



METRONIC GLOBAL BERHAD

Company No. : 200301029648 (632068-V)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

FOR THE THIRD QUARTER ENDED

31 JULY 2025

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE THIRD QUARTER
ENDED 31 JULY 2025**

| | Note | Individual Quarter | | Cumulative Quarter | |
|---------------------------------------|------|---------------------------------------|---|---------------------------------------|---|
| | | Current Year Quarter 31.07.2025 | Preceding Year Quarter 31.07.2024 | Current Year To Date 31.07.2025 | Preceding Year To Date 31.07.2024 |
| | | RM | RM | RM | RM |
| Revenue | A8 | 633,409 | - | 9,749,843 | - |
| Cost of sales | | (977,936) | - | (10,335,753) | - |
| Gross loss | | (344,527) | - | (585,910) | - |
| Other income | | 957,820 | - | 2,621,324 | - |
| Administration expenses | | (2,557,981) | - | (7,898,433) | - |
| Other operating expenses | | (157,810) | - | (1,159,826) | - |
| Loss from operations | | (2,102,498) | - | (7,022,845) | - |
| Finance costs | | (656,693) | - | (1,367,410) | - |
| Loss before tax for the period | | (2,759,191) | - | (8,390,255) | - |
| Income tax expense | B5 | (314,760) | - | (314,760) | - |
| Loss for the period from: | | | | | |
| - continuing operations | | (3,073,951) | - | (8,705,015) | - |
| - discontinued operations | | - | - | - | - |
| Loss for the period | B12 | (3,073,951) | - | (8,705,015) | - |
| Loss attributable to: | | | | | |
| <u>Owners of the parent</u> | | | | | |
| - continuing operations | | (3,056,452) | - | (8,683,321) | - |
| - discontinued operations | | - | - | - | - |
| | | (3,056,452) | - | (8,683,321) | - |
| <u>Non controlling interest</u> | | | | | |
| - continuing operations | | (17,499) | - | (21,694) | - |
| - discontinued operations | | - | - | - | - |
| | | (17,499) | - | (21,694) | - |
| | | (3,073,951) | - | (8,705,015) | - |

Notes:

- 1) The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. As such the current financial year 2025 will be ended on 31 October 2025 and therefore no comparative financial information available for the third quarter financial year 2025 ended 31 July 2025. Shareholders are advised to refer to the financial results for the quarter ended 30 September 2024 to view the financial performance of the Group for the said period.

- 2) The condensed Consolidated Statement of Profit or Loss should be read in conjunction with the annual financial statements for the year ended 31 October 2024 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE

THIRD QUARTER ENDED 31 JULY 2025

(The figures have not been audited)

| Note | Individual Quarter | | Cumulative Quarter | |
|---|---|---|---|---|
| | Current Year Quarter 31.07.2025 RM | Preceding Year Quarter 31.07.2024 RM | Current Year To Date 31.07.2025 RM | Preceding Year To Date 31.07.2024 RM |
| | | | | |
| Loss for the period from: | | | | |
| - continuing operations | (3,073,951) | - | (8,705,015) | - |
| - discontinued operations | - | - | - | - |
| Loss for the period | B12 (3,073,951) | - | (8,705,015) | - |
| Other comprehensive income : | | | | |
| Foreign currency translation: | (86,054) | - | (91,370) | - |
| - continuing operations | (86,054) | - | (91,370) | - |
| - discontinued operations | - | - | - | - |
| Other comprehensive income /expense) for the period, net of tax | (86,054) | - | (91,370) | - |
| Total comprehensive income/(loss) for the period, net of tax | (3,160,005) | - | (8,796,385) | - |
| Total comprehensive income/(loss) attributable to: | | | | |
| <u>Owners of the parent</u> | | | | |
| - continuing operations | (3,142,506) | - | (8,774,690) | - |
| - discontinued operations | - | - | - | - |
| | (3,142,506) | - | (8,774,690) | - |
| <u>Non-controlling interests</u> | | | | |
| - continuing operations | (17,499) | - | (21,694) | - |
| - discontinued operations | - | - | - | - |
| | (17,499) | - | (21,694) | - |
| | (3,160,005) | - | (8,796,385) | - |
| <u>Profit/(Loss) per share attributable to equity holders of the Company (sen):</u> | | | | |
| Basic / Diluted | B11 (0.20) | - | (0.57) | - |

Notes:

- 1) The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. As such the current financial year 2025 will be ended on 31 October 2025 and therefore no comparative financial information available for the second quarter financial year 2025 ended 31 July 2025. Shareholders are advised to refer to the financial results for the quarter ended 30 September 2024 to view the financial performance of the Group for the said period.
- 2) The condensed Consolidated Statement Statement of Other Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 31 October 2024 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025**

| | Note | As at 31.07.2025 RM | (Audited) As at 31.10.2024 RM |
|--|------|---------------------------|--|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | 9,328,624 | 8,253,936 |
| Right-of-use assets | | - | 69,051 |
| Investment properties | | 3,513,868 | 3,513,868 |
| Intangible assets | | 2,201,942 | 3,468,600 |
| Other Investment | | 4,329,067 | 5,144,711 |
| | | 19,373,501 | 20,450,166 |
| CURRENT ASSETS | | | |
| Property development cost | | 15,969,412 | 9,908,261 |
| Inventories | | 295,742 | 341,202 |
| Trade receivables | | 5,136,812 | 5,638,979 |
| Amount due from contract customers | | 5,125,834 | 7,195,617 |
| Other receivables and deposits | | 18,553,509 | 15,016,554 |
| Fixed deposits | | 122,634,023 | 126,459,714 |
| Cash and bank balances | | 485,114 | 686,290 |
| | | 168,200,446 | 165,246,617 |
| TOTAL ASSETS | | 187,573,947 | 185,696,783 |
| EQUITY AND LIABILITIES | | | |
| Share capital | | 269,953,758 | 263,942,757 |
| Fair value reserve | | (248,540) | (248,540) |
| Revaluation reserve | | 5,669,118 | 5,669,118 |
| Warrant reserve | | - | 6,011,001 |
| Foreign currency translation reserve | | 401,151 | 492,520 |
| Accumulated losses | | (133,225,150) | (124,541,828) |
| Equity attributable to owners of the parent | | 142,550,337 | 151,325,028 |
| Non-controlling interests | | (742,330) | (720,636) |
| TOTAL EQUITY | | 141,808,007 | 150,604,392 |
| NON-CURRENT LIABILITIES | | | |
| Term loan | B9 | 16,500,000 | - |
| Finance lease liabilities | B9 | 96,749 | 122,082 |
| | | 16,596,749 | 122,082 |
| CURRENT LIABILITIES | | | |
| Trade payables | | 9,348,347 | 11,525,137 |
| Other payables and provisions | | 12,304,962 | 11,910,698 |
| Amount owing to director | | 104,429 | 22,429 |
| Finance lease liabilities | B9 | 29,835 | 56,255 |
| Loans and borrowings | B9 | 7,381,618 | 11,455,790 |
| | | 29,169,191 | 34,970,309 |
| TOTAL LIABILITIES | | 45,765,940 | 35,092,391 |
| TOTAL EQUITY AND LIABILITIES | | 187,573,947 | 185,696,783 |
| NET ASSET PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY | | 0.09 | 0.10 |

The condensed Consolidated Statement of Financial Position should be read in conjunction with the annual financial statements for the year ended 31 October 2024 and the accompanying explanatory notes attached to the interim financial statements.

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 31 JULY 2025

| | <----- Attributable to owners of the parent -----> | | | | | | <----- Non-distributable reserve -----> Distributable | | |
|--|--|--------------------------|---------------------------|-----------------------|---------------------------|----------------------|---|------------------|---------------------------------|
| | Share capital RM | Fair value reserve RM | Revaluation reserve RM | Warrant reserve RM | Foreign currency | | Accumulated losses RM | Total RM | Non-controlling interests RM |
| | | | | | translation reserve RM | Reserve RM | | | |
| As at 1 July 2023 | 263,942,757 | (248,540) | 5,669,118 | 6,011,001 | 286,611 | (95,139,093) | 180,521,854 | (111,272) | 180,410,582 |
| Total comprehensive loss for the financial period | | | | | | | | | |
| Loss after tax | - | - | - | - | - | (29,402,735) | (29,402,735) | (609,364) | (30,012,099) |
| Other comprehensive income: | | | | | | | | | |
| - Foreign currency translation differences | - | - | - | - | 205,909 | - | 205,909 | - | 205,909 |
| | - | - | - | - | 205,909 | (29,402,735) | (29,196,826) | (609,364) | (29,806,190) |
| As at 31 October 2024 and 1 November 2024 | 263,942,757 | (248,540) | 5,669,118 | 6,011,001 | 492,520 | (124,541,828) | 151,325,028 | (720,636) | 150,604,392 |
| Expiry of warrants | 6,011,001 | | | | (6,011,001) | | | | |
| Net profit/(loss) for the period | | | | | | | | | |
| - continuing operations | - | - | - | - | - | (8,683,321) | (8,683,321) | (21,694) | (8,705,015) |
| Other comprehensive income/(expenses): | | | | | | | | | |
| - Foreign currency translation differences | - | - | - | - | (91,370) | - | (91,370) | - | (91,370) |
| Total comprehensive income/(loss) for the year | - | - | - | - | (91,370) | (8,683,321) | (8,774,691) | (21,694) | (8,796,385) |
| As at 31 July 2025 | 269,953,758 | (248,540) | 5,669,118 | - | 401,150 | (133,225,149) | 142,550,337 | (742,330) | 141,808,007 |

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual financial statements for the year ended 31 October 2024 and the accompanying explanatory notes attached to the interim financial statements.

METRONIC GLOBAL BERHAD 200301029648 (632068-V)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD
ENDED 31 JULY 2025**

(The figures have not been audited)

| | NOTE | 31.07.2025 RM | 31.01.2024 RM |
|---|------|--------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Loss before taxation - Continuing operations | | (8,390,255) | - |
| Adjustments for: | | | |
| Amortisation of intangible assets | | 1,266,659 | - |
| Depreciation of property, plant and equipment | B12 | 158,928 | - |
| Depreciation of right-of-use assets | B12 | 54,294 | - |
| Net loss on Fair value change of investment in quoted share | B12 | 815,643 | - |
| Interest expenses | B12 | 1,367,410 | - |
| Interest income | B12 | (2,521,659) | - |
| Operating loss before working capital changes | | (7,248,980) | - |
| Changes in working capital: | | | |
| Amount due from contract customers | | 2,069,783 | - |
| Inventories | | 45,460 | - |
| Trade & other receivables | | (1,560,971) | - |
| Trade & other payables | | (1,647,590) | - |
| Net cash used in operations | | (8,342,299) | - |
| Tax refunded / (paid) | | (59,885) | - |
| Net cash generated from/(used) in operating activities | | (8,402,184) | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Interest received | | 1,487,811 | - |
| Purchase of property, plant and equipment | | (1,233,615) | - |
| Property development expenditure | | (6,061,151) | - |
| Net cash generated from investing activities | | (5,806,955) | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Interest paid | | (1,367,410) | - |
| Net drawdown/(repayment) of borrowings | | 12,466,705 | - |
| Repayment of finance leases | | (36,996) | - |
| Net (repayment) / drawdown of margin facility | | (40,877) | - |
| Net cash generated from / (used in) financing activities | | 11,021,422 | - |
| NET CHANGES IN CASH AND CASH EQUIVALENTS | | (3,187,716) | - |
| CASH AND CASH EQUIVALENTS AS AT 1 NOVEMBER 2024 | | 686,290 | - |
| FIXED DEPOSITS | | 126,459,714 | - |
| BANK OVERDRAFT | | (3,939,335) | - |
| CASH AND CASH EQUIVALENTS AS AT 31 JULY 2025 | | 120,018,953 | - |
| <u>Cash and cash equivalents at the balance sheet date comprise the following:</u> | | | |
| CASH AND BANK BALANCES | | 485,114 | - |
| FIXED DEPOSITS | | 122,634,023 | - |
| BANK OVERDRAFT | | (3,100,184) | - |
| | | 120,018,953 | - |

Notes:

- 1) The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. As such the current financial year 2025 will be ended on 31 October 2025 and therefore no comparative financial information available for the second quarter financial year 2025 ended 31 July 2025. Shareholders are advised to refer to the financial results for the quarter ended 30 September 2024 to view the financial performance of the Group for the said period.
- 2) The condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 October 2024 and the accompanying explanatory notes.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 JULY 2025

PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the financial period ended 31 October 2024 and the accompanying explanatory notes. The explanatory notes attached to the interim financial statements provides an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 31 October 2024.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial period ended 31 October 2024. The adoption of the new/amended MFRS and its amendments does not give rise to any adjustment to the opening balances of retained profit of prior period and current period or changes in comparatives.

2 Qualification of Annual Financial Statements

There was no audit qualifications on the financial statements for the financial period ended 31 October 2024.

3. Seasonality or cyclicalities of interim operations

The Group's interim operations are not materially affected by seasonal or cyclical factors during the financial period under review.

4. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

5. Material changes in estimates

There were no changes in estimates that have had any material effect on the result for the current financial quarter and financial period under review.

6. Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities during the financial period under review.

7. Dividends

There were no dividends paid during the current financial quarter and previous corresponding quarter.

PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING

8. Segmental information

The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. As such the current financial year 2025 will be ended on 31 October 2025 and therefore no comparative financial information available for the third quarter financial year 2025 ended 31 July 2025. Shareholders are advised to refer to the financial results for the quarter ended 30 September 2024 to view the financial performance of the Group for the said period.

Analysis by segments is as follow:

By geographical segments:

| | Individual Quarter | | | Cumulative Quarter | | |
|----------------------------|---------------------------------------|---|--------------|---------------------------------------|---|--------------|
| | Current Year Quarter 31.07.2025 | Preceding Year Quarter 31.07.2024 | Changes % | Current Year to Date 31.07.2025 | Preceding Year to Date 31.07.2024 | Changes % |
| | RM | RM | | RM | RM | |
| Segment revenue | | | | | | |
| Total revenue | 633,409 | - | N/A | 9,749,843 | - | N/A |
| Inter-segment elimination | - | - | N/A | - | - | N/A |
| External customers | <u>633,409</u> | <u>-</u> | N/A | <u>9,749,843</u> | <u>-</u> | N/A |
| Results | | | | | | |
| Operating results | | | | | | |
| Malaysia | (2,102,498) | - | N/A | (7,022,845) | - | N/A |
| Overseas | - | - | N/A | - | - | N/A |
| | <u>(2,102,498)</u> | <u>-</u> | N/A | <u>(7,022,845)</u> | <u>-</u> | N/A |
| Finance costs | (656,693) | - | N/A | (1,367,410) | - | N/A |
| Profit / (Loss) before tax | | | | | | |
| - Continued operations | (2,759,191) | - | N/A | (8,390,255) | - | N/A |
| - Discontinued operations | - | - | N/A | - | - | N/A |
| Profit/(Loss) before tax | <u>(2,759,191)</u> | <u>-</u> | N/A | <u>(8,390,255)</u> | <u>-</u> | N/A |

By business segments:

| | Individual Quarter | | | Cumulative Quarter | | |
|-------------------------|---------------------------------------|---|--------------|---------------------------------------|---|--------------|
| | Current Year Quarter 31.07.2025 | Preceding Year Quarter 31.07.2024 | Changes % | Current Year to Date 31.07.2025 | Preceding Year to Date 31.07.2024 | Changes % |
| | RM | RM | | RM | RM | |
| Segment revenue | | | | | | |
| Engineering | 633,409 | - | N/A | 9,749,843 | - | N/A |
| Solar Energy | - | - | N/A | - | - | N/A |
| Others | - | - | N/A | - | - | N/A |
| Total revenue | <u>633,409</u> | <u>-</u> | N/A | <u>9,749,843</u> | <u>-</u> | N/A |
| Continuing operations | 633,409 | - | N/A | 9,749,843 | - | N/A |
| Discontinued operations | - | - | N/A | - | - | N/A |
| External customers | <u>633,409</u> | <u>-</u> | N/A | <u>9,749,843</u> | <u>-</u> | N/A |

PART A : COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING

8 Segmental information (continue)

By business segments:

| Results | Individual Quarter | | | Cumulative Quarter | | |
|----------------------------|---------------------------------------|---|------------|---------------------------------------|---|------------|
| | Current Year Quarter 31.07.2025 | Preceding Year Quarter 31.07.2024 | Changes | Current Year to Date 31.07.2025 | Preceding Year to Date 31.07.2024 | Changes |
| | RM | RM | % | RM | RM | % |
| Operating results | | | | | | |
| Engineering | (1,695,764) | - | N/A | (5,838,418) | - | N/A |
| Solar Energy | (3,146) | - | N/A | (10,553) | - | N/A |
| Others | (403,588) | - | N/A | (1,173,874) | - | N/A |
| | <u>(2,102,498)</u> | <u>-</u> | <u>N/A</u> | <u>(7,022,845)</u> | <u>-</u> | <u>N/A</u> |
| Finance costs | (656,693) | - | N/A | (1,367,410) | - | N/A |
| Profit / (Loss) before tax | | | | | | |
| - Continuing operations | (2,759,191) | - | N/A | (8,390,255) | - | N/A |
| - Discontinued operations | - | - | N/A | - | - | N/A |
| Profit/(Loss) before tax | <u>(2,759,191)</u> | <u>-</u> | <u>N/A</u> | <u>(8,390,255)</u> | <u>-</u> | <u>N/A</u> |

9 Material subsequent events

There were no material subsequent events after the period ended 31 July 2025.

10 Changes in the composition of the Group

There were no changes in the composition of the Group in the current period under review.

11 Contingent liabilities

Contingent liabilities for the Group are as follows;

| | As at 31.07.2025 RM | As at 31.07.2024 RM |
|---|---------------------------|---------------------------|
| (a) <u>Secured</u> | | |
| Performance and financial guarantees issued by the banks to third parties | <u>4,019,754</u> | - |
| (b) <u>Unsecured</u> | | |
| Corporate guarantees given to licensed banks for credit facilities granted to subsidiaries | <u>56,300,000</u> | - |
| Corporate guarantees given to performance for project granted to subsidiaries | <u>45,042,826</u> | - |

12 Capital commitments

| | Group | |
|---|---------------------------|---------------------------|
| | As at 31.07.2025 RM | As at 31.07.2024 RM |
| The total approved and committed for establishment of a joint venture company | <u>950,380</u> | <u>20,950,380</u> |

13 Significant related party transactions

There were no significant related party transactions for the current quarter under review.

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES

1. Performance review

Quarter and Period Ended 31 July 2025

| | Individual Quarter | | | Cumulative Quarter | | |
|--|---------------------------------------|---|--------------|------------------------------------|--------------------------------------|--------------|
| | Current Year Quarter 31.07.2025 | Preceding Year Quarter 31.07.2024 | Changes % | Current Year to Date 31.07.2025 | Preceding Year to Date 31.07.2024 | Changes % |
| | RM | RM | | RM | RM | |
| Revenue | 633,409 | - | N/A | 9,749,843 | - | N/A |
| Gross Profit/(Loss) | (344,527) | - | N/A | (585,910) | - | N/A |
| Profit/(Loss) Before Interest & Tax | (2,102,498) | - | N/A | (7,022,845) | - | N/A |
| Profit/(Loss) Before Tax | (2,759,191) | - | N/A | (8,390,255) | - | N/A |
| Profit/(Loss) After Tax | (3,073,951) | - | N/A | (8,705,015) | - | N/A |
| Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent | (3,056,452) | - | N/A | (8,683,321) | - | N/A |

The Group's preceding financial year end 2024 has been changed from 30 June to 31 October. As such the current financial year 2025 will be ended on 31 October 2025 and therefore no comparative financial information available for the third quarter financial year 2025 ended 31 July 2025. Shareholders are advised to refer to the financial results for the quarter ended 30 September 2024 to view the financial performance of the Group for the said period.

The Group recorded a revenue of RM633 thousand and a loss before tax of RM2.8 million for the current quarter. The Group's unfavorable performance for the current quarter mainly due to low revenue as a result of low progress claims as most of the on-going key projects are at the final stage of completion.

For the cumulative quarter, the Group recorded a revenue of RM9.7 million and a loss before tax of RM8.4 million. The Group's performance for the period mainly resulted from the lower revenue and a loss due to change in value of investment in quoted shares of RM815 thousand.

2. Material Change in Profit Before Taxation of Current Quarter Compared with Preceding Quarter

| | Individual Quarter | | |
|--|---------------------------------------|---|--------------|
| | Current Year Quarter 31.07.2025 | Immediate Preceding Quarter 30.04.2025 | Changes % |
| | | RM | RM |
| Revenue | 633,409 | 1,438,411 | -56% |
| Gross (Loss)/Profit | (344,527) | (83,515) | >100% |
| Profit/(Loss) Before Interest & Tax | (2,102,498) | (2,479,671) | 15% |
| Profit/(Loss) Before Tax | (2,759,191) | (2,953,023) | 7% |
| Profit/(Loss) After Tax | (3,073,951) | (2,953,023) | -4% |
| Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent | (3,056,452) | (2,968,449) | -3% |

The Group reported lower revenue of RM633 thousand in the current quarter compared to RM1.4 million in the preceding quarter, mainly due lower progress billings for its on-going projects that are mostly in the final stage of completion.

The Group however reported a loss before tax of RM2.8 million, slightly lower than RM2.9 million recorded in the preceding quarter among others due to lower loss from change in value of investment in quoted shares of RM141 thousand recorded in the current quarter compared to RM674 thousand in the preceding quarter.

3. Current year prospects

The Group is mindful of the challenges ahead within the engineering and construction industries, which are experiencing intense competition due to reduction of public spending projects under existing fiscal policies, while absorbing price inflation over most engineering materials and equipment.

Notwithstanding, the Group continues to deliver projects on time and successfully completed all its projects. The Group demonstrated resilience in its pursuit of growth under its engineering core business, particularly in the Building Management System and Extra Low Voltage segmentations. Expected replenishment of our order book and an orderly build-up in contractual projects for the next financial year.

We will remain vigilant and continue adopting prudent financial management, improve the competitiveness, implementing cost optimisation initiatives and enhance the operational efficiencies. We remain positive in near term prospect and continue with our transformation journey.

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES

4. Profit forecast or profit guarantee

No profit forecast was published by the Group.

5. Taxation

The Group's preceding financial year ended 2024 has been changed from 30 June to 31 October. As such the current financial year 2025 will be ended on 31 October 2025 and therefore no comparative financial information available for the third quarter financial year 2025 ended 31 July 2025. Shareholders are advised to refer to the financial results for the quarter ended 30 September 2024 to view the financial performance of the Group for the said period.

The tax expense comprises:

| | Individual Quarter | | Cumulative Quarter | |
|---|----------------------|------------------------|----------------------|------------------------|
| | Current Year Quarter | Preceding Year Quarter | Current Year To Date | Preceding Year To Date |
| <u>Continuing operations</u> | 31.07.2025 | 31.07.2024 | 31.07.2025 | 31.07.2024 |
| | RM | RM | RM | RM |
| Malaysian income tax: | | | | |
| - current period | 314,760 | - | 314,760 | - |
| - prior period - (over) / under provision | - | | - | |
| | 314,760 | - | 314,760 | - |
| Deferred tax | | | | |
| - current period | - | - | - | - |
| - prior period - (over) / under provision | - | | - | |
| Tax expense | 314,760 | - | 314,760 | - |

Income tax expense is recognized in each interim period based on the best estimate of the income tax payable for the full financial year.

6. Status of On-going Corporate Developments

- a) On 7 August 2019, the Group announced that through its wholly-owned subsidiary, Metronic Engineering Sdn Bhd ("MESB"), a wholly-owned subsidiary of the Company, had entered into a joint venture agreement ("JV Agreement") with Zhuhai Singyes New Materials Technology Co. Ltd. ("Singyes") for the development of smart city solutions which will enable commercial building managers, local transportation authorities and local tourism boards to implement smart city solutions such as smart bus stop and waiting area, smart tourism booth as well as smart shelter in Malaysia and abroad.

On 24 July 2025, the Group announced the termination of the JV Agreement due to no significant progress on the development of the proposed solution or any prototype, insufficient expertise in smart city solutions and it intends to streamline its business activities to refocus on its core engineering activities, hence exiting other unprofitable or untested diversifications initiated previously.

- b) On 1 October 2020, Metronic Smart Tech Sdn Bhd ("MSTS B"), a wholly-owned subsidiary of the Company, had entered into a joint venture agreement with JF Strategic Management Pte Ltd ("JFSM") to undertake the design, research, development and production of an automated storage and retrieval system based on technologies of Industry 4.0 to be used for smart factories within the estate of Jurong Town Corporate. This is in line with the Group's intention to expand its business into the provision of smart solutions services.

On 9 December 2020, a new 80% subsidiary of the Company, Metronic JF System Pte Ltd, had been incorporated in Singapore for the joint venture. This joint venture was initially expected to provide an additional source of income and contribute positively to the future earnings of the Company.

MSTS B and JFTM, due to the various constraints and challenges facing for the proposed undertakings, presently evaluating the JV arrangement and the next course of action.

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES

6. Status of On-going Corporate Developments (Cont'd)

- c) On 2 February 2021, Metronic Medicare Sdn Bhd ("MMSB"), a wholly-owned subsidiary of the Company, entered into a joint research and development agreement with Joysbio (Tianjin) Biotechnology Co. Ltd ("Joysbio") to undertake a research program for SARS-CoV-2 Neutralizing Antibody Test Kits ("Test Kits"). The Test Kits are expected to be able to analyse a patient's level of immunity against future COVID-19 infections post-vaccination, and are anticipated to be more efficient than traditional test kits which are currently available in the market.

On 9 February 2021, the Company announced that a periodical test report from Joysbio for the Test Kit showed an accuracy of 100%, pursuant to which, a final test on the Test Kit will be undertaken in a lab in Italy. In view of the global travel restriction imposed by governments worldwide, both parties are in the midst of extending the joint research and development agreement and the final test is expected to be carried out by the first quarter of 2023.

On 23 February 2021, the company announced that MMSB has been awarded Letters of Intent from MTPS Innotech Company Limited ("MTPS") (a company incorporated in Thailand principally involved in trading of medical devices and distribution of medical glove) and Genesprint Limited ("Genesprint") (a company incorporated in Hong Kong principally involved in genetic test analysis and trading of medical products) for the proposed purchase of the test kits valued at USD210 million and USD140 million respectively. The definitive agreements with MTPS and Genesprint have both been executed on 26 February 2021.

The Company has entered into Sale and Purchase Agreement with Genesprint on 18 May 2021 and subsequently with MTPS on 20 May 2021.

MMSB, due to the various constraints and challenges facing for the proposed undertaking, presently evaluating the plan and the next course of action.

7. Utilisation of Proceeds

- a) On 15 October 2019, the Group announced that it offered a total of 156,826,100 new shares under the private placement which represent 10% of the total number of issued shares of the company (excluding treasury shares) at RM0.06 per share. The private placement has been completed with a total share subscribed of 113,250,000 at the offered price of RM0.0451 per share during the exercise. Following is the status utilisation of the RM5.11 million proceeds received from the private placement:

| Utilization of proceeds | Timeframe for utilisation | Proposed utilisation (RM'000) | Proposed recategorisation | | Revised utilisation (RM'000) | Actual utilised (RM'000) | Balance to be utilised (RM'000) |
|---|---|-------------------------------|---------------------------|--------------|------------------------------|--------------------------|---------------------------------|
| | | | Amount (RM'000) | Variance (%) | | | |
| Development of smart city solutions in Malaysia | Within 72 months (Included 24 months extended period) | 4,948 | (1,216) | -24% | 3,732 | 3,232 | 500 |
| Expenses in relation to the private placement | Immediate | 160 | - | - | 160 | 160 | - |
| Capital expenditure | Within 12 months | - | 1,216 | 24% | 1,216 | 1,210 | 6 |
| Total | | 5,108 | - | | 5,108 | 4,602 | 506 |

- b) On 11 May 2021, Bursa Malaysia Securities approved the Group's proposal of a total of 500,428,000 new shares offered under the private placement which representing 30% of the existing total number of issued shares, to independent third-party investor(s). The private placement exercise was fully completed on 13 September 2021 with a total of RM22.71 million received. Following is the status utilisation of the proceeds from the private placement:

| Utilization of proceeds | Timeframe for utilisation | Proposed utilisation (RM'000) | Proposed recategorisation | | Revised utilisation (RM'000) | Actual utilised (RM'000) | Balance to be utilised (RM'000) |
|---|---|-------------------------------|---------------------------|--------------|------------------------------|--------------------------|---------------------------------|
| | | | Amount (RM'000) | Variance (%) | | | |
| Funding for business | Within 48 months (Included 24 months extended period) | 21,789 | (5,289) | -23% | 16,500 | 1,072 | 15,428 |
| Expenses in relation to the private placement | Immediate | 920 | (65) | -0.3% | 855 | 855 | - |
| Property development | Within 12 months | - | 5,354 | 24% | 5,354 | 5,354 | - |
| Total | | 22,709 | - | | 22,709 | 7,281 | 15,428 |

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7. Utilisation of Proceeds (continue)

- c) On 13 July 2022, the Group announced that the Rights Issue of Shares with Warrants proposed on 19 November 2021 has been completed following the listing and quotation for 1,299,562,731 Rights Share and 433,187,525 Warrants B on the Main Market of Bursa Securities. The Group has received a total of RM77.97 million from the exercise. Following is the breakdown utilisation of the right issue proceeds:

| Utilization of proceeds | Timeframe for utilisation | Proposed utilisation (RM'000) | Actual utilisation (RM'000) | Balance to be utilised (RM'000) | Projects progress |
|-------------------------------|--|-------------------------------|-----------------------------|---------------------------------|--|
| Funding for solar projects | Within 48 months (Included 24 months extended period) | 56,000 | 4,299 | 51,701 | <p>-The proceeds have been utilized for the procurement of materials, equipment and fees for the secured project in Kedah with the estimated projects cost of RM12 million.</p> <p>-The progress of the project presently at 80% and it has been stalled due to impending resolution of several contractual issues with the client.</p> |
| Funding for engineering | Within 48 months (Included 24 months extended period) | 20,000 | 20,000 | - | <p>-The proceeds have been utilized for several projects' working capital such as labour costs and purchase of equipment. The contract value of the projects are between RM5 million to RM20 million with the status progress between 80% to 100%.</p> <p>- The Group continues to focus on its core business in engineering services works by pursuing few potential projects in the pipelines.</p> |
| Working capital | Within 48 months (Included 24 months extended period) | 1,224 | 1,224 | - | |
| Expenses in relation to right | Immediate | 750 | 750 | - | |
| Total | | 77,974 | 26,273 | 51,701 | |

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES

8 Material Litigations

Since the date of the last annual statement of financial position, there was no pending material litigation as at to-date, except the following:

- a) On 19 May 2016, Metronic Microsystem (Beijing) Co. Ltd ("MMBCL"), a wholly-owned subsidiary of the Company, has filed a legal claim against 英泰格瑞房地产投资顾问有限公司, which has occupied MMBCL's property in Beijing at No. 18, Level 8, Top Fine International Centre, Dong San Huan Middle Road, Chao Yang District, Beijing, People's Republic of China ("Beijing Property"), for outstanding rental and late payment charges amounting to RMB7.25 million (approximately RM4.29 million⁽¹⁾) ("Claim"). The amount comprises outstanding rental amounting to RMB5.81 million (approximately RM3.44 million⁽¹⁾) and late payment charges of RMB1.44 million (approximately RM0.85 million⁽¹⁾).

The case was heard before the Beijing Chaoyang Municipal Council Court on 8 December 2016 and 2 June 2017, respectively. The Beijing Chaoyang Municipal Council Court had appointed a professional valuer to conduct a valuation on the Beijing Property. Based on the valuation report provided, MMBCL had on 11 May 2018 submitted the justification of Claim to the Beijing Chaoyang Municipal Court.

On 19 October 2018, the Beijing Chaoyang Municipal Council Court had awarded the outstanding rental amounting to RMB3.97 million (approximately RM2.35 million⁽¹⁾) payable to MMBCL. The outstanding rental however has yet to be paid.

Necessary documents had been submitted to court on 10 July 2019, pending for court's execution order for rental payment from tenant. The progress has been slow due to COVID-19 pandemic in China. Currently MMBCL is in the midst of seeking legal advice for the alternative course of action in recovering the judgement sum.

⁽¹⁾ Based on BNM's exchange rate of RMB1:RM0.591 as at 31 July 2025

- b) On 3 June 2019, the Company announced that it had initiated investigation on unauthorised transfer of one unit of office property held by its wholly owned subsidiary, MMBCL in Beijing, China at Room 801, Level 8, Top Fine International Centre, Dong San Huan, Middle Road, Chao Yang District, Beijing, China measuring 700.53 square metre. The current valuation price of the said property is at RM15.8 million.

In the announcement dated 3 June 2019, the Board informed that Mr. Tan Ew Chew ("TEC") was advisor for the Company from 1 January 2013 to 16 May 2017 while Mr. Tan Kian Hong ("TKH"), son of TEC, was director of Metronic from 8 February 2013 to 10 April 2017. During the controlling time under both TEC and TKH in July 2016, the ownership of the above office unit in Beijing has been allegedly transferred to a third party without consent and/or Board resolution from the Company. Once the above made aware to the new Board of Directors in 2017, the Board of Directors requested lawyer in China to investigate on the above and found that the said office has been transferred to third party with the name of Shouguang Yaowei (Shouguang) in China. Subsequently in October 2018, the Court from China via documents issued, confirmed the said transfer of property to Shouguang.

The Company also announced that on 3 June 2019, it had lodged a police report on investigation against TEC and TKH on the alleged breach of trust and causing the Company from suffering a loss of more than RM15.7 million.

The case is currently under police investigation and still in the midst of gathering evidence and obtaining statements from the relevant parties. The management will seek legal advice upon receiving the police report on the findings.

9 Borrowings

The Group's total borrowing as at 31 July 2025 stood at RM24.0 million, representing a gearing ratio of 0.17 to shareholders' equity. The amount increased by 106% as compared to the previous financial year end of RM11.6 million due to drawdown of RM16.5 million term loan on 12 December 2024.

Breakdown by type of facilities is shown below:

| RM | As at 31 July 2025 | | |
|------------------------------|--------------------|------------------|-------------------|
| | Long Term | Short term | Total |
| Secured borrowings | | | |
| Bank overdraft | - | 3,100,184 | 3,100,184 |
| Bankers' acceptances | - | 941,680 | 941,680 |
| Revolving credit | - | 1,976,051 | 1,976,051 |
| Margin Financing | - | 1,363,703 | 1,363,703 |
| Term loan | 16,500,000 | - | 16,500,000 |
| Sub-Total | 16,500,000 | 7,381,618 | 23,881,618 |
| Un-Secured borrowings | | | |
| Finance lease liabilities | 96,749 | 29,835 | 126,584 |
| Sub-Total | 96,749 | 29,835 | 126,584 |
| Total | 16,596,749 | 7,411,453 | 24,008,202 |

PART B : EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES

9. Borrowings (continue)

| RM | As at 31 Oct 2024 (audited) | | |
|---------------------------|-----------------------------|-------------------|-------------------|
| | Long Term | Short term | Total |
| Secured borrowings | | | |
| Bank overdraft | - | 3,568,689 | 3,568,689 |
| Bankers' acceptances | - | 2,504,216 | 2,504,216 |
| Revolving credit | - | 4,009,873 | 4,009,873 |
| Margin Financing | - | 1,373,012 | 1,373,012 |
| Sub-Total | - | 11,455,790 | 11,455,790 |
| Un-Secured borrowings | | | |
| Finance lease liabilities | 122,082 | 56,255 | 178,337 |
| Sub-Total | 122,082 | 56,255 | 178,337 |
| Total | 122,082 | 11,512,045 | 11,634,127 |

The Group does not have any borrowing in foreign currency denomination.

10. Proposed Dividend

There was no dividend proposed in the current quarter and the previous corresponding quarter.

11. Profit/(Loss) per share (EPS)

| Basic / Diluted EPS | Individual Quarter | | Cumulative Quarter | |
|---|-------------------------|---------------------------|-------------------------|---------------------------|
| | Current Year Quarter | Preceding Year Quarter | Current Year To Date | Preceding Year To Date |
| | 31.07.2025 | 31.07.2024 | 31.07.2025 | 31.07.2024 |
| Profit/(Loss) attributable to equity holders of the Company: | | | | |
| - Continuing operations | (3,056,452) | - | (8,683,321) | - |
| | (3,056,451) | - | (8,683,322) | - |
| Weighted average number of ordinary shares | 1,531,096,683 | - | 1,531,096,683 | - |
| Basic / Diluted profit/(loss) per share (Sen): | | | | |
| - Continuing operations | (0.200) | - | (0.567) | - |
| | (0.200) | - | (0.567) | - |

The basic profit/(loss) per share of the Group is calculated by dividing the Group's profit/(loss) after tax for the financial period attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the period/cumulative period respectively. There is no dilution effect to the earnings per share in the current period as the exercise price of warrant is higher than the average market price of the ordinary shares during the period.

12. Profit / (Loss) for the period

| After charging/(crediting): | Individual Quarter | | Cumulative Quarter | |
|---|-------------------------|---------------------------|-------------------------|---------------------------|
| | Current Year Quarter | Preceding Year Quarter | Current Year To Date | Preceding Year To Date |
| | 31.07.2025 | 31.07.2024 | 31.07.2025 | 31.07.2024 |
| Amortisation of intangible assets | 421,919 | - | 1,266,658 | - |
| Auditors' remuneration | 54,043 | - | 149,265 | - |
| Dep. of property, plant and equipment | 55,455 | - | 158,928 | - |
| Depreciation of right-of-use assets | 14,150 | - | 54,294 | - |
| Directors' fee | 52,500 | - | 157,500 | - |
| Loss on fair value change of quoted shares | 141,356 | - | 815,643 | - |
| Interest expenses | 656,693 | - | 1,367,410 | - |
| Interest income | (915,319) | - | (2,521,659) | - |
| Staff cost | 1,584,390 | - | 5,019,714 | - |

13. Audit Report

The audited financial statements of the Group for the financial year ended 31 October 2024 was not subject to any audit qualification.

14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors.