

**MASTER TEC GROUP BERHAD**  
(Registration No. 202201040911 (1486608-P))  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED 31 MARCH 2025**



INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2025<sup>(1)(2)</sup>

|                                                         |      | Unaudited<br>Individual Quarter<br>31.3.2025 | Unaudited<br>Quarter<br>31.3.2024 | Unaudited<br>Cumulative Quarter<br>31.3.2025 | Unaudited<br>Quarter<br>31.3.2024 |
|---------------------------------------------------------|------|----------------------------------------------|-----------------------------------|----------------------------------------------|-----------------------------------|
|                                                         | Note | RM'000                                       | RM'000                            | RM'000                                       | RM'000                            |
| Revenue                                                 | A9   | 70,242                                       | 67,145                            | 70,242                                       | 67,145                            |
| Cost of sales                                           |      | (61,923)                                     | (57,377)                          | (61,923)                                     | (57,377)                          |
| <b>Gross profit</b>                                     |      | <b>8,319</b>                                 | <b>9,768</b>                      | <b>8,319</b>                                 | <b>9,768</b>                      |
| Other income                                            |      | 1,001                                        | 855                               | 1,001                                        | 855                               |
| Administrative expenses                                 |      | (2,136)                                      | (3,401)                           | (2,136)                                      | (3,401)                           |
| Selling and distribution expenses                       |      | (1,060)                                      | (1,120)                           | (1,060)                                      | (1,120)                           |
| <b>Profit from operations</b>                           |      | <b>6,124</b>                                 | <b>6,102</b>                      | <b>6,124</b>                                 | <b>6,102</b>                      |
| Finance costs                                           |      | (1,025)                                      | (995)                             | (1,025)                                      | (995)                             |
| <b>Profit before taxation</b>                           | B13  | <b>5,099</b>                                 | <b>5,107</b>                      | <b>5,099</b>                                 | <b>5,107</b>                      |
| Income tax expense                                      | B5   | (561)                                        | (119)                             | (561)                                        | (119)                             |
| <b>Profit after taxation/Total comprehensive income</b> |      | <b>4,538</b>                                 | <b>4,988</b>                      | <b>4,538</b>                                 | <b>4,988</b>                      |
| <b>Profit attributable to:</b>                          |      |                                              |                                   |                                              |                                   |
| Owners of the Company                                   |      | 4,468                                        | 4,988                             | 4,468                                        | 4,988                             |
| Non-controlling interests                               |      | 70                                           | -                                 | 70                                           | -                                 |
| <b>Profit after tax/Total comprehensive income</b>      |      | <b>4,538</b>                                 | <b>4,988</b>                      | <b>4,538</b>                                 | <b>4,988</b>                      |
| <b>Earnings per share ("EPS")</b>                       |      |                                              |                                   |                                              |                                   |
| Basic/Diluted <sup>(3)</sup> (sen)                      | B12  | 0.44                                         | 0.49                              | 0.44                                         | 0.49                              |

**Notes:**

- (1) The basis of preparation of the above Unaudited condensed consolidated statements of profit or loss and other comprehensive income is disclosed in Note A1 and should be read in conjunction with audited financial statement for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) On 23 October 2024, the Company completed the acquisition of a 51.00% controlling interest in Sediacom Sdn. Bhd. ("Sediacom") for a total purchase consideration of RM3,737,000. The financial results of Sediacom, which have been consolidated since fourth quarter of 2024, continue to be reflected in the Group's unaudited interim financial statements for the current quarter ended 31 March 2025.
- (3) Basic EPS is calculated based on the number of issued ordinary shares of 1,020,000,000 as at 31 March 2025. The diluted EPS is equivalent to the basic EPS as the Company does not have any convertible options as at the end of the current quarter and financial period-to-date under review.

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**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025<sup>(1)(2)</sup>**

|                                                                                          |             | <b>Unaudited</b>       | <b>Audited</b>          |
|------------------------------------------------------------------------------------------|-------------|------------------------|-------------------------|
|                                                                                          |             | <b>As at 31.3.2025</b> | <b>As at 31.12.2024</b> |
|                                                                                          | <b>Note</b> | <b>RM'000</b>          | <b>RM'000</b>           |
| <b>ASSETS</b>                                                                            |             |                        |                         |
| <b>Non-current assets</b>                                                                |             |                        |                         |
| Property, plant and equipment                                                            |             | 105,543                | 101,741                 |
| Investment properties                                                                    |             | 1,508                  | 1,513                   |
| Right-of-use assets                                                                      |             | 559                    | 661                     |
| Intangible asset                                                                         |             | 4,875                  | 5,000                   |
| Goodwill                                                                                 |             | 2,713                  | 2,713                   |
| <b>Total non-current assets</b>                                                          |             | <b>115,198</b>         | <b>111,628</b>          |
| <b>Current assets</b>                                                                    |             |                        |                         |
| Inventories                                                                              |             | 44,077                 | 34,852                  |
| Contract cost assets                                                                     |             | 1,812                  | 1,566                   |
| Trade receivables and contract assets                                                    |             | 79,127                 | 95,562                  |
| Other receivables, deposits and prepayments                                              |             | 6,604                  | 3,869                   |
| Fixed deposits with licensed banks                                                       |             | 43,387                 | 44,638                  |
| Cash and bank balances                                                                   |             | 20,257                 | 17,545                  |
| Current tax assets                                                                       |             | 1,172                  | 1,030                   |
| <b>Total current assets</b>                                                              |             | <b>196,436</b>         | <b>199,062</b>          |
| <b>Total assets</b>                                                                      |             | <b>311,634</b>         | <b>310,690</b>          |
| <b>EQUITY AND LIABILITIES</b>                                                            |             |                        |                         |
| <b>Equity</b>                                                                            |             |                        |                         |
| Share capital                                                                            |             | 146,004                | 146,004                 |
| Merger deficits                                                                          |             | (56,190)               | (56,190)                |
| Retained profits                                                                         |             | 98,221                 | 93,753                  |
| Equity attributable to owners of the Company                                             |             | 188,035                | 183,567                 |
| Non-Controlling Interest                                                                 |             | 1,147                  | 1,077                   |
| <b>Total equity</b>                                                                      |             | <b>189,182</b>         | <b>184,644</b>          |
| <b>LIABILITIES</b>                                                                       |             |                        |                         |
| <b>Non-current liabilities</b>                                                           |             |                        |                         |
| Deferred tax liabilities                                                                 |             | 4,817                  | 4,542                   |
| Loans and borrowings                                                                     | B8          | 12,660                 | 11,124                  |
| Lease liabilities                                                                        |             | 396                    | 452                     |
| <b>Total non-current liabilities</b>                                                     |             | <b>17,873</b>          | <b>16,118</b>           |
| <b>Current liabilities</b>                                                               |             |                        |                         |
| Trade payables                                                                           |             | 29,350                 | 31,238                  |
| Other payables and accruals                                                              |             | 15,261                 | 24,013                  |
| Loans and borrowings                                                                     | B8          | 59,611                 | 54,259                  |
| Lease liabilities                                                                        |             | 235                    | 246                     |
| Current tax liabilities                                                                  |             | 122                    | 172                     |
| <b>Total current liabilities</b>                                                         |             | <b>104,579</b>         | <b>109,928</b>          |
| <b>Total liabilities</b>                                                                 |             | <b>122,452</b>         | <b>126,046</b>          |
| <b>Total equity and liabilities</b>                                                      |             | <b>311,634</b>         | <b>310,690</b>          |
| Net assets per ordinary share attributable to owners of the Company (sen) <sup>(3)</sup> |             |                        |                         |
|                                                                                          |             | 18.43                  | 18.00                   |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D) <sup>(1)(2)</sup>

**Notes:**

- (1) *The basis of preparation of the above Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial statements.*
- (2) *On 23 October 2024, the Company completed the acquisition of a 51.00% controlling interest in Sediacom for a total purchase consideration of RM3,737,000. Sediacom's assets, liabilities, and equity were consolidated into the Group's audited financial position as at 31 December 2024 and remain consolidated in the Group's financial statements for the current quarter ended 31 March 2025.*
- (3) *Net assets per ordinary share attributable to owners of the Company are calculated based on 1,020,000,000 ordinary shares in issue as at 31 March 2025 and 31 December 2024, respectively.*

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2025<sup>(1)(2)</sup>**

|                                                                              | <u>Non-Distributable</u> | <u>Distributable</u> |                      |                                             |                                 |                |
|------------------------------------------------------------------------------|--------------------------|----------------------|----------------------|---------------------------------------------|---------------------------------|----------------|
|                                                                              | Share capital            | Merger<br>Deficits   | Retained<br>earnings | Attributable to<br>owners of the<br>Company | Non-<br>controlling<br>interest | Total equity   |
|                                                                              | RM'000                   | RM'000               | RM'000               | RM'000                                      | RM'000                          | RM'000         |
| As at 1 January 2025 (Audited)                                               | 146,004                  | (56,190)             | 93,753               | 183,567                                     | 1,077                           | 184,644        |
| Profit after taxation/Total comprehensive income for the<br>financial period | -                        | -                    | 4,468                | 4,468                                       | 70                              | 4,538          |
| As at 31 March 2025 (Unaudited)                                              | <b>146,004</b>           | <b>(56,190)</b>      | <b>98,221</b>        | <b>188,035</b>                              | <b>1,147</b>                    | <b>189,182</b> |

**Notes:**

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with audited financial statement for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) On 23 October 2024, the Company completed the acquisition of a 51.00% controlling interest in the enlarged issued share capital of Sediacom for a total consideration of RM3,737,000. The financial results of Sediacom have been consolidated into the Group's interim financial statements beginning from the fourth quarter of 2024.

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**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025<sup>(1)(2)</sup>**

|                                                             | Unaudited      | Audited         |
|-------------------------------------------------------------|----------------|-----------------|
|                                                             | Current        | Preceding       |
|                                                             | Period-To-Date | Year-To-Date    |
|                                                             | 31.3.2025      | 31.12.2024      |
|                                                             | RM'000         | RM'000          |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |                |                 |
| Profit before taxation                                      | 5,099          | 27,732          |
| Adjustments for:-                                           |                |                 |
| Bad debts written off                                       | -              | 100             |
| Depreciation of property, plant and equipment               | 1,628          | 3,659           |
| Depreciation of right-of-use assets                         | 101            | 194             |
| Amortisation of intangible assets                           | 125            | -               |
| Depreciation of investment properties                       | 5              | 10              |
| Interest expense                                            | 1,025          | 3,378           |
| Impairment loss on trade receivables                        | 273            | 420             |
| Property, plant and equipment written off                   | -              | 124             |
| Gain on disposal of property, plant and equipment           | (13)           | -               |
| Interest income                                             | (445)          | (2,191)         |
| <b>Operating income before working capital changes</b>      | <b>7,798</b>   | <b>33,426</b>   |
| Changes in working capital:                                 |                |                 |
| Increase in inventories                                     | (9,224)        | (4,869)         |
| Decrease/(Increase) in receivables and contract assets      | 14,094         | (9,295)         |
| Increase in contract cost assets                            | (247)          | (1,566)         |
| (Decrease)/Increase in trade and other payables             | (10,639)       | 17,397          |
| Cash generated from operations                              | <b>1,782</b>   | <b>35,093</b>   |
| Income tax paid                                             | (477)          | (5,360)         |
| Income tax refunded                                         | -              | 144             |
| <b>Net cash from operating activities</b>                   | <b>1,305</b>   | <b>29,877</b>   |
| <b>CASH FLOWS FOR INVESTING ACTIVITIES</b>                  |                |                 |
| Deposits paid for purchase of property, plant and equipment | (667)          | (545)           |
| Purchase of property, plant and equipment                   | (5,437)        | (45,240)        |
| Proceeds from disposal of property, plant and equipment     | 20             | -               |
| Acquisition of a subsidiary, net of cash acquired and cash  | -              | (202)           |
| Addition to right-of-use assets                             | -              | -               |
| Withdrawal of fixed deposits pledged with licensed banks    | 4,687          | 5,420           |
| Interest received                                           | 445            | 2,191           |
| <b>Net cash for investing activities</b>                    | <b>(952)</b>   | <b>(38,376)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |                |                 |
| Proceeds from issuance of ordinary shares                   | -              | 61,659          |
| Payment of share issuance expenses                          | -              | (1,845)         |
| Dividend paid                                               | -              | (12,995)        |
| Interest paid                                               | (1,025)        | (3,378)         |
| Net increase/(decrease) in short-term borrowings            | 5,551          | (11,339)        |
| Repayment of hire purchase payables                         | (187)          | (404)           |
| Repayment of lease liabilities                              | (68)           | (188)           |
| Drawdown of term loan                                       | 2,060          | -               |
| Repayment of term loans                                     | (728)          | (10,658)        |
| <b>Net cash from financing activities</b>                   | <b>5,603</b>   | <b>20,852</b>   |

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**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONT'D) <sup>(1)(2)</sup>**

|                                                                               | Unaudited      | Audited       |
|-------------------------------------------------------------------------------|----------------|---------------|
|                                                                               | Current        | Preceding     |
|                                                                               | Period-To-Date | Year-To-Date  |
|                                                                               | 31.3.2025      | 31.12.2024    |
|                                                                               | RM'000         | RM'000        |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>                              | <b>5,956</b>   | <b>12,353</b> |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>         | <b>55,173</b>  | <b>42,820</b> |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>               | <b>61,129</b>  | <b>55,173</b> |
| <b>Cash and cash equivalents at the end of the period are represented by:</b> |                |               |
| Fixed deposits with licensed banks                                            | 43,387         | 44,638        |
| Cash and bank balances                                                        | 20,257         | 17,545        |
|                                                                               | 63,644         | 62,183        |
| Less: Fixed deposits pledged to licensed banks                                | (1,950)        | (6,638)       |
| Less: Bank overdrafts                                                         | (565)          | (372)         |
|                                                                               | <b>61,129</b>  | <b>55,173</b> |

**Notes:**

- (1) The above Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with audited financial statement for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.
- (2) On 23 October 2024, the Company completed the acquisition of a 51.00% controlling interest in Sediacom for a total purchase consideration of RM3,737,000. The acquisition has been reflected in this interim condensed consolidated statement of cash flows for the financial period ended 31 March 2025 and financial year ended 31 December 2024.

**A. NOTES TO THE INTERIM FINANCIAL REPORT**

**A1. Basis of Preparation**

This condensed consolidated interim financial report of Master Tec Group Berhad ("**MTG**" or "**Company**") and its subsidiaries, Master Tec Wire & Cable Sdn. Bhd. ("**MTWC**") and Sediacom Sdn. Bhd. ("**Sediacom**") (collectively, the "**Group**") are unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards ("**MFRS**") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**") and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

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 which were prepared under MFRS. These explanatory notes attached to the interim financial statements provide an explanation on 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 2024.

**A2. Significant Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in preparation of the annual audited financial statements for the financial year ended 31 December 2024, except for the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued but not yet effective for the Group:

**Amendments/improvements to MFRSs that have been issued, but yet to be effective**

|                                                                                                                           | <b><u>Effective Date</u></b> |
|---------------------------------------------------------------------------------------------------------------------------|------------------------------|
| MFRS 18: Presentation and Disclosure in Financial Statements                                                              | 1 January 2027               |
| MFRS 19: Subsidiaries without Public Accountability: Disclosures                                                          | 1 January 2027               |
| Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments                | 1 January 2026               |
| Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred                     |
| Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature - dependent Electricity                                     | 1 January 2026               |
| Annual Improvements to MFRS Accounting Standards - Volume 11                                                              | 1 January 2026               |

The Group has not adopted the following amendments that have been issued by the MASB but are not yet effective for the current financial period.

The Group is currently assessing the potential impact of these amendments and the adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the consolidated financial statements of the Group upon their initial application.

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A3. Auditors' Report on Preceding Annual Financial Statements**

There were no qualifications on the audited financial statements of the Group for the financial year ended 31 December 2024.

**A4. Seasonal or Cyclical Factors**

The Group's operation was not significantly affected by any unusual seasonal or cyclical factors in the current quarter and financial period-to-date under review.

**A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the current quarter and financial period-to-date under review.

**A6. Material Changes in Estimates**

There were no material changes in estimates in the current quarter and financial period-to-date under review.

**A7. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resales or repayments of debt and equity securities in the current quarter and financial period-to-date under review.

**A8. Dividend Paid**

There were no dividends paid during the current quarter under review.

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**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A9. Segmental Information**

The Group's reportable segments were identified as follows:

- **Manufacturing segment from MTWC:** Revenue from manufacturing low-voltage ("LV") power cables and control and instrumentation cables.
- **Trading segment from MTWC:** Revenue from trading of power cables, fibre optic cables, and other related products.
- **Contract Revenue segment from Sediacom:** Revenue from infrastructure and utility services related to drilling, underground cable laying, overhead line installation, road safety management, back-reaming, high-density polyethylene (HDPE) pipe pulling, and labour supply services.

|                                                | <b>Individual Quarter</b> |                  | <b>Cumulative Quarter</b> |                  |
|------------------------------------------------|---------------------------|------------------|---------------------------|------------------|
|                                                | <b>31.3.2025</b>          | <b>31.3.2024</b> | <b>31.3.2025</b>          | <b>31.3.2024</b> |
|                                                | <b>Unaudited</b>          | <b>Unaudited</b> | <b>Unaudited</b>          | <b>Unaudited</b> |
|                                                | <b>RM'000</b>             | <b>RM'000</b>    | <b>RM'000</b>             | <b>RM'000</b>    |
| Manufacturing segment                          |                           |                  |                           |                  |
| - LV power cables                              |                           |                  |                           |                  |
| • copper-cored                                 | 43,734                    | 29,559           | 43,734                    | 29,559           |
| • aluminium-cored                              | 16,316                    | 34,741           | 16,316                    | 34,741           |
|                                                | 60,050                    | 64,300           | 60,050                    | 64,300           |
| - control and instrumentation cables           | 3,707                     | 2,227            | 3,707                     | 2,227            |
| <b>Manufacturing segment</b>                   | <b>63,757</b>             | <b>66,527</b>    | <b>63,757</b>             | <b>66,527</b>    |
| <b>Trading segment</b>                         | <b>1,620</b>              | <b>618</b>       | <b>1,620</b>              | <b>618</b>       |
| <b>Total manufacturing and trading segment</b> | <b>65,377</b>             | <b>67,145</b>    | <b>65,377</b>             | <b>67,145</b>    |
| <b>Contract revenue segment</b>                | <b>4,865</b>              | <b>-</b>         | <b>4,865</b>              | <b>-</b>         |
| <b>Total revenue</b>                           | <b>70,242</b>             | <b>67,145</b>    | <b>70,242</b>             | <b>67,145</b>    |

**A10. Valuation of Property, Plant and Equipment**

There were no valuations carried out on property, plant and equipment during the current quarter under review.

**A11. Material Events Subsequent to the End of the Reporting Period**

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the said period as at the date of this report.

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**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A12. Changes in the Composition of the Group**

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

**A13. Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets in the Group as at the date of this interim financial report.

**A14. Related Party Transaction Disclosures**

The related party transactions between the Group and related party are as follows:

|                                                                 | Individual Quarter |           | Cumulative Quarter |           |
|-----------------------------------------------------------------|--------------------|-----------|--------------------|-----------|
|                                                                 | 31.3.2025          | 31.3.2024 | 31.3.2025          | 31.3.2024 |
|                                                                 | Unaudited          | Unaudited | Unaudited          | Unaudited |
|                                                                 | RM'000             | RM'000    | RM'000             | RM'000    |
| <b>A company owned substantially by a director of the Group</b> |                    |           |                    |           |
| Sale of goods                                                   | 2,449              | 1,227     | 2,449              | 1,227     |

**A15. Capital Commitments**

The capital commitments of the Group as at the quarter ended 31 March 2025 under review are as follows:

|                                                     | <b>As at<br/>31.3.2025<br/>RM'000</b> |
|-----------------------------------------------------|---------------------------------------|
| <b>Approved and contracted for:</b>                 |                                       |
| Purchase of new machineries and equipment           | 3,147                                 |
| Purchase of freehold land at Lot 19798, Mukim Jasin | 9,101                                 |
| <b>Total</b>                                        | <b>12,248</b>                         |

Save as disclosed above, there were no other material capital commitments during the end of the interim financial period.

**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B1. Review of Financial Performance**

|                                                              | <b>Individual Quarter</b> |                  | <b>Cumulative Quarter</b> |                  |
|--------------------------------------------------------------|---------------------------|------------------|---------------------------|------------------|
|                                                              | <b>31.3.2025</b>          | <b>31.3.2024</b> | <b>31.3.2025</b>          | <b>31.3.2024</b> |
|                                                              | <b>Unaudited</b>          | <b>Unaudited</b> | <b>Unaudited</b>          | <b>Unaudited</b> |
|                                                              | <b>RM'000</b>             | <b>RM'000</b>    | <b>RM'000</b>             | <b>RM'000</b>    |
| Revenue                                                      | 70,242                    | 67,145           | 70,242                    | 67,145           |
| Gross profit (" <b>GP</b> ")                                 | 8,319                     | 9,768            | 8,319                     | 9,768            |
| Profit before tax (" <b>PBT</b> ")                           | 5,099                     | 5,107            | 5,099                     | 5,107            |
| Profit after tax/Total comprehensive income (" <b>PAT</b> ") | 4,538                     | 4,988            | 4,538                     | 4,988            |

For the current quarter ended 31 March 2025, the Group achieved revenue of approximately RM70.24 million, representing a 4.61% increase as compared to RM67.15 million recorded in the corresponding quarter of the previous year. The manufacturing and trading segments collectively contributed RM65.38 million, a decline of 2.63% from RM67.15 million in the corresponding quarter of the previous year. This decrease was primarily due to lower sales of aluminium-cored LV power cables, which dropped to RM16.32 million from RM34.74 million. The shortfall was partially offset by stronger sales of copper-cored LV power cables, which increased to RM43.73 million from RM29.56 million, and higher sales of control and instrumentation cables at RM3.71 million as compared RM 2.23 million in the corresponding quarter of the previous year. The trading segment also recorded higher revenue of RM1.62 million, as compared to RM0.62 million in the corresponding quarter of the previous year.

Although revenue from the manufacturing and trading segments declined, the Group's overall revenue was supported by the contract revenue segment, which contributed RM4.87 million or 6.93% of the Group's total revenue. This contribution was derived from infrastructure and utility works undertaken by Sediacom, a subsidiary acquired in the fourth quarter of 2024. This segment did not record any revenue in the corresponding quarter of the previous year, representing a new and promising revenue stream for the Group.

For the quarter under review, the Group recorded a GP of RM8.32 million, with a GP margin of 11.84%, as compared to RM9.77 million and a margin of 14.55% in the corresponding quarter of the previous year. The decline in GP margin was mainly attributed to product mix changes.

The Group generated PBT of RM 5.10 million during the current quarter, compared to RM5.11 million in the previous corresponding quarter. PAT stood at RM4.54 million, marginally lower than RM4.99 million in the previous corresponding quarter.

**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

**B2. Comparison with Immediate Preceding Quarter's Results**

|                                                 | <b>Current<br/>Quarter<br/>31.3.2025</b> | <b>Immediate<br/>Preceding<br/>Quarter<br/>31.12.2024</b> |                  |
|-------------------------------------------------|------------------------------------------|-----------------------------------------------------------|------------------|
|                                                 | <b>RM'000</b>                            | <b>RM'000</b>                                             | <b>Changes %</b> |
| Revenue                                         | 70,242                                   | 96,423                                                    | -37.2%           |
| PBT                                             | 5,099                                    | 6,825                                                     | -33.8%           |
| PAT/Total comprehensive income                  | 4,538                                    | 7,446                                                     | -64.1%           |
| Profit attributable to owners<br>of the Company | 4,468                                    | 7,353                                                     | -64.6%           |

The Group recorded revenue of RM70.24 million for the current quarter ended 31 March 2025, compared to RM96.42 million in the preceding quarter ended 31 December 2024. The decrease was mainly due to seasonal factors, including fewer working days during the festive period and the timing of customer deliveries.

PBT was RM5.10 million, compared to RM6.83 million in the previous quarter. The lower profit is in line with the reduced revenue and reflects changes in the sales mix and product mix.

Total comprehensive income for the quarter was RM4.54 million. Profit attributable to owners of the Company was RM4.47 million, after deducting non-controlling interest of RM0.07 million, compared to RM7.35 million in the previous quarter.

**B3. Prospects of the Group**

As disclosed in the Company's Prospectus dated 28 December 2023, the ex-factory sales of wires and cables in Malaysia are expected to increase from RM9,610.00 million in 2022 to RM11,205.00 million in 2025, yielding a compound annual growth rate of 5.25%. The demand for power cables is closely related to industrialisation and infrastructure spending. In addition, under the Twelfth Malaysia Plan 2021-2025, investments in generation capacity and reinforcement of transmission and distribution networks will be continued to ensure the efficiency and reliability of electricity supply in Malaysia.

The Group is principally involved in the manufacturing and distribution of a wide range of LV power cables, control and instrumentation cables, and other related products for the local and overseas customers. The Group's objective is to further grow the position as an established wires and cables solutions provider in the markets that the Group operates. The business and growth strategies of the Group include the following:

- (i) venture into the manufacturing of medium-voltage ("**MV**") power cables; and
- (ii) expand the market coverage through export sales.

In addition, the acquisition of Sediacom which was completed on 23 October 2024, provides MTG with an opportunity to expand the Group's business into the power infrastructure utilities market, offering immediate access to new markets through Sediacom's extensive experience and specialised knowledge in drilling and underground cable laying, overhead lines installation, road safety management, back reaming pulling high-density polyethylene (HDPE) pipes, and providing freight transport by road.

Overall, the acquisition of Sediacom presents an opportunity for the MTG Group to expand its offerings and improve its competitive position in the market. By leveraging on the strengths of Sediacom and MTWC, the Group is able to enhance its ability to meet the needs of its customers and achieve long term growth and profitability.

**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

**B4. Variance of Actual Profits from Profit Forecast**

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

**B5. Taxation**

|                                                                 | <b>Individual Quarter</b> |                  | <b>Cumulative Quarter</b> |                  |
|-----------------------------------------------------------------|---------------------------|------------------|---------------------------|------------------|
|                                                                 | <b>31.3.2025</b>          | <b>31.3.2024</b> | <b>31.3.2025</b>          | <b>31.3.2024</b> |
|                                                                 | <b>Unaudited</b>          | <b>Unaudited</b> | <b>Unaudited</b>          | <b>Unaudited</b> |
|                                                                 | <b>RM'000</b>             | <b>RM'000</b>    | <b>RM'000</b>             | <b>RM'000</b>    |
| Current year tax expense:                                       |                           |                  |                           |                  |
| - Current tax                                                   | 287                       | 369              | 287                       | 369              |
| Deferred tax:                                                   |                           |                  |                           |                  |
| - Relating to origination and reversal of temporary differences | 274                       | (250)            | 274                       | (250)            |
| <b>Total income tax expense</b>                                 | <b>561</b>                | <b>119</b>       | <b>561</b>                | <b>119</b>       |
| Effective tax rate (%)                                          | 11.00                     | 2.33             | 11.00                     | 2.33             |
| Statutory tax rate (%)                                          | 24.00                     | 24.00            | 24.00                     | 24.00            |

The Group's effective tax rate for the quarter and period-to-date ended 31 March 2025 was lower than the statutory tax rate of 24.00%. This was primarily due to the recognition of tax incentives on qualifying capital expenditure and the availability of unutilised incentives from prior year.

**B6. Status of Corporate Proposals**

On 21 February 2025, the Company announced that its wholly owned subsidiary, MTWC had entered into a sale and purchase agreement with multiple vendors for the acquisition of a parcel of freehold land located in Mukim Jasin, Daerah Jasin, Negeri Melaka, for a total consideration of RM10,203,712. The aforesaid acquisition is currently pending completion.

Save for the above, there are no other corporate proposals announced that are pending completion as at the date of this report.

**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

**B7. Utilisation of Proceeds from the Public Issue**

The status of utilisation of gross proceeds of RM 61.66 million from the initial public offering (“IPO”) are as follows:

| <b>Details of utilisation of proceeds</b>               | <b>Proposed utilisation</b> | <b>Percentage of allocation</b> | <b>Actual utilisation</b> | <b>Reallocation <sup>(3)</sup></b> | <b>Balance to be utilised</b> | <b>Estimated timeframe for utilisation<sup>(1)(2)</sup></b> |
|---------------------------------------------------------|-----------------------------|---------------------------------|---------------------------|------------------------------------|-------------------------------|-------------------------------------------------------------|
|                                                         | <b>RM'000</b>               | <b>%</b>                        | <b>RM'000</b>             | <b>RM'000</b>                      | <b>RM'000</b>                 |                                                             |
| Construction of new MV power cable manufacturing plants | 16,783                      | 27.22                           | 15,579                    | (1,204)                            | -                             | Within 15 months                                            |
| Purchase of new machineries and equipment               | 24,387                      | 39.55                           | 23,229                    | (1,158)                            | -                             | Within 15 months                                            |
| General working capital                                 | 16,289                      | 26.42                           | 18,651                    | 2,362                              | -                             | Within 15 months                                            |
| Defray fees and expenses relating to Listing            | 4,200                       | 6.81                            | 4,200                     | -                                  | -                             | Within 3 months                                             |
|                                                         | <u>61,659</u>               | <u>100.00</u>                   | <u>61,659</u>             | <u>-</u>                           | <u>-</u>                      |                                                             |

**Notes:**

- (1) From the date of Listing of the Company on 29 January 2024.
- (2) The utilisation of proceeds as disclosed above should be read in conjunction with the Company’s Prospectus dated 28 December 2023.
- (3) The IPO proceeds initially allocated for the construction of the new manufacturing plant and the purchase of machineries and equipment have been partially reallocated to general working capital purposes and have been fully utilised in the current quarter.

**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

**B8. Group Borrowings and Debt Securities**

|                         | <b>31.3.2025</b>     | <b>31.3.2024</b>     |
|-------------------------|----------------------|----------------------|
|                         | <b>Unaudited</b>     | <b>Unaudited</b>     |
|                         | <b>RM'000</b>        | <b>RM'000</b>        |
| <b>Non-current:</b>     |                      |                      |
| Term loans              | 11,810               | 10,232               |
| Hire purchase payables  | 850                  | 892                  |
|                         | <u>12,660</u>        | <u>11,124</u>        |
| <b>Current:</b>         |                      |                      |
| Term loans              | 2,261                | 2,506                |
| Bankers' acceptances    | 55,380               | 50,446               |
| Invoice financing       | 616                  | -                    |
| Bank overdrafts         | 565                  | 372                  |
| Hire purchase payables  | 789                  | 935                  |
|                         | <u>59,611</u>        | <u>54,259</u>        |
| <b>Total borrowings</b> | <u><b>72,271</b></u> | <u><b>65,383</b></u> |

**B9. Derivative Financial Instruments**

There were no outstanding derivatives as at 31 March 2025.

**B10. Material Litigation**

There were no material litigations by or against the Group as at 31 March 2025.

**B11. Dividends**

The Board of Directors do not recommend any dividend for the current financial quarter under review.

**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

**B12. Earnings Per Share**

The basic and diluted EPS for the current quarter under review and financial period-to-date are computed as follows:

|                                              | <b>Individual Quarter</b> |                  | <b>Cumulative Quarter</b> |                  |
|----------------------------------------------|---------------------------|------------------|---------------------------|------------------|
|                                              | <b>31.3.2025</b>          | <b>31.3.2024</b> | <b>31.3.2025</b>          | <b>31.3.2024</b> |
|                                              | <b>Unaudited</b>          | <b>Unaudited</b> | <b>Unaudited</b>          | <b>Unaudited</b> |
|                                              | <b>RM'000</b>             | <b>RM'000</b>    | <b>RM'000</b>             | <b>RM'000</b>    |
| Profit attributable to owners of the Company | 4,468                     | 4,988            | 4,468                     | 4,988            |
| Number of ordinary shares in issue ('000)    | 1,020,000                 | 1,020,000        | 1,020,000                 | 1,020,000        |
| Basic/Diluted EPS (sen) <sup>(1)</sup>       | 0.44                      | 0.49             | 0.44                      | 0.49             |

**Notes:**

- (1) Basic EPS is based on the number of issued ordinary shares of 1,020,000,000 as at 31 March 2025. The diluted EPS is equivalent to the basic EPS as the Company does not have any convertible options as at the end of the current quarter and financial period-to-date under review.

**B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)**

**B13. Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income**

The following items have been included in arriving the profit before tax for the current quarter and the profit before tax for the financial period-to-date:

|                                                   | <b>Individual Quarter</b> |                  | <b>Cumulative Quarter</b> |                  |
|---------------------------------------------------|---------------------------|------------------|---------------------------|------------------|
|                                                   | <b>31.3.2025</b>          | <b>31.3.2024</b> | <b>31.3.2025</b>          | <b>31.3.2024</b> |
|                                                   | <b>Unaudited</b>          | <b>Unaudited</b> | <b>Unaudited</b>          | <b>Unaudited</b> |
|                                                   | <b>RM'000</b>             | <b>RM'000</b>    | <b>RM'000</b>             | <b>RM'000</b>    |
| <b>After charging:</b>                            |                           |                  |                           |                  |
| Depreciation of property, plant and equipment     | 1,628                     | 820              | 1,628                     | 820              |
| Depreciation of investment properties             | 5                         | -                | 5                         | -                |
| Depreciation of right-of-use assets               | 101                       | -                | 101                       | -                |
| Amortisation of intangible assets                 | 125                       | -                | 125                       | -                |
| Impairment loss on trade receivables              | 273                       | -                | 273                       | -                |
| Interest expense                                  | 1,025                     | 995              | 1,025                     | 995              |
| Listing expenses                                  | -                         | 2,112            | -                         | 2,112            |
| <b>After crediting:</b>                           |                           |                  |                           |                  |
| Interest income                                   | 445                       | 201              | 445                       | 201              |
| Other income                                      | 543                       | 577              | 543                       | 577              |
| Gain on disposal of property, plant and equipment | 13                        | -                | 13                        | -                |
| Realised gain on foreign exchange                 | *                         | 77               | *                         | 77               |

\* Denote amount < RM 500

Save as disclosed above, the other disclosure items pursuant to Item 16 of Appendix 9B of the Listing Requirements of Bursa Securities are not applicable.

**B14. Authorisation for Issue**

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