

NOTION VTEC BERHAD (“Notion” or “The Company”)

Registration No: - 200301035125 (637546-D)

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended		Year Ended	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
	RM'000	RM'000	RM'000	RM'000
Revenue	85,670	114,216	336,482	352,915
Cost of sales	<u>(70,756)</u>	<u>(104,648)</u>	<u>(289,183)</u>	<u>(313,526)</u>
Gross profit	14,914	9,568	47,299	39,389
Other operating income	12,739	8,500	49,953	16,545
Operating expenses	(13,781)	(19,568)	(75,053)	(61,691)
Finance costs	<u>(522)</u>	<u>(1,101)</u>	<u>(3,856)</u>	<u>(4,515)</u>
Profit/(Loss) before tax	13,350	(2,601)	18,343	(10,272)
Tax income/(expense)	<u>928</u>	<u>(24)</u>	<u>(9,607)</u>	<u>2,462</u>
Profit/(Loss) after tax	14,278	(2,625)	8,736	(7,810)
Other comprehensive income				
- currency translation differences	(1,944)	(9,625)	(2,765)	(5,128)
- fair value changes of intangible assets	-	-	-	-
Total comprehensive income/ (expense) for the financial year	<u>12,334</u>	<u>(12,250)</u>	<u>5,971</u>	<u>(12,938)</u>
Profit/ (Loss) after taxation attributable to:				
-Owners of the Company	14,278	(2,625)	8,736	(7,810)
-Non-controlling Interests	-	-	-	-
	<u>14,278</u>	<u>(2,625)</u>	<u>8,736</u>	<u>(7,810)</u>
Total comprehensive income/ (expense) for the financial year attributable to:				
-Owners of the Company	12,334	(12,250)	5,971	(12,938)
-Non-controlling Interests	-	-	-	-
	<u>12,334</u>	<u>(12,250)</u>	<u>5,971</u>	<u>(12,938)</u>
Earnings/ (Loss) Per Share (sen)	<u>2.77</u>	<u>(0.51)</u>	<u>1.69</u>	<u>(1.52)</u>
Proposed/ Declared Dividend Per Share (sen)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 30 September 2021 and the accompanying explanatory notes attached to the interim financial statements.

NOTION VTEC BERHAD (“Notion” or “The Company”)

Registration No: - 200301035125 (637546-D)

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 30.09.2022 RM'000	As At 30.09.2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	272,526	309,088
Right-of-use assets	50,782	54,949
	<u>323,308</u>	<u>364,037</u>
Current assets		
Inventories	85,945	69,380
Trade receivables	97,604	62,702
Other receivables	17,669	21,039
Current tax assets	8,392	11,741
Cash and bank balances	17,435	22,707
Total current assets	<u>227,045</u>	<u>187,569</u>
TOTAL ASSETS	<u>550,353</u>	<u>551,606</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	211,145	211,145
Share option reserve	4,949	4,949
Currency translation reserve	479	3,244
Capital reserve	4,800	4,800
Retained profits	200,548	191,812
TOTAL EQUITY	<u>421,921</u>	<u>415,950</u>
Non-current liabilities		
Loans and borrowings	7,383	14,184
Lease liabilities	17,564	22,648
Retirement benefits	798	693
Deferred tax liabilities	11,442	4,991
Deferred income on government grants	5,986	4,731
	<u>43,173</u>	<u>47,247</u>
Current liabilities		
Loans and borrowings	13,755	18,802
Lease liabilities	15,639	13,806
Trade Payables	25,394	17,061
Other Payables	30,087	38,696
Current tax liabilities	384	44
Total current liabilities	<u>85,259</u>	<u>88,409</u>
TOTAL LIABILITIES	<u>128,432</u>	<u>135,656</u>
TOTAL EQUITY AND LIABILITIES	<u>550,353</u>	<u>551,606</u>
Net assets per ordinary share (RM)	<u>0.8182</u>	<u>0.8066</u>

The statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 September 2021 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←-----Non-distributable-----→					Distributable	Total Equity RM'000
	Share Capital RM'000	Share Option Reserve RM'000	Currency Translation Reserve RM'000	Capital Reserve RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	
12 months ended 30 September 2022							
Balance at 1 October 2021	211,145	4,949	3,244	4,800	-	191,812	415,950
Profit after taxation	-	-	-	-	-	8,736	8,736
Currency translation differences for foreign operation	-	-	(2,765)	-	-	-	(2,765)
Total comprehensive income/ (expense) for the financial year	-	-	(2,765)	-	-	8,736	5,971
Balance at 30 September 2022	<u>211,145</u>	<u>4,949</u>	<u>479</u>	<u>4,800</u>	<u>-</u>	<u>200,548</u>	<u>421,921</u>
12 months ended 30 September 2021							
Balance at 1 October 2020	208,850	5,630	8,372	4,800	1,960	197,662	427,274
Loss after taxation	-	-	-	-	-	(7,810)	(7,810)
Currency translation differences for foreign operation	-	-	(5,128)	-	-	-	(5,128)
Total comprehensive income for the financial year	-	-	(5,128)	-	-	(7,810)	(12,938)
Issuance of shares pursuant to Employee Shares Option Scheme	2,295	(681)	-	-	-	-	1,614
Realisation of revaluation reserves	-	-	-	-	(1,960)	1,960	-
Total transactions with owners	<u>2,295</u>	<u>(681)</u>	<u>-</u>	<u>-</u>	<u>(1,960)</u>	<u>1,960</u>	<u>1,614</u>
Balance at 30 September 2021	<u>211,145</u>	<u>4,949</u>	<u>3,244</u>	<u>4,800</u>	<u>-</u>	<u>191,812</u>	<u>415,950</u>

The consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2021 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

CONSOLIDATED STATEMENT OF CASH FLOW

	Year Ended	
	30.09.2022	30.09.2021
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	18,343	(10,272)
Adjustments for:		
Amortisation of deferred income on government grant	(328)	(288)
Bad debts written off	951	-
Depreciation	33,096	34,674
Deposits written off	848	6
Fair value loss on other investment	-	500
Gain on disposal of intangible assets	-	(1,121)
Gain on disposal of property, plant and equipment	(972)	(121)
Gain on disposal of right-of-use assets	-	(26)
Impairment loss on property, plant and equipment	13,864	-
Impairment loss on receivables	206	923
Increase in liabilities of retirement benefits	-	104
Insurance claim	-	(365)
Interest expense	3,092	4,039
Interest income	(76)	(231)
Inventories written down	4,108	3,159
Inventories written off	519	491
Plant and equipment written off	-	1
Reversal of inventories written down	(973)	(844)
Reversal of impairment loss on receivables	-	(194)
Unrealised gain on foreign currency translation	(1,756)	(87)
Operating profit before working capital changes	70,922	30,348
Increase in inventories	(20,219)	(25,273)
Increase in receivables	(31,780)	(2,114)
Decrease in payables	(278)	(4,772)
Cash from/(used in) operations	18,645	(1,811)
Interest paid	(3,092)	(4,039)
Tax refund/(paid)	533	(2,262)
Net cash from/(used in) operating activities	16,086	(8,112)
CASH FLOW FOR INVESTING ACTIVITIES		
Interest received	76	231
Insurance claims received	-	365
Grant received	1,584	-
Proceeds from disposal of property, plant and equipment	4,918	1,278
Proceeds from disposal of right-of-use asset	-	498
Proceeds from disposal of intangible asset	-	7,052
Purchase of property, plant and equipment	(9,791)	(62,894)
Purchase of other investment	-	(500)
Net cash used in investing activities	(3,213)	(53,970)

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

CONSOLIDATED STATEMENT OF CASH FLOW (CONT'D)

	Year Ended	
	30.09.2022	30.09.2021
	RM'000	RM'000
CASH FLOW (FOR)/FROM FINANCING ACTIVITIES		
Proceed from issuance of shares	-	1,614
Drawdown of lease liability	11,340	8,458
Increase in short-term loans and borrowings	1,955	12,000
Payment for lease liabilities	(15,093)	(12,117)
Repayment of term loan	(13,802)	(6,235)
Net cash (used in)/from financing activities	<u>(15,600)</u>	<u>3,720</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,727)	(58,362)
Cash and cash equivalents at beginning of year	22,707	82,712
Currency translation – subsidiaries	(2,545)	(1,643)
Cash and cash equivalents at the end of year	<u>17,435</u>	<u>22,707</u>
<i>Represented by:</i>		
Cash and bank balances	<u>17,435</u>	<u>22,707</u>
	<u>17,435</u>	<u>22,707</u>

The consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 September 2021 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

NOTES TO THE QUARTERLY FINANCIAL REPORT

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 September 2021 (“FYE 2021”) and the accompanying explanatory notes attached to the interim financial statements.

These explanatory notes to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and its subsidiaries (“The Group”).

The accounting policies and methods of computations adopted in these interim financial statements are consistent with those adopted in the financial statements of the Group for the FYE 2021 except for the changes in accounting policies and presentations resulting from the adoption of new and revised MFRSs and amendments to MFRSs that are effective for financial periods beginning on or after 1 January 2021.

The Group has adopted the following Amendments to Standard during the financial period.

MFRS effective for financial periods beginning on or after 1 January 2021

Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS4 Insurance Contract and MFRS 16 Leases – Interest Rate Benchmark Reform-Phase 2

MFRS effective for financial periods beginning on or after 1 April 2021

Amendments to MFRS 16 *Leases – Covid-19 Related Rent Concession beyond 30 June 2021*

The adoption of the above pronouncements did not have material impact on the financial statements of the Group and of the Company.

The Group has not adopted the following new MFRSs and amendments to MFRSs issued by the Malaysian Accounting Standards Board:

MFRS effective for financial periods beginning on or after 1 January 2022

Amendments to MFRS 1	<i>First time Adoption of Malaysian Financial Reporting Standards -Annual Improvements to MFRS Standards 2018-2020</i>
Amendments to MFRS 3	<i>Business Combinations- Reference to the Conceptual Framework</i>
Amendments to MFRS 9	<i>Financial Instruments - Annual Improvements to MFRS Standards 2018-2020</i>
Amendments to MFRS 116	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>
Amendments to MFRS 137	<i>Provisions, Contingent Liabilities and Contingent Assets – Onerous Contract – Cost of Fulfilling a Contract</i>
Amendments to MFRS 141	<i>Agriculture (Annual Improvements to MFRSs 2018 – 2020 Cycle)</i>

MFRS effective for financial periods beginning on or after 1 January 2023

MFRS 17	<i>Insurance Contracts</i>
Amendments to MFRS 17	<i>Insurance Contracts</i>
Amendments to MFRS 101	<i>Presentation of Financial Statements - Classification of liabilities as current or non-current</i>
Amendments to MFRS 108	<i>Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates</i>
Amendments to MFRS 112	<i>Income Tax – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to MFRS 10 and MFRS 128	<i>Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sales or Contribution of Assets between an Investor and its Associate or Joint Venture</i>

The adoption of the above new MFRSs and amendments/improvements to MFRSs are not expected to have any material financial impact on the financial statements of the Group.

A2. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the financial statements of the Group for the FYE 30 September 2021 was not subject to any qualification.

A3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The results of the Group were not materially affected by any significant seasonal or cyclical factors during the quarter under review.

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022**NOTES TO THE QUARTERLY FINANCIAL REPORT (Continued)****A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

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

A5. MATERIAL CHANGES IN ESTIMATES

There were no other changes in estimates that have had a material effect in the current quarter results.

A6. DEBT AND EQUITY SECURITIES

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter.

The issued and paid-up capital of the Company are as follows: -

	No. of shares	RM
As at 30 September 2022	515,681,575	211,145,120

As at 30 September 2022, the total number of unexercised ESOS Options are as follows: -

Date of offer ESOS Options	Option Price (RM)	Total no. of unexercised ESOS Options
27/2/2017	0.53	1,599,600
12/12/2017	0.29	3,907,210
28/5/2020	0.68	13,747,700
TOTAL		19,254,510

As at 30 September 2022, the number of Warrant-C in issue is 49,588,723 with an exercise price of RM 0.56. The warrant will expire on 14 March 2023.

A7. DIVIDEND PAID

No dividend was paid during the quarter under review.

A8. SEGMENTAL INFORMATION

The Group is primarily engaged in four business segment which is in the design and volume production of high precision metal manufacturing of hard disk drive (“HDD”), automotive industries’ components, electronic manufacturing services (“EMS”) and health care products. Breakdown of segmental revenue and product mix is found in Note B2.

The Group’s operations are conducted in Malaysia and Thailand.

A9. VALUATION OF ASSETS

There was no revaluation of property, plant and equipment for the quarter under review.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTER

There were no material event subsequent to the end of the quarter under review save for the following: -

- On 22 November 2022, the insurer has made a payment of RM RM2,572,830.25 to the Company’s wholly-owned subsidiary, Notion Venture Sdn Bhd as full and final settlement of the flood loss at the Factory in December 2021. This payment has been recognised as accrued income during the financial year together with the interim payment of RM2,000,000 received on 22 March 2022.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

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

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

NOTES TO THE QUARTERLY FINANCIAL REPORT (Continued)

A12. CONTINGENT LIABILITIES

The Company has entered into financial guarantee contracts to provide financial guarantees to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of approximately RM 213,751,000. The total utilisation of these credit facilities as at 30 September 2022 amounted to approximately RM 52,532,000.

A13. CAPITAL COMMITMENTS

Approved and contracted for:

-Purchase of property, plant and equipment

**As at
30.09.2022
RM'000**

9,948

A14. SIGNIFICANT RELATED PARTY TRANSACTIONS

All related party transactions and balances within the Group had been entered into in the normal course of business and were carried out on normal commercial terms during the current financial quarter.

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. GROUP PERFORMANCE REVIEW

<u>REVENUE</u>	INDIVIDUAL QUARTER			CUMMULATIVE QUARTER		
	Q4FY2022 RM'000	Q4FY2021 RM'000	Change	Q4FY2022 RM'000	Q4FY2021 RM'000	Change
HDD	33,282	27,010	23%	126,612	99,253	28%
Automotive	23,000	18,823	22%	90,360	94,912	-5%
<u>Engineered Products</u>						
Camera	4,278	2,506	71%	13,771	10,608	30%
EMS & Others	23,990	12,712	96%	83,185	59,738	39%
PPE	1,120	53,165	-98%	22,554	88,404	-74%
TOTAL	85,670	114,216	-25%	336,482	352,915	-5%

The Group recorded revenue and profit after taxation (“PAT”) of RM 85.7 million and RM 14.3 million respectively for the quarter ended 30 September 2022 (“Q4FY2022”). Refer Notes B2 and B3 below for a detailed review of the Group’s performance.

B2. COMPARISON WITH PRECEDING QUARTER’S RESULTS

	INDIVIDUAL QUARTER		Changes
	Q4FY2022 RM'000	Q3FY2022 RM'000	
Revenue	85,670	81,343	5%
Gross Profit	14,914	7,178	>100%
Profit before taxation	13,350	10,191	31%
Profit after taxation	14,278	1,750	>100%
EBITDA	20,416	19,847	-3%

The Group registered a higher revenue of RM85.7 million as compared to Q3FY2022 of RM81.3 million. The increase of RM4.3 million in revenue was contributed by the HDD & EMS segment as a result of higher average selling price driven by the increase in material cost coupled with favourable exchange rate from the strengthening of the US dollar.

The higher PAT of RM14.3 million in the current quarter (Q3FY2022: PAT RM1.8 million) was contributed by improved performance in revenue and the recognition of the RM4.6 million insurance claims pertaining to the flood incident.

Although there was an insurance claim of RM28.0 million for business interruption in respect of the fire incident taken-up in Q3FY2022, the profit was impacted with the impairment of property, plant and equipment of RM11.1 million, inventory written down of RM5.7 million and the recognition of a deferred tax expense of RM7.8 million.

The EBITDA for Q4FY2022 was RM20.4 million compared to RM19.8 million in Q3FY2022. The higher EBITDA in Q4FY2022 were mainly because of the reasons as mentioned above.

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)

B3. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

	CUMULATIVE	
	Q4FY2022 RM'000	Q4FY2021 RM'000
Revenue	336,482	352,915
Gross Profit	47,299	39,389
Profit/(Loss) after taxation	8,736	(7,810)
Gross Profit Margin (%)	14	11
Profit/(Loss) after taxation margin (%)	3	(2)

1. Q4 FY2022 vs Q4 FY2021 (RM):	Q4 FY22	Q4 FY21
HDD grew 23%	33.3 mil	27.0 mil
Automotive grew 22%	23.0 mil	18.8 mil
Camera grew 71%	4.3 mil	2.5 mil
EMS grew 89%	24.0 mil	12.7 mil
PPE down -98%	1.1 mil	53.2 mil
Revenue down -25%	85.7 mil	114.2 mil
 FY2022 vs FY2021 (RM):	 FY22	 FY21
HDD grew 28%	126.6 mil	99.3 mil
Automotive down -5%	90.4 mil	94.9 mil
Camera grew 30%	13.8 mil	10.6 mil
EMS grew 39%	83.2 mil	59.7 mil
PPE down -74%	22.6 mil	88.4 mil
Revenue -5%	336.5 mil	352.9 mil
Gross profit margin	14%	11%
PAT/LAT margin	3%	(2%)

Prospect and FY2023 Outlook:

Based on the internal management target, the Group is expecting a revenue growth of approximately 19% for FY2023 mainly driven by the Automotive segment and EMS segment as compared to FY2022.

Strategies to be deployed in FY2023 are as follows:

- ESG: The Group is focusing its effort to be ESG compliant in all critical aspects.
- EMS: This is the new core growth segment for the next 3 years as strong growth is expected.
- Focus on core: The Notion Group will refocus back to its core engineering precision machining business.
- We will focus on cost control and productivity improvements.

Board is cautiously optimistic on the resilience and sustainable growth for the next few years amidst an expected global recession in calendar year 2023.

Our main growth drivers for the next 3 to 5 years are the EMS and Power Distribution segments which we have identified to have potential opportunities.

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)

B4. PROFIT FORECAST, PROFIT GUARANTEE AND INTERNAL TARGETS

The Group did not issue any profit guarantee and profit forecast during the current financial year to date.

B5. TAXATION

	INDIVIDUAL QUARTER QUARTER ENDED		CUMULATIVE QUARTER YEAR ENDED	
	30.09.2022 RM'000	30.09.2021 RM'000	30.09.2022 RM'000	30.09.2021 RM'000
Tax based on result for the year:-				
-Current tax	411	303	2,857	1,140
-Deferred tax	(1,247)	(2,433)	6,543	(2,567)
Tax under/(over) provided in prior year:-				
-Current tax	-	(6)	299	29
-Deferred tax	(92)	(1,064)	(92)	(1,064)
	<u>(928)</u>	<u>(3,200)</u>	<u>9,607</u>	<u>(2,462)</u>

The effective tax rate of the Group for the current financial quarter and financial year ended 30 September 2022 is higher than the statutory tax rate of 24% due to the utilisation of capital allowances against the adjusted business income resulting in a deferred taxation movement and tax charges on the profits of certain subsidiaries which cannot be used to offset against the losses of other subsidiaries.

B6. STATUS OF CORPORATE PROPOSALS

There are no other corporate proposals announced but pending completion as at the date of this report.

B7. BORROWINGS AND DEBTS SECURITIES

The Group's borrowings are as follows:

	As at 30.09.2022 RM'000	As at 30.09.2021 RM'000
NON-CURRENT		
<u>SECURED</u>		
Term Loan	7,383	14,184
	<u>7,383</u>	<u>14,184</u>
CURRENT		
<u>SECURED</u>		
Term Loan	6,800	6,802
Trust receipt	1,955	-
Revolving Credit	5,000	12,000
	<u>13,755</u>	<u>18,802</u>

The term loans are secured by legal charges over certain property, plant and equipment belonging to certain subsidiaries of the Company.

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)

B8. NOTES TO THE CONDENSED CONSOLIDATED INCOME STATEMENT

Profit/(Loss) before tax is arrived at after charging / (crediting) the following items:

	INDIVIDUAL QUARTER QUARTER ENDED		CUMULATIVE QUARTER YEAR ENDED	
	30.09.2022 RM'000	30.09.2021 RM'000	30.09.2022 RM'000	30.09.2021 RM'000
Amortisation of deferred income on government grant	(112)	(72)	(328)	(288)
Bad debts written off	451	-	951	-
Deposit written off	-	-	848	6
Depreciation and amortisation	6,412	8,424	33,096	34,674
Interest expense	680	949	3,092	4,039
(Gain)/Loss on disposal property, plant and equipment	(51)	314	(972)	(121)
Gain on disposal intangible assets	-	-	-	(1,121)
Gain on disposal right-of-use assets	-	-	-	(26)
Fair value loss on other investment	-	-	-	500
Insurance claims income	(4,593)	-	(32,628)	(365)
Inventories written off	(6,948)	-	519	491
Inventories written down	(1,615)	-	4,108	3,159
Unrealised loss/(gain) on foreign exchange	(543)	710	(1,756)	(87)
Impairment loss on property, plant and equipment	2,785	-	13,864	-
Impairment loss on receivables	206	783	206	923
Interest income	(26)	(17)	(76)	(231)
Realised gain on foreign exchange	(3,200)	-	(6,930)	(3,578)
Reversal of inventories written down	(973)	-	(973)	(844)
Reversal of impairment loss on receivables	-	-	-	(194)

The following items are not applicable in the financial period under review:

Gain or loss on disposal of quoted or unquoted investment or properties
Gain or loss on derivatives

B9. MATERIAL LITIGATION

There were no material litigations that might adversely and materially affect the position of the Group as at date of this report.

B10. DIVIDENDS

No dividend has been proposed for the quarter ended 30 September 2022.

B11. EARNINGS PER SHARE

The earnings per share is calculated by dividing the profit attributable to the owners of the Company by the number of ordinary shares in issue.

	INDIVIDUAL QUARTER QUARTER ENDED		CUMULATIVE QUARTER YEAR ENDED	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Profit/(Loss) after taxation	14,278	(2,625)	8,736	(7,810)
Based on the weighted average number of ordinary shares in issue ('000)	515,682	515,589	515,682	515,589
Basic & diluted earnings/(losses) per share (sen)	<u>2.77</u>	<u>(0.51)</u>	<u>1.69</u>	<u>(1.52)</u>

NOTION VTEC BERHAD (“Notion” or “The Company”)

Registration No: - 200301035125 (637546-D)

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)

AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 25 November 2022.

By Order of the Board

Petaling Jaya

25 November 2022