

Bermaz Auto Berhad

Company Registration No: 201001016854 (900557-M)

Date: 12 December 2023

Subject: **UNAUDITED QUARTERLY (Q2) INTERIM FINANCIAL REPORT FOR
THE PERIOD ENDED 31 OCTOBER 2023**

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BERMAZ AUTO BERHAD**Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	3 months ended		Year to date ended	
	31/10/2023	31/10/2022	31/10/2023	31/10/2022
	RM'000	RM'000	RM'000	RM'000
GROUP REVENUE	1,006,951	782,969	2,096,229	1,499,838
PROFIT FROM OPERATIONS	107,594	81,212	238,287	151,414
Investment related income	2,905	3,308	6,077	6,178
Finance costs	(2,064)	(2,191)	(3,887)	(4,719)
Share of results of associates	14,399	9,260	23,024	13,282
PROFIT BEFORE TAX	122,834	91,589	263,501	166,155
INCOME TAX EXPENSE	(27,113)	(20,781)	(59,879)	(38,731)
PROFIT AFTER TAX	95,721	70,808	203,622	127,424
OTHER COMPREHENSIVE ITEM				
<u>Item that may be reclassified subsequently to profit or loss</u>				
Foreign currency translation	3,658	1,163	6,330	(2,197)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	99,379	71,971	209,952	125,227
PROFIT ATTRIBUTABLE TO:				
- Equity holders of the Company	90,096	65,673	190,315	115,832
- Non-controlling interests	5,625	5,135	13,307	11,592
	95,721	70,808	203,622	127,424
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
- Equity holders of the Company	92,355	66,387	194,215	114,479
- Non-controlling interests	7,024	5,584	15,737	10,748
	99,379	71,971	209,952	125,227
EARNINGS PER SHARE (SEN)				
-Basic, for the period	7.73	5.65	16.32	9.97
-Diluted, for the period	7.72	5.64	16.30	9.94

The annexed notes form an integral part of this interim financial report.

BERMAZ AUTO BERHAD

Company Registration No: 201001016854 (900557-M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 31/10/2023 RM'000	Group As at 30/4/2023 RM'000 (Audited)
ASSETS		
Non-current Assets		
Property, plant and equipment	42,948	44,580
Right-of-use assets	73,469	72,245
Associated companies	339,873	316,552
Deferred tax assets	115,879	104,609
Goodwill	500	500
	<u>572,669</u>	<u>538,486</u>
Current Assets		
Inventories	602,901	503,873
Trade and other receivables	195,824	207,843
Tax recoverable	1,446	279
Deposits with financial institutions	352,876	448,419
Cash and bank balances	169,282	89,182
	<u>1,322,329</u>	<u>1,249,596</u>
TOTAL ASSETS	<u>1,894,998</u>	<u>1,788,082</u>
EQUITY AND LIABILITIES		
Share capital	624,748	619,614
Reserves	153,946	147,276
	<u>778,694</u>	<u>766,890</u>
Treasury shares	(8,596)	(2,034)
	<u>770,098</u>	<u>764,856</u>
Non-controlling interests	90,285	76,610
Total Equity	<u>860,383</u>	<u>841,466</u>
Non-current Liabilities		
Lease liabilities	70,661	68,807
Contract liability	239,466	213,928
Provisions	63,454	60,952
	<u>373,581</u>	<u>343,687</u>
Current Liabilities		
Lease liabilities	13,500	13,037
Borrowings	108,385	99,936
Trade and other payables	381,251	360,144
Contract liability	88,837	75,957
Provisions	37,926	31,396
Tax payable	31,135	22,459
	<u>661,034</u>	<u>602,929</u>
Total Liabilities	<u>1,034,615</u>	<u>946,616</u>
TOTAL EQUITY AND LIABILITIES	<u>1,894,998</u>	<u>1,788,082</u>
Basic net assets per share (sen)	66.04	65.54
Dilutive net assets per share (sen)	66.12	65.84

Note:

The net assets per share is calculated based on the following :

Basic : Total equity less non-controlling interests divided by the number of outstanding shares in issue with voting rights.

Dilutive : Total equity less non-controlling interests divided by the number of outstanding shares in issue with voting rights and the potential issue of new shares pursuant to the exercise of the Company's outstanding unexercised options granted under the Company's Employees' Share Scheme ("ESS").

The annexed notes form an integral part of this interim financial report.

BERMAZ AUTO BERHAD
Company Registration No: 201001016854 (9005570M)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Company										
	Non-distributable					Distributable					
	Share capital RM'000	Employees' share plan reserves RM'000	Exchange reserve RM'000	Consolidation reserve RM'000	FVTOCI reserve RM'000	Merger deficit RM'000	Retained earnings RM'000	Treasury shares RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 May 2023	619,614	3,867	(2,733)	32,981	(1,666)	(424,000)	538,827	(2,034)	764,856	76,610	841,466
Total comprehensive income	-	-	3,900	-	-	-	190,315	-	194,215	15,737	209,952
Transactions with owners:											
Share-based payment under ESS	-	213	-	-	-	-	-	-	213	-	213
Treasury shares acquired	-	-	-	-	-	-	(6,562)	(6,562)	-	-	(6,562)
ESS options exercised	5,099	(1,078)	-	-	-	-	-	4,021	-	-	4,021
ESS options forfeited	35	(35)	-	-	-	-	-	-	-	-	-
Arising from increase in equity interest in a subsidiary company	-	-	-	146	(24)	-	-	-	122	(1,082)	(960)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(980)	(980)
Interim dividend *	-	-	-	-	-	-	(40,880)	-	(40,880)	-	(40,880)
Special dividend +	-	-	-	-	-	-	(87,600)	-	(87,600)	-	(87,600)
Interim dividend ~	-	-	-	-	-	-	(58,287)	-	(58,287)	-	(58,287)
	5,134	(900)	-	146	(24)	-	(186,767)	(6,562)	(188,973)	(2,062)	(191,035)
At 31 October 2023	624,748	2,967	1,167	33,127	(1,690)	(424,000)	542,375	(8,596)	770,098	90,285	860,383

	Attributable to the equity holders of the Company										
	Non-distributable					Distributable					
	Share capital RM'000	Employees' share plan reserves RM'000	Exchange reserve RM'000	Consolidation reserve RM'000	FVTOCI reserve RM'000	Merger deficit RM'000	Retained earnings RM'000	Treasury shares RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
As at 1 May 2022	609,443	7,331	(485)	32,981	(1,666)	(424,000)	412,877	(2,781)	633,700	54,532	688,232
Total comprehensive income	-	-	(1,353)	-	-	-	115,832	-	114,479	10,748	125,227
Transactions with owners:											
Share-based payment under ESS	-	724	-	-	-	-	-	-	724	-	724
Treasury shares acquired	-	-	-	-	-	-	(1,093)	(1,093)	-	-	(1,093)
ESS options exercised	8	(1)	-	-	-	-	-	7	-	-	7
Interim dividend ^	-	-	-	-	-	-	(23,244)	-	(23,244)	-	(23,244)
Special dividend ^^	-	-	-	-	-	-	(29,055)	-	(29,055)	-	(29,055)
Interim dividend ^^	-	-	-	-	-	-	(34,848)	-	(34,848)	-	(34,848)
	8	723	-	-	-	-	(87,147)	(1,093)	(87,509)	-	(87,509)
At 31 October 2022	609,451	8,054	(1,838)	32,981	(1,666)	(424,000)	441,562	(3,874)	660,670	65,280	725,950

Notes:

* Fourth interim dividend of 3.50 sen single-tier dividend per share in respect of financial year ended 30 April 2023.

+ Special dividend of 7.50 sen single-tier dividend per share in respect of financial year ended 30 April 2023.

~ First interim dividend of 5.00 sen single-tier dividend per share in respect of financial year ending 30 April 2024.

^ Fourth interim dividend of 2.00 sen single-tier dividend per share in respect of financial year ended 30 April 2022.

^^ Special dividend of 2.50 sen single-tier dividend per share in respect of financial year ended 30 April 2022.

^^^ First interim dividend of 3.00 sen single-tier dividend per share in respect of financial year ended 30 April 2023.

The annexed notes form an integral part of this interim financial report.

BERMAZ AUTO BERHAD

Company Registration No: 201001016854 (9005570M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended	
	31/10/2023	31/10/2022
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from operations	2,128,467	1,489,190
Payment to suppliers and operating expenses	(1,896,723)	(1,371,140)
Payment of taxes (net)	(63,258)	(35,747)
Net cash flow generated from operating activities	<u>168,486</u>	<u>82,303</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	207	57
Increase in investment in a subsidiary	(960)	-
Acquisition of property, plant and equipment	(2,363)	(6,724)
Interest received	6,098	7,585
Net cash flow generated from investing activities	<u>2,982</u>	<u>918</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of share capital	4,021	7
Purchase of treasury shares	(6,562)	(1,093)
Dividends paid to non-controlling interests	(980)	-
Net movement in borrowings	8,265	-
Interest paid	(1,626)	(3,016)
Dividends paid	(180,997)	(78,448)
Payment of lease liabilities	(10,038)	(8,438)
Net cash flow used in financing activities	<u>(187,917)</u>	<u>(90,988)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(16,449)</u>	<u>(7,767)</u>
OPENING CASH AND CASH EQUIVALENTS	<u>537,601</u>	<u>694,408</u>
Effect of exchange rate changes	1,006	(3,352)
CLOSING CASH AND CASH EQUIVALENTS	<u><u>522,158</u></u>	<u><u>683,289</u></u>
Cash and cash equivalents carried forward comprise:		
Deposits with financial institutions	352,876	525,912
Cash and bank balances	<u>169,282</u>	<u>157,377</u>
	<u><u>522,158</u></u>	<u><u>683,289</u></u>

The annexed notes form an integral part of this interim financial report.

BERMAZ AUTO BERHAD**Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

NOTES TO THE INTERIM FINANCIAL REPORT

A1 The condensed consolidated interim financial report is unaudited and has been prepared in accordance with Malaysian Accounting Standards Board ("MFRS") 134 - Interim Financial Reporting Standards in Malaysia and International Accounting Standards ("IAS") 34 - Interim Financial Reporting and applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 April 2023. These explanatory notes, attached to the condensed consolidated interim financial report, provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 April 2023.

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 30 April 2023 except the adoption of the new or revised standards, IC Interpretation and amendments to standards.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the Group's accounting period beginning 1 May 2023.

The initial application of the MFRSs, Amendments to MFRSs and IC Interpretations, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impact to the financial statements of the Group upon their first adoption.

A2 The Group's operations are affected by the prevailing cyclical economic conditions and product life cycle of the car models. The Malaysia operations are affected by major festive seasons such as Chinese New Year and Hari Raya. These festive celebrations will normally have a positive impact to the Group's operations.

A3 There were no unusual items during the financial period under review.

A4 As at 31 October 2023, the issued and paid up ordinary share capital of the Company was RM624,747,649. The movements during the financial period were as follows:-

<u>Issued and paid up share capital</u>	Number of ordinary shares	RM
As at 1 May 2023	1,168,316,788	619,614,081
Transfer of reserve arising from forfeiture of ESS	-	35,070
Transfer of reserve arising from ESS excised	-	1,077,929
Issuance of new shares arising from ESS	2,176,300	4,020,569
As at 31 October 2023	<u>1,170,493,088</u>	<u>624,747,649</u>

ESS

As at 31 October 2023, the total number of unexercised ESS options (with exercise price of RM1.85 and RM1.43 each) were 1,347,100 and 38,000 respectively. The total number of ESS shares that have not been vested was 1,114,800.

BERMAZ AUTO BERHAD**Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

NOTES TO THE INTERIM FINANCIAL REPORT

A5 The details of the share buyback during the financial period ended 31 October 2023 were as follows:

Month	Price per share (RM)			Number of shares	Total consideration RM'000
	Lowest	Highest	Average		
July 2023	1.99	2.05	2.03	2,200,000	4,469
August 2023	2.08	2.09	2.09	1,000,300	2,093
			2.05	3,200,300	6,562

The number of treasury shares held in hand as at 31 October 2023 was as follows:

	Average price per share RM	Number of shares	Amount RM'000
Balance as at 30 April 2023	1.63	1,248,800	2,034
Increase in treasury shares	2.05	3,200,300	6,562
Total treasury shares as at 31 October 2023	1.93	4,449,100	8,596

As at 31 October 2023, the number of outstanding shares in issue with voting rights (rounded to nearest thousand) was 1,166,044,000 (31 October 2022: 1,161,585,000) ordinary shares.

A6 During the financial period ended 31 October 2023, the Company paid the following dividends:

- i) third interim dividend of 4.50 sen single-tier dividend per share amounting to a total of RM52.517 million in respect of the financial year ended 30 April 2023 on 5 May 2023.
- ii) fourth interim dividend of 3.50 sen single-tier dividend per share and a special dividend of 7.50 sen single-tier dividend per share on aggregate amounting to RM128.480 million in respect of the financial year ended 30 April 2023 on 4 August 2023.

Subsequent to 31 October 2023, the Company paid a first interim dividend of 5.00 sen single-tier dividend per share amounting to a total of RM58.287 million in respect of the financial year ending 30 April 2024 on 3 November 2023.

A7 Segment information for the financial period ended 31 October 2023:-

REVENUE	Consolidated RM'000
Malaysia	1,906,947
Philippines	189,282
Total revenue	<u>2,096,229</u>
RESULTS	RM'000
Malaysia	207,775
Philippines	31,449
	<u>239,224</u>
Unallocated corporate items	(937)
Profit from operations	238,287
Investment related income	6,077
Finance costs	(3,887)
Share of results of associates	23,024
Profit before tax	<u>263,501</u>
Income tax expense	(59,879)
Profit after tax	<u>203,622</u>

BERMAZ AUTO BERHAD

Company Registration No: 201001016854 (900557-M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

NOTES TO THE INTERIM FINANCIAL REPORT

DISAGGREGATION OF REVENUE

	6 months ended	
	31/10/2023	31/10/2022
	RM'000	RM'000
Sale of motor vehicles	1,941,266	1,368,335
Sale of spare parts	119,905	103,516
Maintenance and fitting of motor vehicle accessories services	35,058	27,987
Group revenue	<u>2,096,229</u>	<u>1,499,838</u>
Timing of revenue recognition:		
- at a point in time	2,058,476	1,471,369
- over time	37,753	28,469
Group revenue	<u>2,096,229</u>	<u>1,499,838</u>

A8 Save for the events below, there were no other significant events since the end of the current quarter up to the date of this Announcement:

- i) The Company had, on 22 November 2023, announced that Stellantis N.V. (“Stellantis”), the owner of PEUGEOT marque, intends to establish its own national sales company to directly manage the introduction, sale and distribution of Stellantis marque vehicles in Malaysia and the ASEAN region.

Hence, the Distribution Agreement entered into by Bermaz Auto Alliance Sdn Bhd (“BAA”), a 55% owned subsidiary of Bermaz Auto Berhad, for the distribution of PEUGEOT marque vehicles in Malaysia, which expired on 30 November 2023 was not renewed.

In the meantime, during the transition period, BAA will continue working with Stellantis to ensure that there are no disruptions in vehicle sales and after-sales services to its PEUGEOT customers.

The non-renewal of the Distribution Agreement was not expected to have any material financial and operational impact to the Group for the current financial year.

- ii) The Company had, on 1 December 2023, announced the effective date of implementation of the new Employees’ Share Scheme which has a 5-year tenure commencing on 1 December 2023 and expiring on 30 November 2028.

A9 Capital expenditure of the Group not provided for as at 31 October 2023 in relation to property, plant and equipment were as follows:

	RM'000
Approved and contracted for	<u>5,289</u>

A10 There were no changes in the composition of the Group for the current period ended 31 October 2023 including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operation.

A11 There were no material changes in the contingent liabilities or contingent assets since the last audited statement of financial position as at 30 April 2023.

A12 There were no audit qualifications in the annual financial statements for the year ended 30 April 2023.

A13 There were no material changes in estimates reported in the prior financial year that had a material effect in the current quarter ended 31 October 2023.

BERMAZ AUTO BERHAD

Company Registration No: 201001016854 (900557-M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

- B1 The Group is primarily engaged in the following activities:
- (i) Distribution and retailing of completely built-up (“CBU”) and completely knocked-down (“CKD”) vehicles for three (3) internationally renowned vehicle marques namely, Mazda, PEUGEOT and Kia in Malaysia;
 - (ii) Provision of after-sales services and sale of spare parts for Mazda, PEUGEOT, Citroen, DS and Kia marque vehicles in Malaysia;
 - (iii) Distribution of Mazda marque CBU vehicles and spare parts through appointed dealers in the Philippines; and
 - (iv) Wholesale and retail of automotive spare parts in Malaysia.

The performance of the Group is affected by, among others, regulations and policies governing the importation of CBU vehicles (for the domestic and the Philippine market) and CKD parts (for the domestic market), foreign exchange fluctuations, changes in consumer preferences and spending trend, economic, social and political conditions in countries where the Group operates or obtains its supplies of vehicles, and global market and credit market volatility.

BAuto’s associated companies are principally involved in the production and/or assembly of Mazda and Kia marque CKD vehicles (using local parts and imported Mazda and Kia supplied parts) in Malaysia.

Review of results of current quarter vs preceding year same quarter

	3 Months Ended		
	31/10/2023	31/10/2022	+ / (-)
	RM'000	RM'000	%
Group revenue	1,006,951	782,969	28.6
Profit from operations	107,594	81,212	32.5
Profit before tax	122,834	91,589	34.1

For the quarter ended 31 October 2023, the Group reported a higher revenue and profit before tax of RM1.01 billion and RM122.8 million respectively as compared to the preceding year corresponding quarter which reported a Group revenue and profit before tax of RM783.0 million and RM91.6 million respectively.

Higher Group revenue by RM224.0 million, an increase of 28.6%, was mainly attributable to the Mazda marque domestic operations, especially from its CX-30 CKD model which continued to register higher sales since it was launched in March 2023. The increase was however partly set off by lower sales registered from its PEUGEOT marque operations during the quarter under review.

In line with the increase in the Group revenue as explained above as well as improved contribution from its Mazda marque operations in the Philippines, the Group’s profit before tax had also improved by RM31.2 million or 34.1% compared to the preceding year corresponding quarter.

BERMAZ AUTO BERHAD

Company Registration No: 201001016854 (900557-M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

Review of results for the 6 months period

	6 Months Ended		
	31/10/2023	31/10/2022	+ / (-)
	RM'000	RM'000	%
Group revenue	2,096,229	1,499,838	39.8
Profit from operations	238,287	151,414	57.4
Profit before tax	263,501	166,155	58.6

For the 6 months period ended 31 October 2023, the Group reported a higher revenue and profit before tax of RM2.10 billion and RM263.5 million respectively as compared to the preceding year corresponding period which reported a Group revenue and profit before tax of RM1.50 billion and RM166.2 million respectively.

Higher Group revenue by RM596.4 million, an increase of 39.8%, was mainly attributable to the Mazda marque domestic operations, especially from its CX-30 CKD model as explained above and the continued fulfilment of the balance backorders for Mazda 3 in the previous financial quarter.

In line with the increase in the Group revenue as stated above, the Group's profit before tax had also improved by RM97.3 million or 58.6% compared to the preceding year corresponding quarter mainly from the higher sales volume for the Mazda marque domestic operations.

B2 Review of results of current quarter vs preceding quarter

	3 Months Ended		
	31/10/2023	31/7/2023	+ / (-)
	RM'000	RM'000	%
Group revenue	1,006,951	1,089,278	(7.6)
Profit from operations	107,594	130,693	(17.7)
Profit before tax	122,834	140,667	(12.7)

For the quarter ended 31 October 2023, the Group reported a lower revenue and profit before tax of RM1.01 billion and RM122.8 million respectively compared to a Group revenue and profit before tax of RM1.09 billion and RM140.7 million respectively for the preceding quarter.

The Group's revenue declined by RM82.3 million or 7.6% mainly attributable to lower sales volume registered for its Kia and Mazda marques domestic operations in the current quarter.

In line with the decrease in Group revenue as explained above as well as due to higher promotional activities carried out in the quarter under review, the Group's profit before tax had also decreased by RM17.8 million or 12.7%.

BERMAZ AUTO BERHAD**Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

B3 Future prospects

The Malaysian economy expanded by 3.3% in the third quarter of calendar year 2023 (2Q 2023: 2.9%), anchored by resilient domestic demand which was supported by continued growth in employment and wages. The Malaysian economy is projected to expand by around 4.0% in 2023, which will be driven by the continued expansion in domestic demand (*Source: Economic and Financial Developments in Malaysia in the Third Quarter of 2023 – Bank Negara Malaysia*).

The Total Industry Volume (“TIV”) in October 2023 of 74,896 units was 6,740 units (about 10%) higher compared to 68,156 units in September 2023. Cumulative TIV up to October 2023 was 646,840 units, an increase of 67,923 units (about 12%) compared to the same period last year of 578,917 units. The growth was mainly attributable to the strong performance by the national marques. For November 2023, sales are expected to maintain its momentum mirroring the robust performance recorded in October 2023. (*Source: Press release by the Malaysian Automotive Association*).

In the Philippines, the Philippine Statistics Authority had reported in November 2023 that the country’s Gross Domestic Product (“GDP”) posted a growth of 5.9% for the third quarter of calendar year 2023 (2Q 2023: 4.3%). The increase in GDP was due to higher government and public spending. The Philippines economic outlook for 2023 is expected to remain positive.

The automotive sector continues to register growth albeit at a slower pace, underpinned by improvements in the supply chains and vehicle shipments. Inflationary pressures, uncertainties in geopolitical conflicts and weaker global growth will continue to have an adverse impact on the overall economy. The launching of new and/or new facelifts models of the Group’s vehicle marques are still very much dependent on the market sentiments and economic conditions then.

Barring any unforeseen circumstances, the Board anticipates the performance of the Group to remain positive for the financial year ending 30 April 2024.

B4 There were no profit forecast or profit guarantee for the financial period ended 31 October 2023.

B5 The taxation charge for the current quarter/period ended 31 October 2023 are detailed as follows:

	Current Quarter RM'000	Financial Period to date RM'000
Based on the results for the current quarter/period:-		
Current period provision		
- In Malaysia	29,669	62,003
- Outside Malaysia	4,203	8,764
Deferred tax	(6,759)	(10,888)
	<u>27,113</u>	<u>59,879</u>

The disproportionate tax charge of the Group for the current quarter and period ended 31 October 2023 was mainly due to certain expenses or losses being disallowed for tax purposes, different foreign tax rate and the inclusion of the share of results of associates which is presented net of tax.

BERMAZ AUTO BERHAD

Company Registration No: 201001016854 (900557-M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

B6 Profit before tax is stated after charging/(crediting):

	Current Quarter RM'000	Financial Period to date RM'000
Interest income from financial institutions	(2,905)	(6,077)
Gain on disposal of property, plant and equipment	(46)	(46)
Depreciation of property, plant and equipment	2,327	4,592
Depreciation of right-of-use assets	5,085	8,870
Interest expense on borrowings	908	1,805
Interest expense on lease liabilities	1,106	1,982
Unwinding discount on provision for restoration costs (net)	50	100
Provision for and write off of inventories	622	1,250
Foreign exchange loss (net)	878	373
Fair value adjustment on derivatives	<u>(1,107)</u>	<u>-</u>

B7 There were no corporate proposals undertaken or announced but not completed at the date of this quarterly report.

B8 Group borrowings and debt securities as at 31 October 2023 were as follows:

		At end of current period RM'000
Short term borrowings		
<u>Unsecured</u>	Foreign currency amount	
Denominated in:	'000	
Ringgit Malaysia		# 99,987
Philippine Peso	100,000 *	<u>8,398</u>
		<u>108,385</u>

First tranche of Islamic Medium Term Notes totalling RM100 million in nominal value with a tenure of three (3) years.

* Converted at the exchange rate prevailing as at 31 October 2023.

B9 There were no material litigation for the current financial period.

B10 The Board has approved and declared a second interim dividend of 5.00 sen single-tier dividend per share in respect of financial year ending 30 April 2024 to be payable on 5 January 2024 (previous year's corresponding quarter ended 31 October 2022: 3.50 sen single-tier dividend per share). The entitlement date has been fixed on 20 December 2023. The first interim dividend of 5.00 sen per share was paid on 3 November 2023. This will bring the total dividend declared to 10.00 sen single-tier dividend per share for the financial period ended 31 October 2023 (previous financial period ended 31 October 2022: 6.50 sen single-tier dividend per share).

A Depositor shall qualify for the entitlement only in respect of:

- (a) Shares transferred to the Depositor's Securities Account before 4.30 p.m. on 20 December 2023 in respect of ordinary transfers.
- (b) Shares bought on the Bursa Securities on a cum entitlement basis according to the rules of Bursa Securities.

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B11 The basic and diluted earnings per share are calculated as follows:

	Group (3 months period)			
	31/10/2023	31/10/2022	31/10/2023	31/10/2022
	RM'000		sen	
Net profit for the quarter	<u>90,096</u>	<u>65,673</u>		
Weighted average number of ordinary shares in issue ('000)	<u>1,165,143</u>	<u>1,161,729</u>		
Basic earnings per share			<u>7.73</u>	<u>5.65</u>
Net profit for the quarter	<u>90,096</u>	<u>65,673</u>		
Number of shares used in the calculation of basic earnings per share ('000)	1,165,143	1,161,729		
Number of shares assuming vesting of ESS ('000)	<u>1,481</u>	<u>2,816</u>		
	<u>1,166,624</u>	<u>1,164,545</u>		
Diluted earnings per share			<u>7.72</u>	<u>5.64</u>

	Group (6 months period)			
	31/10/2023	31/10/2022	31/10/2023	31/10/2022
	RM'000		sen	
Net profit for the period	<u>190,315</u>	<u>115,832</u>		
Weighted average number of ordinary shares in issue ('000)	<u>1,166,245</u>	<u>1,161,962</u>		
Basic earnings per share			<u>16.32</u>	<u>9.97</u>
Net profit for the period	<u>190,315</u>	<u>115,832</u>		
Number of shares used in the calculation of basic earnings per share ('000)	1,166,245	1,161,962		
Number of shares assuming vesting of ESS ('000)	<u>1,481</u>	<u>2,816</u>		
	<u>1,167,726</u>	<u>1,164,778</u>		
Diluted earnings per share			<u>16.30</u>	<u>9.94</u>