

PRESS STATEMENT / SIARAN AKHBAR

(FOR IMMEDIATE RELEASE)

D'NONCE 1HFY21 NET PROFIT AFTER TAX AT RM7.2 MILLION, HIGHEST-EVER IN THE GROUP'S HISTORY

Continues to ride the growth from the healthcare and E&E sectors

Georgetown, 15 December 2020 – Diversified engineering solutions provider, D'nonce Technology Berhad (“D'nonce” or the “Group”) (“天龙科技”), announced its second quarter (“2QFY21”) and first half financial results today for the period ended 31 October 2020 (“1HFY21”). To recap, D'nonce changed its financial year end to 30 April from 31 December. Hence, there are no comparative figures disclosed for the corresponding quarter of the preceding year as the last audited financial statements were for a 16-month period from 1 January 2019 to 30 April 2020.

The Group recorded a revenue of RM87.8 million in 1HFY21. The electrical and electronics (“E&E”) sector remains the anchor revenue contributor, accounting for RM49.7 million or 56.6% of total revenue, followed by healthcare sector at RM30.6 million or 34.9%. The two key customer groups that contributed the bulk of D'nonce's turnover are glove manufacturers, which are classified under the healthcare sector, as well as multinational corporations in the E&E sector.

Sequentially, D'nonce posted a record-breaking net profit after tax of RM7.2 million in 1HFY21. This is the highest-ever net profit achieved in the Group's history, in part from the upsurge in demand for the supply of packaging to the healthcare sector during this period.

Executive Director and Chief Executive Officer of D'nonce, Datuk Tho Yow Yin (拿督陶有賢) said, “We are pleased to have posted our best-ever net profit after tax in the Group’s history against the backdrop of a demanding operating condition brought upon by the Covid-19 pandemic. D’nonce is on track to achieve a commendable full year net profit after tax in FY21 barring any unforeseen circumstances as our 1HFY21 has already surpassed the previous high.”

“Currently, we are focusing on our capacity expansion. We have earmarked approximately RM11 million of capital expenditure for 1HFY21, mainly to expand our manufacturing facility in Sadao, Thailand as we are presently running at full capacity. We expect the new capacity to come on stream soon, which will enable us to capture the robust demand from the healthcare sector.”

“D’nonce is also well-positioned to seize opportunities from the E&E sector as the global semiconductor market is expected to stay on an upward trajectory. In view of this, we are expanding our capacity in Prai, Penang to grow along with our customers from the E&E sector. All in all, D’nonce’s prospects remain bright as we continue to ride on growths from the healthcare and E&E sectors.” Datuk Tho further added.

For 2QFY21, the Group’s revenue stood at RM43.2 million. This was primarily contributed by E&E sector (56.9%) and healthcare sector (34.7%). Meanwhile, D’nonce registered a net profit after tax of RM3.2 million for the current quarter under review.

On balance sheet strength, net gearing remains healthy at end-Oct 2020 with cash holdings of RM41.0 million and backed by net assets of 46 sen per share.

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About D'nonce Technology

D'nonce is a diversified engineering solutions provider with key customer base from healthcare, electrical and electronics (“E&E”), and manufacturing sectors. The Group was established in 1989 and headquartered in Penang, Malaysia with manufacturing facilities in Kelantan, Kuala Lumpur, and Johor. D'nonce was listed on the Main Market of Bursa Malaysia in 2001 and expanded its operations to Thailand in the subsequent year. The Group manufactures automation/electronic component trays, tapes and reels for printed circuit board (“PCB”) components as well as paper and plastic product packaging.

Released on behalf of D'nonce Technology Berhad by Capital Front Investor Relations.

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