM equivalent	Foreign denomination	RM denomination and RM equivalent
	SGD’000	RM’000	SGD’000	RM’000	SGD’000	RM’000
Secured						
Term loan	-	4,212	-	173	-	4,385
Factoring loan	-	-	894	2,927	894	2,927

As at 31 December 2023						
	Long term		Short term		Total borrowings	
	Foreign denomination	RM denomination and RM equivalent	Foreign denomination	RM denomination and RM equivalent	Foreign denomination	RM denomination and RM equivalent
	SGD’000	RM’000	SGD’000	RM’000	SGD’000	RM’000
Secured						
Term loan	-	4,386	-	166	-	4,552
Factoring loan	-	-	794	2,761	794	2,761

The total borrowings denominated in foreign currency as at 31 December 2024 are: -

RM’000

Foreign currency – SGD 893,913 @ RM3.2744/SGD

2,927

The factoring loan is charged at an effective interest rate of approximately 6.97% - 7.45% per annum. The term loan is charged at an effective interest rate of 4.45% per annum.

21. Off Balance Sheet Financial Instruments

As at 31 December 2024, the Group does not have any off balance sheet financial instrument.

22. Material Litigation

There was no pending material adverse litigation from 1 January 2024 up to the date of this announcement.

23. Dividend Payable

There was no dividend payable or proposed during the current quarter ended 31 December 2024.

24. Tax Expense/Income

Details of taxation are as follows: -

	3 Months Ended		12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Current taxation	66	(5)	66	(5)
Deferred taxation	182	(443)	182	(443)
Over provision in prior year	-	-	-	-
	248	(448)	248	(448)
Effective tax rate	-	-	-	-
Statutory tax rate	24%	24%	24%	24%
Variance	-	-	-	-

25. Earning/(Loss) Per Share (“EPS/LPS”)

The calculation of the profit/(loss) per share is based on the net profit/(loss) divided by the weighted average number of ordinary shares.

	3 Months Ended		Cumulative 12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Net profit/(loss) for the period attributable to owners of the Company (RM'000)	3,834	(430)	6,198	(4,099)
Weighted average number of ordinary shares in issue ('000)	197,213	197,213	197,213	197,213
Basic earning/(loss) per share (sen)	1.94	(0.22)	3.14	(2.08)

26. Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

Profit before tax is arrived at after charging/(crediting) the following items:-

	3 Months Ended 31 December 2024 RM'000	12 Months Ended 31 December 2024 RM'000
(a) Interest income	(1)	(2)
(b) Other income including investment income	(245)	(245)
(c) Interest expenses	79	458
(d) Depreciation and amortisation	1,861	5,442
(e) Reversal of allowance for expected credit loss on receivables	(119)	(119)
(f) Provision for and write off of inventories	71	71
(g) Reversal of impairment on property, plant and equipment	(4,066)	(4,066)
(h) Foreign exchange (gain) or loss	(224)	238
(i) Gain or loss on derivatives	-	-
(j) Exceptional items	-	-

- End -