

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

**Registration No: - 200301035125 (637546-D)**

**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended		Year Ended	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	RM'000	RM'000	RM'000	RM'000
	(unaudited)	(unaudited)	(unaudited)	(audited)
Revenue	99,888	85,670	351,128	334,146
Cost of sales	<u>(91,405)</u>	<u>(70,756)</u>	<u>(324,583)</u>	<u>(302,013)</u>
<b>Gross profit</b>	<b>8,483</b>	<b>14,914</b>	<b>26,545</b>	<b>32,133</b>
Other operating income	6,292	12,739	13,901	50,828
Operating expenses	(52,054)	(13,781)	(79,765)	(59,814)
Finance costs	<u>(710)</u>	<u>(522)</u>	<u>(3,141)</u>	<u>(4,171)</u>
<b>(Loss)/Profit before tax</b>	<b>(37,989)</b>	<b>13,350</b>	<b>(42,460)</b>	<b>18,976</b>
Tax income/(expense)	<u>1,995</u>	<u>928</u>	<u>(3,136)</u>	<u>(9,597)</u>
<b>(Loss)/Profit after tax</b>	<b>(35,994)</b>	<b>14,278</b>	<b>(45,596)</b>	<b>9,379</b>
<b>Other comprehensive income</b>				
- currency translation differences	<u>(1,749)</u>	<u>(1,944)</u>	<u>3,972</u>	<u>(3,348)</u>
<b>Total comprehensive (expense)/income for the financial year</b>	<b><u>(37,743)</u></b>	<b><u>12,334</u></b>	<b><u>(41,624)</u></b>	<b><u>6,031</u></b>
<b>(Loss)/Profit after taxation attributable to:</b>				
-Owners of the Company	(35,994)	14,278	(45,596)	9,379
-Non-controlling Interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>(35,994)</u></u>	<u><u>14,278</u></u>	<u><u>(45,596)</u></u>	<u><u>9,379</u></u>
<b>Total comprehensive (expense)/income for the financial year attributable to:</b>				
-Owners of the Company	(37,743)	12,334	(41,624)	6,031
-Non-controlling Interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>(37,743)</u></u>	<u><u>12,334</u></u>	<u><u>(41,624)</u></u>	<u><u>6,031</u></u>
(Loss)/Earnings Per Share (sen)	<u>(6.98)</u>	<u>2.77</u>	<u>(8.84)</u>	<u>1.82</u>
Proposed/Declared Dividend Per Share (sen)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 September 2022 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 2023****CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As At 30.09.2023 RM'000 (Unaudited)</b>	<b>As At 30.09.2022 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	278,571	320,854
Right-of-use assets	2,761	2,482
	<u>281,332</u>	<u>323,336</u>
<b>Current assets</b>		
Inventories	53,690	86,142
Trade receivables	110,385	97,750
Other receivables	11,310	17,572
Current tax assets	4,443	8,401
Cash and bank balances	49,014	18,123
Total current assets	<u>228,842</u>	<u>227,988</u>
<b>TOTAL ASSETS</b>	<b><u>510,174</u></b>	<b><u>551,324</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	211,228	211,145
Share option reserve	4,949	4,949
Currency translation reserve	3,868	(104)
Capital reserve	4,800	4,800
Retained profits	155,595	201,191
<b>TOTAL EQUITY</b>	<u>380,440</u>	<u>421,981</u>
<b>Non-current liabilities</b>		
Loans and borrowings	13,633	23,291
Lease liabilities	1,845	1,597
Retirement benefits	840	798
Deferred tax liabilities	12,799	11,442
Deferred income on government grants	5,539	5,987
	<u>34,656</u>	<u>43,115</u>
<b>Current liabilities</b>		
Loans and borrowings	19,673	28,458
Lease liabilities	1,180	1,221
Trade Payables	48,959	25,429
Other Payables	24,846	30,736
Current tax liabilities	420	384
Total current liabilities	<u>95,078</u>	<u>86,228</u>
<b>TOTAL LIABILITIES</b>	<u>129,734</u>	<u>129,343</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>510,174</u></b>	<b><u>551,324</u></b>
Net assets per ordinary share (RM)	<b><u>0.7375</u></b>	<b><u>0.8183</u></b>

The consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 September 2022 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 2023**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	←-----Non-distributable-----→				Distributable	Total Equity
	Share Capital	Share Option Reserve	Currency Translation Reserve	Capital Reserve	Retained Profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>12 months ended 30 September 2023</b>						
Balance at 1 October 2022	211,145	4,949	(104)	4,800	201,191	421,981
Loss after taxation	-	-	-	-	(45,596)	(45,596)
Currency translation differences for foreign operation	-	-	3,972	-	-	3,972
Total comprehensive income/(expense) for the financial year	-	-	3,972	-	(45,596)	(41,624)
<b>Transaction with owners:</b>						
- Issuance of shares pursuant to conversion of Warrant C	83	-	-	-	-	83
Balance at 30 September 2023	211,228	4,949	3,868	4,800	155,595	380,440
<b>12 months ended 30 September 2022</b>						
Balance at 1 October 2021	211,145	4,949	3,244	4,800	191,812	415,950
Profit after taxation	-	-	-	-	9,379	9,379
Currency translation differences for foreign operation	-	-	(3,348)	-	-	(3,348)
Total comprehensive (expense)/income for the financial year	-	-	(3,348)	-	9,379	6,031
Balance at 30 September 2022	211,145	4,949	(104)	4,800	201,191	421,981

The consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2022 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 2023

**CONSOLIDATED STATEMENT OF CASH FLOW**

	Year Ended	
	30.09.2023	30.09.2022
	RM'000	RM'000
	(unaudited)	(audited)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss)/Profit before tax	(42,460)	18,976
Adjustments for:		
Amortisation of deferred income on government grant	(447)	(328)
Bad debts written off	*	951
Depreciation	31,639	32,971
Deposit written off	70	848
Gain on disposal of property, plant and equipment	(4,350)	(975)
Impairment loss on property, plant and equipment	30,696	13,863
Impairment loss on receivables	1,435	206
Increase in liabilities of retirement benefits	43	132
Interest expense	2,891	3,645
Interest income	(200)	(76)
Inventories written off	8,495	2,126
Inventories written down	8	4,919
Reversal of inventories written down	(2,127)	(2,793)
Reversal of impairment loss on receivables	-	(360)
Unrealised loss/(gain) on foreign currency translation	1,636	(2,390)
Operating profit before working capital changes	27,329	71,715
Decrease/(Increase) in inventories	26,074	(21,014)
Increase in receivables	(9,365)	(33,226)
Increase in payables	21,557	408
Cash generated from operations	65,595	17,883
Payment for retirement benefits	-	(18)
Interest paid	(2,891)	(3,645)
Tax refund	2,208	534
Net cash generated from operating activities	64,912	14,754
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received	200	76
Proceeds from disposal of property, plant and equipment	379	2,102
Purchase of property, plant and equipment	(15,499)	(7,129)
Net cash used in investing activities	(14,920)	(4,951)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Drawdown of hire purchase	2,284	11,340
Grant received	-	1,584
Increase/(Decrease) in short term loans and borrowings (net)	1,045	(5,045)
Proceed from warrant conversion	83	-
Repayment of hire purchase obligations	(14,970)	(13,775)
Repayment of lease liability	(1,648)	(1,494)
Repayment of term loans	(6,802)	(6,803)
Net cash used in financing activities	(20,008)	(14,193)

\*Amount less than RM1,000

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

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**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023****CONSOLIDATED STATEMENT OF CASH FLOW (CONT'D)**

	Year Ended	
	30.09.2023	30.09.2022
	RM'000	RM'000
	(unaudited)	(audited)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	29,984	(4,390)
Cash and cash equivalents at beginning of year	18,123	22,707
Currency translation - subsidiaries	907	(194)
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of year</b>	<b>49,014</b>	<b>18,123</b>
	<hr/> <hr/>	<hr/> <hr/>
<i>Represented by:</i>		
Cash and bank balances	49,014	18,123
Overdraft	-	-
	<hr/>	<hr/>
	<b>49,014</b>	<b>18,123</b>
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The consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 September 2022 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 2023

### 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 (“MMLR”) 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 2022 (“FYE 2022”) 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 2022 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 2022.

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

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

Amendments to MFRS 3	<i>Reference to the Conceptual Framework</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>
Annual Improvements to MFRS Standards 2018 - 2020	

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 2023**

MFRS 17	<i>Insurance Contracts</i>
Amendments to MFRS 17	<i>Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information</i>
Amendments to MFRS 101	<i>Presentation of Financial Statements – Disclosures of Accounting Policies</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>

#### **MFRS effective for financial periods beginning on or after 1 January 2024**

Amendments to MFRS 16	<i>Leases – Lease Liability in a Sale and Leaseback</i>
Amendments to MFRS 101	<i>Presentation of Financial Statements – Classification of liabilities as current or non-current</i>
Amendments to MFRS 101	<i>Presentation of Financial Statements – Non-current Liabilities with Covenants</i>

#### **MFRS effective for financial periods beginning on or after a date yet to be confirmed**

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>
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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 2022 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.

#### 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.

**NOTION VTEC BERHAD (“Notion” or “The Company”)****Registration No: - 200301035125 (637546-D)****UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023****NOTES TO THE QUARTERLY FINANCIAL REPORT (Continued)****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:-

	<u>No. of Shares</u>	<u>RM</u>
Issued and paid-up share capital as at 30 September 2023	<u>515,828,850</u>	<u>211,227,594</u>

As at 30 September 2023, 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 February 2017	0.53	1,599,600
12 December 2017	0.29	3,907,210
28 May 2020	0.68	13,747,700
<b>TOTAL</b>		<u><b>19,254,510</b></u>

**A7. DIVIDEND PAID**

No dividend was paid during the quarter under review.

**A8. SEGMENTAL INFORMATION**

The Group is primarily engaged in four business segments which are in the design and volume production of high precision metal manufacturing of hard disk drive (“HDD”), automotive industries’ components, electronic manufacturing services (“EMS”) and personal protective equipment (“PPE”). Breakdown of segmental revenue and product mix is disclosed in Note B1.

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 was no material event subsequent to the end of the quarter under review.

**A11. CHANGES IN THE COMPOSITION OF THE GROUP**

On 24 November 2023, the Company had acquired 51% equity interest in Notion Industrial Technology (ShenZhen) Limited.

**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 263 million. The total utilisation of these credit facilities as at 30 September 2023 amounted to approximately RM 40 million.

**A13. CAPITAL COMMITMENTS**

	<b>As at 30.09.2023 RM’000</b>
Approved and contracted for: -Purchase of property, plant and equipment	<u><u>1,809</u></u>

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**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

**NOTES TO THE QUARTERLY FINANCIAL REPORT (Continued)**

**A14. SIGNIFICANT RELATED PARTY TRANSACTIONS**

All related party transactions 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 2023**

ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

**B1. GROUP PERFORMANCE REVIEW**

<u>REVENUE</u>	INDIVIDUAL QUARTER			CUMMULATIVE QUARTER		Change
	Q4FY2023 RM'000 (unaudited)	Q4FY2022 RM'000 (unaudited)	Change	Q4FY2023 RM'000 (unaudited)	Q4FY2022 RM'000 (audited)	
HDD	16,381	33,282	(51%)	81,797	126,612	(35%)
Automotive	28,094	23,000	22%	109,391	90,360	21%
<u>Engineered Products</u>						
Camera	3,170	4,278	(26%)	15,950	13,771	16%
EMS & Others	51,148	23,990	>100%	137,070	82,856	66%
PPE	1,095	1,120	(2%)	6,920	20,547	(66%)
<b>TOTAL</b>	<b>99,888</b>	<b>85,670</b>	<b>17%</b>	<b>351,128</b>	<b>334,146</b>	<b>5%</b>

The Group recorded revenue and loss after taxation (“LAT”) of RM351.1 million and RM45.6 million respectively for the quarter ended 30 September 2023 (“Q4FY2023”). 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
	Q4FY2023 RM'000 (unaudited)	Q3FY2023 RM'000 (unaudited)	
Revenue	99,888	83,198	20%
Gross Profit	8,483	6,553	29%
(Loss)/Profit before taxation	(37,989)	2,744	->100%
(Loss)/Profit after taxation	(35,994)	1,821	->100%
EBITDA	(29,055)	11,204	->100%

The Group registered a higher revenue of RM99.9 million as compared to Q3FY2023 of RM83.2 million. The increased of RM16.7 million in revenue was contributed by the increased demand in automotive and EMS segments.

The Loss before Tax (“LBT”) for current quarter is RM38.0 million (Q3FY2023: Profit before Tax of RM2.7 million), the loss in current quarter was impacted by impairment of plant and machineries of RM30.7 million and inventory written off of RM8.5 million. If not for the major one-off impairment above, the Group would declare a profit before tax of RM1.2 million.

Notwithstanding the above, the Group wishes to highlight that operating cashflow for the quarter was positive at RM20.4 million and borrowings have dropped from RM38.6 million in the previous quarter to RM33.3 million in the current quarter as the Group honours its financial commitment.

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**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

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

**B3. PROSPECTS FOR THE CURRENT FINANCIAL YEAR**

## 1) Review of Q4 performance

Quarter on quarter: FY2023

RM mil	Q4	Q3	% change
Revenue	99.9	83.2	+20%
Gross Profit	8.5	6.6	+29%
LBT / PBT	(38.0)	2.7	->100%
LAT / PAT	(36.0)	1.8	->100%

## 2) Segmental business

Quarter on quarter: FY2023

Segment (RM mil)	Q4	Q3	% change
HDD	16.4	15.9	+3%
Automotive	28.1	26.6	+6%
Camera/EMS	54.3	38.5	+41%
PPE	1.1	2.2	(50%)
Total	99.9	83.2	+20%

## 3) Financials

RM mil	Q4	Q3	% change
Inventories	53.7	68.0	(21%)
Trade receivables	110.4	102.4	+8%
Cash/bank balances	49.0	39.5	+24%
Loans/borrowings	33.2	38.6	(14%)
Trade Payables	49.0	31.1	+58%
Total liabilities/Total Equity Ratio	0.34	0.29	+17%

## 4) Market conditions and updates

Increased costs of doing business due to prevailing high interest rate is not conducive for businesses globally, reduced consumer spending and spiraling public and private debts is not good for the economy.

As announced in the previous quarter, the bulk of the PPE assets have been fully impaired in current quarter causing the results to be impacted significantly. It is a necessary prudent move.

The HDD segment is a result of reduced orders from customers but we expect a resumption of orders in Q1 and Q2 of FY2024 and we have committed to increase in capacity to cater for the increase by purchasing CNC lathes.

The Automotive segment will remain steady and only in FY2025 we expect good growth as Europe’s market is depressed.

The EMS segment has increased substantially and will continue to be the main contributor to the Group’s financial performance.

The Group continues to consider investment in less carbon intensive businesses in line with the ESG agenda and diversifying the streams of income. Priority is always given to ensuring growth in revenue, cashflow and profitability of the projects and current business.

## 5) Outlook

Notwithstanding the global market conditions and sentiments mentioned in Section (4) above, the management of the Group has continuously engaged with customers and is committed to progress and operate efficiently. With that the Board is optimistic of the future, continued sustainability and prosperity of the Group against an uncertain world economy. Being exports oriented and the strong USD and Euro, has helped the Group in weathering through the difficulties of the business cycle.

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**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

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.

**B5. TAXATION**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED		YEAR ENDED	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	RM'000	RM'000	RM'000	RM'000
Tax based on result for the year				
-Current tax	(182)	411	1,203	2,902
-Under provision in prior years	157	(1,247)	576	244
-Deferred tax	(1,970)	(92)	1,357	6,451
	<u>(1,995)</u>	<u>(928)</u>	<u>3,136</u>	<u>9,597</u>

The effective tax rate of the Group for the current financial quarter and financial year ended 30 September 2023 is higher than the statutory tax rate of 24% due to unallowable expenses and tax charges on the profits of certain 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 30.09.2023	As at 30.09.2022
	RM'000	RM'000
	(Unaudited)	(Audited)
<b>NON-CURRENT</b>		
<u>SECURED</u>		
Hire purchase payables	10,558	15,910
Term Loans	<u>3,075</u>	<u>7,381</u>
	<u>13,633</u>	<u>23,291</u>
<b>CURRENT</b>		
<u>SECURED</u>		
Hire purchase payables	7,367	14,701
Term loan	4,306	6,802
Revolving credits	8,000	5,000
Trust receipts	<u>-</u>	<u>1,955</u>
	<u>19,673</u>	<u>28,458</u>

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

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

Registration No: - 200301035125 (637546-D)

**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

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		CUMULATIVE QUARTER	
	QUARTER ENDED		YEAR ENDED	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	RM'000	RM'000	RM'000	RM'000
Depreciation	8,371	6,412	31,639	32,971
Interest expense	634	680	2,891	3,645
Bad debts written off	*	451	*	951
Deposit written off	-	-	70	848
Unrealised loss/(gain) on foreign exchange	2,158	(543)	1,636	(2,390)
Amortisation of deferred income on government grant	(112)	(112)	(447)	(328)
Gain on disposal property, plant and equipment	(4,317)	(51)	(4,350)	(975)
Impairment loss on property, plant and equipment	30,696	2,785	30,696	13,863
Impairment loss on receivables	1,435	206	1,435	206
Insurance claims income	-	(4,593)	-	(32,628)
Interest income	(71)	(26)	(200)	(76)
Realised gain on foreign exchange	(1,566)	(3,200)	(6,797)	(6,955)
Inventories written off	8,495	(6,948)	8,495	2,126
Inventories written down	(3,592)	(1,615)	8	4,919
Reversal of inventories written down	(2,121)	(973)	(2,127)	(2,793)
Reversal of impairment loss on receivables	-	-	-	(360)

\*Amount less than RM1,000

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 2023.

**B11. (LOSS)/EARNINGS PER SHARE**

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED		YEAR ENDED	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	Unaudited	Unaudited	Unaudited	Audited
(Loss)/Profit after taxation (RM '000)	(35,994)	14,278	(45,596)	9,379
Based on the weighted average number of ordinary shares in issue ('000)	515,829	515,682	515,793	515,682
Basic & diluted (loss)/earnings per share (sen)	(6.98)	2.77	(8.84)	1.82

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

**Registration No: - 200301035125 (637546-D)**

**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

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

**B12. ADDITIONAL DISCLOSURE REQUIREMENT**

Update of Memorandum of Understanding (“**MOU**”) pursuant to Paragraph 9.29, Chapter 9 of the MMLR of Bursa Securities.

Notion Venture Sdn Bhd (“**NVSB**”), wholly owned subsidiary of the Company had on 28 February 2023 entered into a MOU with Leader Energy Ventures Sdn Bhd (“**Leader**”) to establish a mutual discussion in which Leader to sell the renewable energy generated by the off-site project under a virtual power purchase agreement framework for NVSB to offset its carbon footprint and meet the renewable energy targets.

There has been no material update and no subsequent agreement has been entered arising from the MOU as at the date of this announcement.

**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 28 November 2023.

**By Order of the Board**

Petaling Jaya

28 November 2023