

**INTERIM FINANCIAL REPORT****DATASONIC GROUP BERHAD**

Registration No. 200801008472 (809759-X)

Incorporated in Malaysia

The Directors are pleased to present the Interim Financial Report for the period ended 30 September 2023 as follows:

**SUMMARY OF KEY INFORMATION****FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023**

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 30.09.2023 RM'000	Preceding Year Quarter 30.09.2022 RM'000	Current Year to-date 30.09.2023 RM'000	Preceding Year to-date 30.09.2022 RM'000
1 Revenue	87,245	93,630	172,066	157,712
2 Profit before tax	25,450	35,912	52,075	52,396
3 Profit for the period	18,139	24,901	37,174	36,930
4 Profit after tax attributable to owners of the Company	18,148	24,905	37,185	36,938
5 Basic earnings per share (sen)	0.64	0.87	1.32	1.29
6 Diluted earnings per share (sen)	0.64	0.87	1.32	1.29
7 Proposed/Declared dividend per share (sen)	0.60	0.50	1.20	0.75
	<b>AS AT END OF CURRENT QUARTER</b>		<b>AS AT PRECEDING FINANCIAL YEAR END</b>	
8 Net assets per share attributable to owners of the Company (RM)	0.1246		0.1267	

## Remarks:

In the second quarter of the current financial year ending 31 March 2024, a second interim single-tier tax exempt dividend of 0.60 sen per share was declared on 30 November 2023, the Entitlement Date is 15 December 2023 and payable on 29 December 2023. This dividend has not been reflected in the financial statements for the financial year under review but it will be accounted for in shareholders' equity as an appropriation of retained profits for the next quarter ending 31 December 2023.

**ADDITIONAL INFORMATION**

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 30.09.2023 RM'000	Preceding Year Quarter 30.09.2022 RM'000	Current Year to-date 30.09.2023 RM'000	Preceding Year to-date 30.09.2022 RM'000
1 Gross interest income	164	88	456	158
2 Gross interest expense	(809)	(351)	(1,549)	(614)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Quarter 30.09.2023 (RM'000)	Preceding Quarter 30.09.2022 (RM'000)	Current Year To Date 30.09.2023 (RM'000)	Preceding Year To Date 30.09.2022 (RM'000)
<b>Continuing Operations</b>				
Revenue	87,245	93,630	172,066	157,712
Operating expenses	(62,023)	(58,176)	(120,746)	(106,130)
Other income	1,037	809	2,304	1,428
Profit from operations	26,259	36,263	53,624	53,010
Finance costs	(809)	(351)	(1,549)	(614)
<b>Profit before tax</b>	25,450	35,912	52,075	52,396
Income tax expense	(7,311)	(11,011)	(14,901)	(15,466)
<b>Profit after tax</b>	18,139	24,901	37,174	36,930
<b>Other comprehensive income, net of tax</b>				
- Foreign currency translation differences	-	(4)	(162)	(7)
<b>Total comprehensive income for the period</b>	18,139	24,897	37,012	36,923
<b>Profit after taxation attributable to:</b>				
Owners of the Company	18,148	24,905	37,185	36,938
Non-controlling interests	(9)	(4)	(11)	(8)
	18,139	24,901	37,174	36,930
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	18,149	24,905	37,018	36,939
Non-controlling interests	(10)	(8)	(6)	(16)
	18,139	24,897	37,012	36,923
Earnings per share (sen) attributable to owners of the Company :				
- Basic (Note B11a)	0.64	0.87	1.32	1.29
- Diluted (Note B11b)	0.64	0.87	1.32	1.29

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to these interim financial statements.

**DATASONIC GROUP BERHAD**  
**Registration No. 200801008472 (809759-X)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2023**

	<b>As at 30.09.2023 (RM'000)</b>	<b>As at 31.03.2023 (RM'000)</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	104,882	110,132
Right-of-use assets	11,882	12,038
Other investment	110	110
Goodwill	3,302	4,162
Development expenditures	875	3,852
	<u>121,051</u>	<u>130,294</u>
<b>CURRENT ASSETS</b>		
Projects-in-progress	1,471	1,597
Inventories	55,365	48,723
Trade receivables	142,215	114,605
Other receivables, deposits and prepayments	16,893	12,504
Short-term investments	98,812	133,092
Deposits with licensed banks	5,907	6,399
Cash and bank balances	22,208	18,148
	<u>342,871</u>	<u>335,068</u>
<b>TOTAL ASSETS</b>	<u>463,922</u>	<u>465,362</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	261,294	261,284
Treasury shares	(70,508)	(62,267)
Merger deficit	(11,072)	(11,072)
Foreign exchange translation reserve	(230)	(63)
Retained profits	171,327	172,262
Equity attributable to owners of the Company	<u>350,811</u>	<u>360,144</u>
Non-controlling interests	240	246
<b>TOTAL EQUITY</b>	<u>351,051</u>	<u>360,390</u>
<b>NON-CURRENT LIABILITIES</b>		
Long-term borrowings	15,994	18,734
Deferred taxation	4,977	5,183
	<u>20,971</u>	<u>23,917</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	13,349	19,457
Other payables and accruals	17,024	15,679
Provision for taxation	11,531	5,317
Short-term borrowings	49,996	40,602
	<u>91,900</u>	<u>81,055</u>
<b>TOTAL LIABILITIES</b>	<u>112,871</u>	<u>104,972</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>463,922</u>	<u>465,362</u>
Net assets per share attributable to ordinary owners of the Company (RM)	0.1246	0.1271

Notes:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to these interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023**

	Share Capital RM'000	Treasury Shares RM'000	Merger Deficit RM'000	Non- distributable Foreign Exchange Translation Reserve RM'000	Distributable Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
At 1 April 2023	261,284	(62,267)	(11,072)	(63)	172,262	360,144	246	360,390
Profit after taxation for the financial year	-	-	-	-	37,185	37,185	(11)	37,174
Other comprehensive income for the financial year:								
- Foreign exchange translation	-	-	-	(167)	-	(167)	5	(162)
Total comprehensive income for the financial year	-	-	-	(167)	37,185	37,018	(6)	37,012
Contributions by and distributions to owners of the Company:								
- purchase of treasury shares	-	(8,241)	-	-	-	(8,241)	-	(8,241)
- dividends (Note B10)	-	-	-	-	(38,120)	(38,120)	-	(38,120)
- transfer to share capital for warrant exercised	10	-	-	-	-	10	-	10
Total transactions with owners	10	(8,241)	-	-	(38,120)	(46,351)	-	(46,351)
At 30 September 2023	261,294	(70,508)	(11,072)	(230)	171,327	350,811	240	351,051

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to these interim financial statements.

**DATASONIC GROUP BERHAD**  
**Registration No. 200801008472 (809759-X)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023**

	<b>CUMULATIVE QUARTERS</b>	
	<b>Current Year To Date 30.09.2023 (RM'000)</b>	<b>Preceding Year To Date 30.09.2022 (RM'000)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	52,075	52,396
Adjustments for :		
Amortisation of development expenditure	2,977	5,595
Depreciation of property, plant and equipment	11,909	12,055
Depreciation of right-of-use assets	525	124
Impairment of goodwill	860	-
Interest income	(456)	(158)
Interest expense:		
- interest expense on lease liabilities	27	-
- other interest expense	1,522	614
Inventories written off	99	-
Property, plant and equipment written off	2	2
Unrealised (gain)/loss on foreign exchange	(57)	46
Writeback of impairment losses on inventories	-	(34)
Operating profit before working capital changes	<u>69,483</u>	<u>70,640</u>
Changes in projects-in-progress	126	(1,692)
Changes in inventories	(6,741)	7,697
Changes in trade and other receivables	(31,991)	(47,734)
Changes in trade and other payables	(4,977)	1,143
Cash from operating activities	<u>25,900</u>	<u>30,054</u>
Income tax paid	(8,894)	(549)
Income tax refund	1	-
Interest paid	(1,549)	(614)
<b>Net cash from operating activities</b>	<u><u>15,458</u></u>	<u><u>28,891</u></u>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	456	158
Purchase of property, plant and equipment	(6,661)	(1,624)
Withdrawal/(Placement) of deposits pledged to licensed banks	491	(352)
<b>Net cash for investing activities</b>	<u><u>(5,714)</u></u>	<u><u>(1,818)</u></u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2023 (CONT'D)**

	<b>CUMULATIVE QUARTERS</b>	
	<b>Current Year</b>	<b>Preceding Year</b>
	<b>To Date</b>	<b>To Date</b>
	<b>30.09.2023</b>	<b>30.09.2022</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Proceeds from issuance of ordinary shares	10	-
Dividends paid	(38,120)	(7,161)
Purchase of treasury shares	(8,241)	(2,666)
Repayment of lease liabilities	(386)	-
Drawdown of trade financing	41,175	14,421
Repayment of trade financing	(31,730)	(4,926)
Repayment of term loans	(2,059)	(2,055)
Repayment of term financing	(716)	(692)
<b>Net cash for financing activities</b>	<b>(40,067)</b>	<b>(3,079)</b>
Net (decrease)/increase in Cash and Cash Equivalents	(30,323)	23,994
Effects of foreign exchange translation	103	13
Cash and Cash Equivalents at beginning of the financial year	151,240	114,748
Cash and Cash Equivalents at end of the financial year	<b>121,020</b>	<b>138,755</b>
Cash and Cash equivalents at the end of the financial year comprise the following:		
Deposits with licensed banks	5,907	6,460
Cash and bank balances	22,208	24,699
Short-term investments	98,812	114,056
	<b>126,927</b>	<b>145,215</b>
Less: deposits pledged to licensed banks	(5,907)	(6,460)
	<b>121,020</b>	<b>138,755</b>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to these interim financial statements.

**A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A1 Accounting Policies and Basis of Preparation**

a) Basis of Preparation

The interim financial statements are audited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standard 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and Issuers Communication No. 1/2017 - Guidance on Disclosures in Notes to Quarterly Report issued by Bursa Malaysia. The condensed consolidated interim financial statements also complies with International Accounting Standard 34: Interim Financial Reporting issued by the International Accounting Standards Board.

These interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2023.

These interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and financial performance of the Company and its subsidiaries ("The Group") since the financial year ended 31 March 2023.

b) Changes in Accounting Policies

The significant accounting policies adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements as disclosed in the audited financial statements for the year ended 31 March 2023.

During the current financial year, the Group has adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

MFRS 17: Insurance Contracts

Amendments to MFRS 17: Insurance Contracts

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information

Amendment to MFRS 101: Disclosure of Accounting Policies

Amendment to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from Single Transaction

Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

**A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A1 Accounting Policies and Basis of Preparation (Cont'd)**

Changes in Accounting Policies (Cont'd)

The Group has not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial quarter:

<b>Malaysian Financial Reporting Standards ("MFRS") and IC Interpretations (including the Consequential Amendments)</b>	<b><u>Effective Date</u></b>
Amendment to MFRS 16: Lease Liability in Sale and Leaseback	1 January 2024
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendment to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: The Effect of Changes in Foreign Exchange Rates	1 January 2025

The Group did not early adopt the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) as they are not expected to have material impact on the financial statements of the Group upon their initial applications.

**A2 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements of the Group for the financial year ended 31 March 2023 was not qualified.

**A3 Comments about Seasonality or Cyclicity**

The Group did not experience any significant cyclical or seasonal sales cycle factors during the current financial quarter under review.

**A4 Unusual Items Due to Their Nature, Size or Incidence**

There were no significant unusual items affecting assets, liabilities, equity, net income, or cash flows for the current financial quarter under review.

**A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A5 Changes in Estimates**

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

**A6 Debt and Equity Securities**

(i) Warrants

The Company had on 6 July 2018 issued 675,000,000 free Warrants on the basis of one (1) Warrant for every two (2) existing ordinary shares.

Following the completion of the Bonus Issue on 2 October 2020, the exercise price and the number of outstanding Warrants 2018/2023 had been adjusted in accordance with the provisions of the Deed Poll ("Adjustments") and the salient terms of the Warrants 2018/2023 are as follows:-

- (a) Each warrant entitles the registered holder to subscribe for one (1) new ordinary shares in the Company at any time on or before the maturity date, 5 July 2023, falling five (5) years from the date of issue of the Warrants. Unexercised Warrants after the exercise period will thereafter lapse and cease to be valid;
- (b) Exercise price of the Outstanding Warrants 2018/2023 = RM0.54 sen;
- (c) Number of additional Warrants 2018/2023 arising from the Adjustments = 675,000,000 Warrants 2018/2023; and
- (d) The new ordinary shares to be issued upon the exercise of the Warrants shall rank pari passu in all respects with the existing ordinary shares of the Company.

Upon the expiry date of the Warrants 2018/2023 on 5 July 2023, there were issuance of 19,000 new ordinary shares pursuant to the exercise of Warrants 2018/2023 at the exercise price of RM0.54 sen per share.

Movement in the Warrants since listing and quotation thereof as follows:

	<b>Number of Warrants 2018/2023</b>
At 1 April 2023	1,350,000,000
Exercised of warrants	<u>(8,000)</u>
At 30 June 2023	1,349,992,000
Exercised of warrants	<u>(11,000)</u>
At 5 July 2023	<u>1,349,981,000</u>

The remaining unexercised Warrants 2018/2023 of 1,349,981,000 have lapsed on 5 July 2023.

**A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A6 Debt and Equity Securities (Cont'd)**

(ii) Share Buy-Back

The Company had obtained the approval from its shareholders at the Annual General Meeting to purchase its own shares at any time up to 10% of the total number of issued shares quoted on Bursa Malaysia Securities Berhad ("Share Buy-Back").

The shares purchased can be retained as treasury shares, distributed as dividend, transfer, resold or subsequently cancelled in accordance with Section 127 of the Companies Act 2016.

The Share Buy-Back shall continue to be in force until the conclusion of the next Annual General Meeting of the Company at which time the authority shall lapse unless by an ordinary resolution passed at the meeting, the authority is renewed.

As at 30 September 2023, the Company had repurchased, in total its equity securities of 147,311,900 ordinary shares at an average price of RM0.48 per share as treasury shares, the consideration of which amounted to RM70,508,737 with transaction costs.

None of the treasury shares held were distributed, resold, cancelled, transferred in accordance with Section 127 of the Companies Act 2016 during the financial year.

(iii) Employees' Share Option Scheme ("ESOS")

On 6 December 2019, the Company had proposed to establish and implement an ESOS of up to 7.5% of the total number of issued ordinary shares of Datasonic (excluding treasury shares, if any) at any point in time during the duration of the ESOS for the eligible Directors and employees of Datasonic and its subsidiaries ("Datasonic Group or Group") (excluding dormant subsidiaries).

On 24 December 2019, the additional listing application in relation to the Proposed ESOS has been submitted to Bursa Securities. On 20 January 2020, Bursa Securities approved the listing of and quotation for such number of new ordinary shares to be issued pursuant to the exercise of option under the ESOS, subject to the following conditions:

- i) An Investment Bank is required to submit a confirmation to Bursa Securities of full compliance of the ESOS pursuant to paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation together with a certified true copy of the resolution passed by the shareholders in general meeting approving the ESOS; and
- ii) Datasonic is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of options under the ESOS as at the end of each quarter together with a detailed computation of the listing fee payable.

At the Extraordinary General Meeting held on 20 February 2020, the shareholders had approved of the ESOS. The ESOS Committee was formed by the Board on 27 February 2020.

On 16 July 2021, the Company announced the effective date for the implementation of the ESOS, which was the date of full compliance of the ESOS in accordance with paragraph 6.43(1) of the Listing Requirements. The ESOS shall continue to be in force for a period of 5 years from the effective date.

**A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A6 Debt and Equity Securities (Cont'd)**

(iii) Employees' Share Option Scheme ("ESOS") (Cont'd)

On 29 September 2022, 12 October 2022, 26 May 2023, 23 June 2023 and 2 August 2023, the Company announced changes in the composition of the ESOS Committee members.

To date of this report no share option has been offered.

**A7 Segmental Information**

The Group is organised into the following:-

<b>30 September 2023</b>	<b>Customised Solutions</b>	<b>Manufacturing</b>	<b>Investment Holding</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>
<b>REVENUE</b>					
External	141,728	30,338	-	-	172,066
Inter-segment	9,733	14,340	46,428	(70,501)	-
<b>Total Revenue</b>	<u>151,461</u>	<u>44,678</u>	<u>46,428</u>	<u>(70,501)</u>	<u>172,066</u>
<b>RESULT</b>					
Profit from operations					53,624
Finance costs					<u>(1,549)</u>
Profit before tax					<u>52,075</u>

**A8 Valuations of Property, Plant and Equipment**

The Group has not revalued its property, plant and equipment for the current financial quarter under review.

**A9 Material Events**

**During the Reporting Period**

On 13 June 2023, the Company announced that DTSB received and accepted a Letter dated 6 June 2023 from Kementerian Dalam Negeri ("KDN") in respect of the amendments to the contract for the supply of the Malaysian Passport Chips or 12.5 million of Passport Chips commencing from 1 December 2021 to 30 November 2023 with additional contract ceiling value of RM37,612,500 and made up the total contract ceiling value to RM387,752,500.

**A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A10 Effects of changes in Composition of the Group**

There are no changes in the composition of the Group in the current financial quarter under review.

**A11 Capital Commitments**

	<b>As at 30.09.2023 RM'000</b>	<b>As at 31.03.2023 RM'000</b>
<u>Approved and contracted for:</u>		
Renovation	388	351
Acquisition of machineries and equipment	711	1,596

**A12 Changes in Contingent Liabilities**

	<b>As at 30.09.2023 RM'000</b>	<b>As at 31.03.2023 RM'000</b>
Performance guarantees extended to customers	17,368	17,052

**A13 Related Party Transactions**

The Group has no transaction with related parties in the current financial quarter under review.

**DATASONIC GROUP BERHAD**

Registration No. 200801008472 (809759-X)

**B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)****B1 Review of Performance**

	Individual Quarter				Cumulative Quarters			
	Current Year Quarter 30.09.2023 (RM'000)	Preceding Year Quarter 30.09.2022 (RM'000)	Variance		Current Year To Date 30.09.2023 (RM'000)	Preceding Year To Date 30.09.2022 (RM'000)	Variance	
			(RM'000)	%			(RM'000)	%
Revenue	87,245	93,630	(6,385)	-7%	172,066	157,712	14,354	9%
Profit from operations	26,259	36,263	(10,004)	-28%	53,624	53,010	614	1%
Profit before tax	25,450	35,912	(10,462)	-29%	52,075	52,396	(321)	-1%
Profit after tax	18,139	24,901	(6,762)	-27%	37,174	36,930	244	1%
Profit after tax attributable to owners of the Company	18,148	24,905	(6,757)	-27%	37,185	36,938	247	1%

**Individual Quarter**

The Group achieved a revenue of RM87.24 million in the current financial quarter which was lower when compared to RM93.63 million in the corresponding quarter of the preceding financial year.

RM75.67 million of the Group's revenue in the current financial quarter was derived from the supply of smart cards, passport and personalisation services which was lower than the total of RM84.07 million earned in the corresponding quarter of the preceding financial year resulted from lesser demand from customers for the said products and services.

Consequently, the current financial quarter recorded a decreased profit from operations compared with the profit in the corresponding quarter of the preceding financial year.

**Cumulative Quarters**

The Group achieved a revenue of RM172.06 million in the current financial period which was higher when compared to RM157.71 million in the preceding financial period.

RM151.45 million of the Group's revenue in the current financial period was derived from the supply of smart cards, passport and personalisation services which was higher than the total of RM139.87 million earned in the preceding financial period resulted from more demand from customers for the said products and services.

The current financial period reported a higher profit from operations when compared with the profit in the preceding financial period.

**Assets and liabilities**

The increase in total assets and total liabilities as at 30 September 2023 against the balances of 31 March 2023 was as follows:

	As at 30.09.2023	As at 31.03.2023	Variance	
			RM'000	%
Total assets	463,922	465,362	(1,440)	-0.3%
Total liabilities	112,871	104,972	7,899	7.5%

The decrease in total assets of RM1.44 million was principally due to higher utilisation of short-term investments fund for operations.

The increase in total liabilities of RM7.89 million was principally due to higher utilisation of borrowings for payment to suppliers.

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**B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)****B1 Review of Performance (Cont'd)****Cash flow for the six months ended 30 September 2023**

The Group achieved cash inflow of RM15.46 million from operating activities in the financial period under review.

The net cash for financing activities was mainly for dividend payment amounted to RM38.12 million.

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

	<b>Current Quarter 30.09.2023 (RM'000)</b>	<b>Immediate Preceding Quarter 30.06.2023 (RM'000)</b>	<b>Variance</b>	
			<b>(RM'000)</b>	<b>%</b>
Revenue	87,245	84,821	2,424	3%
Profit from operations	26,259	27,365	(1,106)	-4%
Profit before tax	25,450	26,625	(1,175)	-4%
Profit after tax	18,139	19,035	(896)	-5%
Profit after tax attributable to owners of the Company	18,148	19,037	(889)	-5%

The Group's revenue of RM87.24 million in the current financial quarter was higher than RM84.82 million reported in the immediate preceding quarter mainly due to more supplies of personalisation service to financial institutions which have a lower profit margins and resulted in lower profit before tax for the quarter under review.

**B3 Commentary on Prospects**

As we move towards the second half of the current financial year (FY2024), the uncertain macroeconomic conditions are expected to prevail. According to the Ministry of Finance ("MoF"), Malaysia's third quarter gross domestic product ("GDP") grew 3.3%, which was an improvement from the 2.9% growth recorded for the second quarter, anchored by domestic demand. However, the expansion was slower compared to the 5.6% growth recorded for the first quarter. For 2023, MoF estimates the GDP growth to be approximately 4.0%.

At Datasonic, we continue to be laser focused on the execution of our strategic plans while undertaking a prudent approach as we capture the opportunities ahead to further expand our business.

The healthy demand for passports is sustaining, which we expect will continue especially in the subsequent quarters of FY2024. Our utmost priority remains on ensuring a continuous, timely and high-quality delivery to our clients, aimed at meeting the elevated public demand.

At the same time, we are pleased to share that the delivery of i-Kad has gained favourable traction since the deployment commenced in August 2023. We are excited on this front as it opens up opportunities for us to capitalise our strengths and competencies into other solutions and services as part of our business diversification plan.

All in all, we continue to upbeat on Datasonic's prospects backed by our prudent management and strategic planning.

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

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

**DATASONIC GROUP BERHAD**

Registration No. 200801008472 (809759-X)

**B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)****B5 Profit Before Taxation**

Profit before taxation is arrived at after charging/(crediting):-

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter 30.09.2023 (RM'000)	Preceding Year Quarter 30.09.2022 (RM'000)	Current Year To Date 30.09.2023 (RM'000)	Preceding Year To Date 30.09.2022 (RM'000)
Amortisation of development expenditure	438	3,352	2,977	5,595
Depreciation of right-of-use assets	278	62	525	124
Fair value gain on short-term investments	(870)	(699)	(1,838)	(1,220)
Impairment of goodwill	860	-	860	-
Interest income:				
- at fair value through profit or loss	-	(5)	-	(9)
- at amortised cost	(164)	(83)	(456)	(149)
Interest expense:				
- on financial liabilities at amortised cost	795	351	1,522	614
- on lease liabilities	14	-	27	-
Inventories:				
- written off	99	-	99	-
(Gain)/Loss on foreign exchange:				
- realised	(10)	(13)	577	162
- unrealised	(271)	87	(57)	46
Property, plant and equipment:				
- Depreciation	5,924	6,395	11,909	12,055
- Written off	-	2	2	2
Staff costs	16,891	13,252	33,268	27,459

**B6 Income Tax Expense**

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter 30.09.2023 (RM'000)	Preceding Year Quarter 30.09.2022 (RM'000)	Current Year To Date 30.09.2023 (RM'000)	Preceding Year To Date 30.09.2022 (RM'000)
Current tax:				
- for the current financial quarter	7,405	10,840	15,107	14,958
Deferred tax:				
- for the current financial quarter	(85)	173	(236)	310
- (over)/underprovision in previous financial year	(9)	(2)	30	198
	7,311	11,011	14,901	15,466

**B7 Status of Corporate Proposals**

There were no corporate proposals for the current financial quarter under review except as disclosed under Note A6.

**DATASONIC GROUP BERHAD**

Registration No. 200801008472 (809759-X)

**B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)****B8 Group Borrowings**

<b>30.09.2023</b>	<b>Effective interest rates %</b>	<b>Short term RM'000</b>	<b>Long term RM'000</b>	<b>Total RM'000</b>
<u>Secured:</u>				
Lease liabilities	4.20 - 4.45	855	387	1,242
Term Financing	4.45	1,227	-	1,227
Term Loans	4.30 - 4.45	4,162	15,607	19,769
Trade Financing	4.32 - 5.90	43,752	-	43,752
		<u>49,996</u>	<u>15,994</u>	<u>65,990</u>

  

<b>31.03.2023</b>	<b>Effective interest rates %</b>	<b>Short term RM'000</b>	<b>Long term RM'000</b>	<b>Total RM'000</b>
<u>Secured:</u>				
Lease liabilities	4.20	708	550	1,258
Term Financing	4.20	1,447	496	1,943
Term Loans	4.05 - 4.20	4,140	17,688	21,828
Trade Financing	3.68 - 5.98	34,307	-	34,307
		<u>40,602</u>	<u>18,734</u>	<u>59,336</u>

All borrowings are denominated in Ringgit Malaysia.

**B9 Material Litigation**

The Group does not have any material litigation for the current financial quarter under review.

**B10 Dividends**

	<b>RM'000</b>	<b>Date of Payment</b>
In respect of the financial year ended 31 March 2023:		
- A fourth interim single tier tax-exempt dividend of 0.75 sen per share declared on 26 May 2023	21,231	04.07.2023
In respect of the financial year ended 31 March 2024:		
- A first interim single tier tax-exempt dividend of 0.60 sen per share declared on 30 August 2023	16,889	04.10.2023
	<u>38,120</u>	

In respect of the financial quarter ended 30 September 2023, the directors had on 30 November 2023 declared a second interim single tier tax-exempt dividend of 0.60 sen per share, the Entitlement Date is 15 December 2023 and payable on 29 December 2023. This dividend has not been reflected in the financial statements for the current financial year under review but it will be accounted for in shareholders' equity as an appropriation of retained profits for the next quarter ending 31 December 2023.

**B ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS  
OF BURSA SECURITIES (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)**

**B11 Earnings per Share**

**(a) Basic Earnings Per Share**

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter 30.09.2023 (RM'000)	Preceding Year Quarter 30.09.2022 (RM'000)	Current Year Year To Date 30.09.2023 (RM'000)	Preceding Year Year To Date 30.09.2022 (RM'000)
Profit after tax attributable to owners of the Company (RM'000)	18,148	24,905	37,185	36,938
Weighted average number of ordinary shares in issue ('000)	2,825,850	2,864,137	2,825,850	2,864,137
Basic earnings per share (sen)	0.64	0.87	1.32	1.29

**(b) Diluted Earnings Per Share**

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter 30.09.2023 (RM'000)	Preceding Year Quarter 30.09.2022 (RM'000)	Current Year Year To Date 30.09.2023 (RM'000)	Preceding Year Year To Date 30.09.2022 (RM'000)
Profit after tax attributable to owners of the Company (RM'000)	18,148	24,905	37,185	36,938
Weighted average number of ordinary shares in issue ('000)	2,825,850	2,864,137	2,825,850	2,864,137
Diluted earnings per share (sen)	0.64	0.87	1.32	1.29

**B12 Fair value of changes in financial liabilities**

The Group does not have any financial liabilities that are measured at fair value for the current financial quarter under review.

By order of the Board  
Kuala Lumpur  
30 November 2023