



D'NONCE GROUP OF COMPANIES

INTERIM FINANCIAL RESULTS

FIRST QUARTER ENDED 30 JUNE 2024

D'NONCE TECHNOLOGY BHD.
(200001000687 / 503292-K)

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2024.

Unaudited Condensed Consolidated Statement of Financial Position As At 30 June 2024

		(Audited)
	As At	As At
	30/06/2024	31/03/2024
<i>Note</i>	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	139,746	139,327
Investment properties	30,083	30,040
Intangible assets	2,099	2,099
Other receivable	1,890	1,889
Deferred tax assets	50	50
Right Of Use Asset	3,534	3,753
	<u>177,402</u>	<u>177,158</u>
Currents assets		
Inventory property	11,377	11,377
Inventories	25,738	24,118
Trade receivables	31,593	29,374
Other receivables, deposits and prepayments	25,077	14,024
Contract assets	-	516
Investment	36,846	32,530
Tax recoverable	2,678	2,548
Cash and bank balances	17,073	42,536
	<u>150,382</u>	<u>157,023</u>
TOTAL ASSETS	<u>327,784</u>	<u>334,181</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	7	135,404
Other capital reserve	5,120	5,120
Foreign currency translation reserve	6,515	7,058
Legal reserve	32	32
Warrant reserve	20,520	20,520
Revaluation reserve	36,608	36,608
Retained earnings	25,990	27,916
	<u>230,189</u>	<u>232,658</u>
Non-controlling interests	5,734	5,804
Total equity	<u>235,923</u>	<u>238,462</u>

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2024.

Unaudited Condensed Consolidated Statement of Financial Position As At 30 June 2024 (cont'd)

		As At	(Audited)
		30/06/2024	As At
	<i>Note</i>	RM'000	31/03/2024
		RM'000	RM'000
Non-current liabilities			
Retirement benefit obligations		3,281	3,230
Borrowings	<i>20</i>	29,894	30,162
Lease liabilities		2,274	2,232
Deferred tax liabilities		11,562	11,564
		<u>47,011</u>	<u>47,188</u>
Current liabilities			
Borrowings	<i>20</i>	20,595	24,137
Lease liabilities		905	935
Trade payables		14,643	14,599
Other payables		8,652	8,860
Current tax payable		55	-
		<u>44,850</u>	<u>48,531</u>
Total liabilities		<u>91,861</u>	<u>95,719</u>
TOTAL EQUITY AND LIABILITIES		<u>327,784</u>	<u>334,181</u>
Net assets per share (RM)	<i>26</i>	<u>0.27</u>	<u>0.27</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2024)

The accompanying notes are an integral part of this statement.

D'NONCE TECHNOLOGY BHD.
(200001000687 / 503292-K)

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2024.

Unaudited Condensed Consolidated Income Statement for Quarter Ended 30 June 2024

	<i>Note</i>	CURRENT QUARTER		CUMULATIVE QUARTER	
		3 months ended		3 months ended	
		30/06/2024	30/06/2023	30/06/2024	30/06/2023
		RM'000	RM'000	RM'000	RM'000
Revenue		44,875	42,902	44,875	42,902
Operating expenses		(43,640)	(42,166)	(43,640)	(42,166)
Other income including investment income		1,389	1,007	1,389	1,007
Profit from operations		2,624	1,743	2,624	1,743
Depreciation		(2,690)	(2,573)	(2,690)	(2,573)
Fair value adjustment on other investments		(1,542)	(4,864)	(1,542)	(4,864)
Foreign exchange (loss)/gain		(79)	403	(79)	403
Gain on disposal of property, plant and equipment		-	20	-	20
Gain on disposal of quoted or unquoted investments or properties		2	-	2	-
Interest expense		(697)	(654)	(697)	(654)
Interest income		38	59	38	59
Provision for written off of inventories		353	95	353	95
Provision for written back / (written off) of receivable		21	(47)	21	(47)
Loss before taxation		(1,970)	(5,818)	(1,970)	(5,818)
Taxation	18	(26)	(67)	(26)	(67)
Loss for the period		<u>(1,996)</u>	<u>(5,885)</u>	<u>(1,996)</u>	<u>(5,885)</u>
Loss attributable to:					
Owner of the parent		(1,926)	(5,909)	(1,926)	(5,909)
Non-controlling interests		(70)	24	(70)	24
		<u>(1,996)</u>	<u>(5,885)</u>	<u>(1,996)</u>	<u>(5,885)</u>
Loss per share:	25				
(a) Basic (sen)		<u>(0.22)</u>	<u>(1.36)</u>	<u>(0.22)</u>	<u>(1.36)</u>
(b) Fully Diluted (sen)		<u>(0.22)</u>	<u>(1.36)</u>	<u>(0.22)</u>	<u>(1.36)</u>

Notes:

i) The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2024.

ii) The accompanying notes are an integral part of this statement.

D'NONCE TECHNOLOGY BHD.**(200001000687 / 503292-K)**

The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2024.

Unaudited Condensed Consolidated Income Statement for Quarter Ended 30 June 2024**(cont'd)**

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
<i>Note</i>	RM'000	RM'000	RM'000	RM'000
Loss for the period	(1,996)	(5,885)	(1,996)	(5,885)
Other comprehensive (loss)/gain:				
Foreign currency translation				
differences for foreign operations	(543)	601	(543)	601
Total comprehensive (loss) for the period	<u>(2,539)</u>	<u>(5,284)</u>	<u>(2,539)</u>	<u>(5,284)</u>
Total comprehensive (loss)/profit attributable to:				
Owner of the parent	(2,469)	(5,308)	(2,469)	(5,308)
Non-controlling interests	(70)	24	(70)	24
	<u>(2,539)</u>	<u>(5,284)</u>	<u>(2,539)</u>	<u>(5,284)</u>

Notes:

- i) The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2024.
- ii) The accompanying notes are an integral part of this statement.

D'NONCE TECHNOLOGY BHD.
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The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2024.

Unaudited Condensed Consolidated Statement of Changes in Equity For The Quarter Ended 30 June 2024

	←————— Attributable to equity holders of the parent —————→						Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Other Capital Reserve RM'000	Foreign Currency Translation Reserve RM'000	Legal Reserve RM'000	Warrant Reserve RM'000	Revaluation Reserve RM'000				
At 1 April 2024	135,404	5,120	7,058	32	20,520	36,608	27,916	232,658	5,804	238,462
Loss for the period	-	-	-	-	-	-	(1,926)	(1,926)	(70)	(1,996)
Other comprehensive loss	-	-	(543)	-	-	-	-	(543)	-	(543)
Total comprehensive loss for the period	-	-	(543)	-	-	-	(1,926)	(2,469)	(70)	(2,539)
At 30 June 2024	135,404	5,120	6,515	32	20,520	36,608	25,990	230,189	5,734	235,923

Notes:

- i) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2024.
- ii) The accompanying notes are an integral part of this statement.

D'NONCE TECHNOLOGY BHD.
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The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2024.

Unaudited Condensed Consolidated Statement of Changes in Equity For The Quarter Ended 30 June 2024 (cont'd)

	←————— Attributable to equity holders of the parent —————→								
	←————— Non-distributable			—————→ Distributable					
	Share Capital	Other Capital Reserve	Foreign Currency Translation Reserve	Legal Reserve	Revaluation Reserve	Retained Earnings	Total	Non- controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2023	117,911	5,120	6,856	32	36,969	35,388	202,276	5,698	207,974
Loss for the period	-	-	-	-	-	(5,909)	(5,909)	24	(5,885)
Other comprehensive income	-	-	601	-	-	-	601	-	601
Total comprehensive (loss)/income for the period	-	-	601	-	-	(5,909)	(5,308)	24	(5,284)
At 30 June 2023	117,911	5,120	7,457	32	36,969	29,479	196,968	5,722	202,690

Notes:

- i) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2024.
- ii) The accompanying notes are an integral part of this statement.

D'NONCE TECHNOLOGY BHD.
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The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2024.

Unaudited Condensed Consolidated Statement of Cash Flows For The Period Ended 30 June 2024

	3 months ended	
	30/06/2024	30/06/2023
	RM'000	RM'000
Cash Flows From Operating Activities		
Loss before taxation	(1,970)	(5,818)
Adjustments for non-cash flows:		
Depreciation	2,690	2,573
Fair value adjustment on other investments	1,542	4,864
Gain on disposal of property, plant and equipment	-	(20)
Interest expense	697	654
Interest income	(38)	(59)
Provision for written back of inventories	(353)	(95)
Provision for (written back)/write off of receivables	(21)	47
Non-operating items	442	(81)
Operating profit before working capital changes	2,989	2,065
Increase in receivables	(7,754)	(1,163)
(Increase)/Decrease in inventories	(1,631)	3,002
Increase/(Decrease) in payables	20	(1,113)
Cash generated from operations	(6,376)	2,791
Tax paid	(103)	(407)
Interest paid	(658)	(609)
Net cash (used in)/generated from operating activities	(7,137)	1,775
Cash Flows From Investing Activities		
Interest income	38	59
Purchase of property, plant and equipment	(8,227)	(4,453)
Proceeds from disposal of property, plant and equipment	-	57
Net changes to fixed deposit	(642)	1,453
Net changes to investment	(5,858)	(2,971)
Net cash used in investing activities	(14,689)	(5,855)
Cash Flows From Financing Activities		
Net changes in short term borrowings	(3,317)	889
Repayment of lease liabilities	(302)	(534)
Repayment of hire purchase and lease financing	(276)	(596)
Repayment of term loans	(1,005)	(757)
Net cash used in financing activities	(4,900)	(998)

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The Board wishes to announce the following unaudited results of the Group for the first quarter ended 30 June 2024.

Unaudited Condensed Consolidated Statement of Cash Flows For The Period Ended 30 June 2024

(cont'd)

	3 months ended	
	30/06/2024	30/06/2023
	RM'000	RM'000
Net decrease in cash and cash equivalents	(26,726)	(5,078)
Effect of exchange rate changes	(166)	199
Cash and cash equivalents at beginning of the period	31,192	11,948
Cash and cash equivalents at end of the period	4,300	7,069
Cash and cash equivalents comprise:		
Cash and bank balances	17,073	20,861
Bank overdraft - secured	(3,846)	(5,705)
	13,227	15,156
Less: Deposits with licensed banks for more than 3 months and pledged with licensed banks	(8,927)	(8,087)
	4,300	7,069

Reconciliation of liabilities arising from financing activities:

	Carrying amount as at 1 April 2024	Cash flows	Non-cash changes	Carrying amount as at 30 June 2024
	RM'000		Others	RM'000
	RM'000	RM'000	RM'000	RM'000
Short term borrowings	17,263	(3,317)	-	13,946
Hire purchase and lease financing	4,300	(276)	-	4,024
Term loans	29,678	(1,005)	-	28,673
	51,241	(4,598)	-	46,643

Notes:

i) The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2024.

ii) The accompanying notes are an integral part of this statement.

D'NONCE TECHNOLOGY BHD.

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Notes to the condensed consolidated interim financial statements of the Group for the first quarter ended 30 June 2024

1 Basis of Preparation

The interim financial statement is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). These interim financial report also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The interim financial statement should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2024. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2024.

2 Significant Accounting Policies

The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 March 2024 except for the adoption of new MFRSs and Interpretations and Amendments to certain MFRSs which are effective for the Group from 1 April 2024.

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback
Amendments to MFRS 101: Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7 : Supplier Finance Arrangements

Adoption of these new MFRSs and Interpretations and Amendments to certain MFRSs did not have any material effect on the financial performance or position of the Group.

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121 : Lack of Exchangeability

Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial

Effective for financial periods beginning on or after 1 January 2027

MFRS 18: Presentation and Disclosure in Financial Statements

MFRS 19: Subsidiaries without Public Accountability: Disclosures

Deferred

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 Associates or Joint Venture.

The Directors expect that the adoption of these new MFRSs and Interpretations and Amendments will have no material impact on the financial statements in the period of initial application.

3 Audit Report of the Preceding Annual Financial Statements

The audit report of the Group's annual financial statements for the year ended 31 March 2024 was not subjected to any qualification.

4 Seasonality and Cyclical Operations

The Group is subjected to the cyclical effects of the electronic industry as a result of the volatility of demand.

5 Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow that are Unusual Because of Their Nature, Size or Incidence

There were no items affecting assets, liabilities, equity, net income or cash flow that are unusual because of their nature, size or incidence for the current quarter.

6 Material Changes in Accounting Estimates

There were no changes in accounting estimates of amounts reported in prior interim periods or the current financial period or changes in estimates of amounts reported in prior financial years.

7 Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

As at the quarter ended 30 June 2024, there were no new ordinary shares issued and allotted, details of the issued and paid-up capital of the Company are as follows:

Share Capital

	No. of shares	RM'000
As at 31 March 2024 / 30 June 2024	868,281,324	135,404

There were also no issuances or repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares or resale of treasury shares for the current financial period.

8 Dividend Paid

No dividend was paid during the financial year to date.

9 Segmental Reporting

The Group's segmental analysis is as follows:

By customer segments

Period ended 30-Jun-24	Healthcare	Electrical and Electronics	Other Industries*	Others ^	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE						
External revenue	15,687	18,376	10,812	-	-	44,875
Inter-segment revenue	842	1,785	3,166	-	(5,793)	-
Total segment revenue	16,529	20,161	13,978	-	(5,793)	44,875
RESULTS						
Segment results	1,464	349	420	(49)	-	2,184
Unallocated expenses						(3,457)
Operating loss						(1,273)
Finance costs, net						(697)
Loss before taxation						(1,970)
Taxation						(26)
Loss after taxation						(1,996)
Segment assets	83,921	188,045	35,202	11,761	-	318,929
Unallocated assets						8,855
Total assets						327,784
Segment liabilities	19,131	50,237	21,874	74	-	91,316
Unallocated liabilities						545
Total liabilities						91,861

* Other industries is pertaining to automotive, furniture, food and beverage and other manufacturing industries.

^ Other is pertaining to dormant companies.

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9 Segmental Reporting (cont'd)

The Group's segmental analysis is as follows (cont'd):

By customer segments

Period ended 30-Jun-23	Healthcare	Electrical and Electronics	Other Industries*	Others ^	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE						
External revenue	13,422	19,698	9,782	-	-	42,902
Inter-segment revenue	1,037	1,585	8	-	(2,630)	-
Total segment revenue	14,459	21,283	9,790	-	(2,630)	42,902
RESULTS						
Segment results	631	286	396	(18)	-	1,295
Unallocated expenses						(6,459)
Operating profit						(5,164)
Finance costs, net						(654)
Profit before taxation						(5,818)
Taxation						(67)
Profit after taxation						(5,885)
Segment assets	83,283	159,880	23,763	11,745	-	278,671
Unallocated assets						5,657
Total assets						284,328
Segment liabilities	16,958	48,496	14,173	65	-	79,692
Unallocated liabilities						1,946
Total liabilities						81,638

* Other industries is pertaining to automotive, furniture, food and beverage and other manufacturing industries.

^ Other is pertaining to dormant companies.

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10 Subsequent Material Event

There were no significant subsequent material events that have taken place subsequent to the statements of financial position date.

11 Changes in the Composition of the Group

There were no significant changes in the composition of the Group for the current financial quarter and financial period to date.

12 Changes in Contingent Liabilities and Assets

The Company provided corporate guarantees amounting to RM50.49 million (31 March 2024: RM54.30 million) for the banking facilities granted to certain subsidiary companies.

13 Capital Commitments

The amount of commitments not provided for in the interim financial statements as at 30 June 2024 are as follows:

	RM'000
Approved and contracted for:	
- Land and building	3,870
- Construction and renovation	9,578
Approved but not yet contracted for:	
- Construction and renovation	3,022
Total Capital Commitments	16,470

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14 Analysis of performance for current quarter and financial period-to-date

A comparison of D'nonce Technology Bhd's performance for the fourth quarter ended 30 June 2024 ("Q1'25") with the corresponding period last financial year ("Q1'24") is as follows:

	Quarter 1			Year-To-Date		
	FY2025 RM'000	FY2024 RM'000	Variance %	FY2025 RM'000	FY2024 RM'000	Variance %
Revenue	44,875	42,902	5%	44,875	42,902	5%
Operating profit	2,624	1,743	51%	2,624	1,743	51%
Loss before interest and tax	(1,273)	(5,164)	75%	(1,273)	(5,164)	75%
Loss before tax	(1,970)	(5,818)	66%	(1,970)	(5,818)	66%
Loss after tax	(1,996)	(5,885)	66%	(1,996)	(5,885)	66%
Loss attributable to ordinary equity holders of the parent	(1,926)	(5,909)	67%	(1,926)	(5,909)	67%

Group

The Group achieved revenue of RM44.9 million for the current quarter, compared to RM42.9 million for the corresponding quarter last year, representing an increase of RM2 million or 4.7%.

The Group achieved segment results of RM2.2 million for the current quarter, an increase of RM0.9 million or 69.2% compared to RM1.3 million in segment results last year.

Revenue for the healthcare customer segment was RM15.7 million, compared to RM13.4 million last year, reflecting an increase of RM2.3 million or 17.2%, mainly due to higher demand for latex gloves within our segment. Segment results were RM1.5 million for the current quarter, an increase of RM0.9 million or 150% compared to RM0.6 million in segment results last year.

The electrical and electronics ("E&E") customer segment contributed RM18.4 million revenue for the current quarter, as compared to RM19.7 million last year, representing a reduction of RM1.3 million or 6.6%, mainly due to the continuous soft global market demand in the E&E industry. Segment results was RM0.3 million for the current quarter, consistent with the corresponding quarter last year.

Revenue for the other industries during the quarter was RM10.8 million as compared to RM9.8 million last year, an increase of RM1 million or 10.2%. Segment results were RM0.4 million for the current quarter, consistent with the corresponding quarter last year.

Based on the above and after accounting for unallocated expenses, finance costs and taxation, the Group posted a loss attributable to ordinary equity holders of parent of RM1.9 million for the current quarter as compared to a loss of RM5.9 million for the same quarter last year.

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15 Material Changes in Profit Before Taxation Against Preceding Quarter

	Q1'25 30 June 2024 RM'000	Q4'24 31 March 2024 RM'000	Variance %
Revenue	44,875	45,162	-1%
Operating profit	2,624	3,280	-20%
Loss before interest and tax	(1,273)	(1,526)	17%
Loss before tax	(1,970)	(2,223)	11%
Loss after tax	(1,996)	(2,576)	23%
Loss attributable to ordinary equity holders of the parent	(1,926)	(2,674)	28%

Group

The Group achieved RM44.9 million in revenue for the current quarter, a decrease of RM0.3 million or 0.7% compared to RM45.2 million in the preceding quarter. The loss attributable to the ordinary equity holders of the parent was RM1.9 million, compared to a loss of RM2.7 million in the previous quarter.

The performance by business segments are further analysed as below:

Healthcare

The revenue for this segment was RM15.7 million for the current quarter, compared to RM15.8 million in the preceding quarter, a decrease of RM0.1 million or 0.6%. The segment generated RM1.5 million in segment results as compared to RM1.4 million in the last quarter.

Electrical and Electronics

The revenue for this segment was RM18.4 million for the current quarter, compared to RM19.8 million in the preceding quarter, a decrease of RM1.4 million or 7.1%. The segment generated RM0.3 million in segment results, compared to RM1.4 million in the last quarter. The decrease in segment result was mainly due gain on the revaluation of investment properties in prior quarter.

Other Industries

The revenue for this segment was RM10.8 million for the current quarter, compared to RM9.6 million in the preceding quarter, an increase of RM1.2 million or 12.5%. The segment generated a profit of RM0.4 million in the current quarter, compared to a loss of RM0.2 million in the last quarter due to higher provisions made in the previous quarter.

Others

The segment incurred a loss of RM49,000 in this quarter, compared to a loss of RM22,000 in the last quarter.

16 Prospects

Global economic uncertainties is expected to continue throughout 2024 amid geopolitical tensions, rising interest rates and instability of Ringgit Malaysia against the US dollar. It is challenging to predict the full extent and duration of these impact on the global economy.

The Group remains cautiously optimistic on the long term business prospects and will continue to actively pursue various business strategies to increase its revenue, and to implement cost control measures.

17 Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee for the year.

18 Taxation

	Current Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Current tax:				
Current period	(29)	(42)	(29)	(42)
Prior period	-	(22)	-	(22)
Deferred tax:				
Current period	22	20	22	20
Prior period	(19)	(23)	(19)	(23)
Tax expenses	(26)	(67)	(26)	(67)

The Group's performance across all its subsidiaries consist of certain subsidiaries reporting high profits and other subsidiaries either reporting marginal profit or losses. As a result, the profitable subsidiaries are subject to taxation whereas subsidiaries with marginal profit or loss are not exposed to taxation. The net impact is a higher effective tax rate than the statutory rate for the Group.

D'NONCE TECHNOLOGY BHD.**(200001000687 / 503292-K)****19 Status of Corporate Proposal**

On 15 March 2024, the corporate proposal for Right Issue with Warrants has been completed.

On 22 March 2024, TA Securities announced that the effective date for the implementation of the New SIS is 22 March 2024, being the date on which the Company is in full compliance with relevant requirements including Paragraph 6.43(1) of the Listing Requirements.

The amount raised is utilized in the following manner:

Purpose	Proposed Utilisation	Actual Utilisation	Balance to be Utilised	Expected time frame for the utilisation of proceeds (from the date of listing of the Rights Shares)
	RM'000	RM'000	RM'000	
Construction of a new warehouse and additional production area	2,000	-	2,000	Within 24 months
Capital expenditure for purchase of machinery and equipment and installation of enterprise resource planning system	4,200	528	3,672	Within 24 months
Repayment of bank borrowings	16,000	13,186	2,814	Within 12 months
Working capital	7,352	7,352	-	Within 24 months
Construction of new factory building in Thailand	8,000	-	8,000	Within 24 months
Estimated expenses in relation to the Corporate Exercises	1,492	1,492	-	Within 1 month
Total	39,044	22,558	16,486	

* As at 27 August 2024

For further details, please refer to Bursa website for the announcement made by the Company.

Other than the above, there are no other corporate proposals announced as at the date of this report.

D'NONCE TECHNOLOGY BHD.**(200001000687 / 503292-K)****20 Group Borrowings and Debt Securities**

The Group Borrowings as at 30 June 2024 were as follows:

	As At 30 June 2024	
	Foreign Denomination '000	RM'000
Secured:		
Short Term (Denominated in THB)		
Bank overdrafts	8,846	1,133
Trust receipts	22,392	2,869
Term loans	2,232	286
	33,470	4,288
Short Term (Denominated in RM)		
Bank overdrafts	-	2,713
Bankers' acceptance	-	5,875
Revolving credits	-	5,202
Term loans	-	1,537
Hire purchases and lease creditors	-	980
	-	16,307
Total Short Term	33,470	20,595
Long Term (Denominated in THB)		
Term loans	9,050	1,159
	9,050	1,159
Long Term (Denominated in RM)		
Term loans	-	25,691
Hire purchases and lease creditors	-	3,044
	-	28,735
Total Long Term	9,050	29,894
Total	42,520	50,489

Total borrowings as at 30 June 2024

		Exchange Rate	RM'000
(a) in Thai Baht	THB 42,520,000	0.1281	5,447
(b) in Ringgit Malaysia	RM 45,042,000	-	45,042
			<u>50,489</u>

D'NONCE TECHNOLOGY BHD.**(200001000687 / 503292-K)****20 Group Borrowings and Debt Securities (cont'd)**

The Group Borrowings as at 30 June 2024 were as follows (cont'd):

	As At 30 June 2023	
	Foreign Denomination '000	RM'000
Secured:		
Short Term (Denominated in THB)		
Trust receipts	5,106	670
Term loans	14,796	1,941
Hire purchases and lease creditors	521	68
	20,423	2,679
Short Term (Denominated in RM)		
Bank overdrafts	-	5,705
Bankers' acceptance	-	5,068
Revolving credits	-	8,000
Term loans	-	1,130
Hire purchases and lease creditors	-	940
	-	20,843
Total Short Term	20,423	23,522
Long Term (Denominated in THB)		
Term loans		
Hire purchases and lease creditors	762	100
	762	100
Long Term (Denominated in RM)		
Term loans	-	12,873
Hire purchases and lease creditors	-	3,758
	-	16,631
Total Long Term	762	16,731
Total	21,185	40,253

Total borrowings as at 30 June 2023

		Exchange Rate	RM'000
(a) in Thai Baht	THB 21,185,000	0.1312	2,779
(b) in Ringgit Malaysia	RM 37,474,000	-	37,474
			<u>40,253</u>

D'NONCE TECHNOLOGY BHD.

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20 Group Borrowings and Debt Securities (cont'd)

There was no new major borrowing during the quarter to date other than term loan and new hire purchase for fixed assets netted against repayments of some borrowings.

The weighted average interest rate per annum of borrowings were as follows:

	30 June 2024	31 March 2024
Fixed rates	2.29% - 5.39%	2.29% - 5.39%
Floating rates	4.47% - 7.58%	4.47% - 7.58%

There is no hedging against RM on borrowings denominated in Thai Baht as they are used by Thailand subsidiaries for their own operational need.

21 Derivative Financial Instrument

There was no derivative financial instrument as at the current financial period.

22 Related Party Transactions

During the current quarter under review and up to the date of this announcement, the Group did not enter into any related party transactions or recurrent related party transactions of a revenue or trading nature that has, in consideration, value of the assets, capital outlay or cost of the Recurrent Related Party Transactions is RM1 million or more; or the percentage ratio of such Recurrent Related Party Transaction is 1% or more, whichever is the higher.

23 Material Litigation

During the current quarter under review and up to date of this announcement, there are no material litigation involving the Company and the Group.

24 Dividend

The Directors will not be recommending any dividend for the current financial period.

D'NONCE TECHNOLOGY BHD.

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25 Earnings Per Share

	Current Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
Basic	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Loss attributable to ordinary equity holders of the parent (RM'000)	(1,926)	(5,909)	(1,926)	(5,909)
Weighted average number of ordinary shares in issue ('000)	868,281	434,462	868,281	434,462
Basic loss per share (sen)	(0.22)	(1.36)	(0.22)	(1.36)

	Current Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
Diluted	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Loss attributable to ordinary equity holders of the parent (RM'000)	(1,926)	(5,909)	(1,926)	(5,909)
Weighted average number of ordinary shares in issue ('000)	868,281	434,462	868,281	434,462
Diluted loss per share (sen)	(0.22)	(1.36)	(0.22)	(1.36)

D'NONCE TECHNOLOGY BHD.**(200001000687 / 503292-K)****26 Net Assets Per Share**

	As At 30 June 2024 RM'000	As At 31 March 2024 RM'000
Total assets	327,784	334,181
Less: Total liabilities	(91,861)	(95,719)
Net Assets	235,923	238,462
Number of ordinary shares in issue ('000) (Note 7)	868,281	868,281
Net Assets Per Share (RM)	0.27	0.27

27 Authorisation For Issue

The Board of Directors authorised the issue of this unaudited interim financial statements on 28 August 2024.