



Mi TECHNOVATION BERHAD

(Company No. 201701021661(1235827-D))

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
	RM '000	RM '000	RM '000	RM '000
Revenue	119,547	107,125	119,547	107,125
Operating expenses	(89,775)	(84,829)	(89,775)	(84,829)
Share of results of associates, net of tax	(747)	35	(747)	35
Foreign currency (loss)/gain, net	(1,312)	10,520	(1,312)	10,520
Other operating income, net	311	1,128	311	1,128
Profit before interest, tax depreciation and amortisation	28,024	33,979	28,024	33,979
Depreciation and amortisation	(6,988)	(6,572)	(6,988)	(6,572)
Profit before interest and tax	21,036	27,407	21,036	27,407
Interest income	1,976	3,730	1,976	3,730
Finance costs	(356)	(365)	(356)	(365)
Profit before tax	22,656	30,772	22,656	30,772
Tax expense	(5,358)	(4,431)	(5,358)	(4,431)
Net profit for the financial period	17,298	26,341	17,298	26,341
Other comprehensive income, net of tax:				
Items that may be subsequently reclassified to profit or loss				
Foreign currency translations, net of tax	(3,470)	(605)	(3,470)	(605)
Share of other comprehensive income of an associate	192	-	192	-
Total comprehensive income	14,020	25,736	14,020	25,736
Net profit attributable to:				
Owners of the parent	17,589	26,794	17,589	26,794
Non-controlling interests	(291)	(453)	(291)	(453)
	17,298	26,341	17,298	26,341
Total comprehensive income attributable to:				
Owners of the parent	14,302	26,180	14,302	26,180
Non-controlling interests	(282)	(444)	(282)	(444)
	14,020	25,736	14,020	25,736
Earnings per share attributable to owners of the parent:				
Basic (sen) ⁽²⁾	1.97	3.00	1.97	3.00
Diluted (sen) ⁽²⁾	1.97	3.00	1.97	3.00

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.
- (2) Calculation of earnings per share are disclosed in explanatory note B11 attached to the interim financial report.

Unaudited Condensed Consolidated Statement of Financial Position ⁽¹⁾

	Unaudited As at 31-Mar-2025 RM'000	Audited As at 31-Dec-2024 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	190,610	181,492
Right-of-use assets	27,778	29,165
Investment properties	43,112	43,275
Intangible assets	71,546	72,838
Investment in associates	58,637	59,442
Other investment ⁽²⁾	6,713	-
Goodwill on consolidation	110,098	110,098
Deferred tax assets	9,595	7,840
Defined benefit asset	9	71
Total non-current assets	518,098	504,221
Current assets		
Inventories	167,196	157,420
Trade and other receivables	198,704	167,951
Lease receivable	4,234	4,521
Other investments ⁽²⁾	50,927	68,458
Cash and bank balances	253,744	276,291
Total current assets	674,805	674,641
TOTAL ASSETS	1,192,903	1,178,862
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	855,459	855,459
Treasury shares	(14,622)	(10,640)
Reserves	199,898	185,420
	1,040,735	1,030,239
Non-controlling interests	(1,779)	(1,497)
TOTAL EQUITY	1,038,956	1,028,742

Unaudited Condensed Consolidated Statement of Financial Position ⁽¹⁾ (Cont'd)

	Unaudited As at 31-Mar-2025 RM'000	Audited As at 31-Dec-2024 RM'000
LIABILITIES		
Non-current liabilities		
Borrowings	10,478	10,623
Government grants	3,155	3,188
Provisions	3,480	3,165
Lease liabilities	10,001	10,528
Deferred tax liabilities	15,943	14,318
Total non-current liabilities	43,057	41,822
Current liabilities		
Trade and other payables	62,443	61,102
Contract liabilities	6,216	5,716
Borrowings	21,209	21,144
Government grants	200	199
Provisions	2,719	2,621
Lease liabilities	4,257	4,532
Current tax liabilities	13,846	12,984
Total current liabilities	110,890	108,298
TOTAL LIABILITIES	153,947	150,120
TOTAL EQUITY AND LIABILITIES	1,192,903	1,178,862
Net assets per share (RM)	1.17	1.15

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.
- (2) Other investments comprise the following:

	31-Mar-2025 RM'000	31-Dec-2024 RM'000
Other investments		
Non-current		
Unquoted shares	6,713	-
Current		
Money market funds	29,338	46,999
Quoted shares	6,331	-
Short term fund	15,258	21,459
	50,927	68,458

INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

Unaudited Condensed Consolidated Statement of Changes in Equity ⁽¹⁾

Group				Non-distributable			Distributable	Total	Non-	Total
	Share capital RM'000	Treasury shares RM'000	Legal reserve RM'000	Share grant reserve RM'000	Exchange translation reserve RM'000	Reorganisation debit reserve RM'000	Retained earnings RM'000	attributable to owners of the parent RM'000	controlling interests RM'000	equity RM'000
Balance as at 1 January 2025	855,459	(10,640)	10,451	998	(36,955)	(63,558)	274,484	1,030,239	(1,497)	1,028,742
Profit for the financial period	-	-	-	-	-	-	17,589	17,589	(291)	17,298
Other comprehensive income, net of tax	-	-	-	-	(3,479)	-	192	(3,287)	9	(3,278)
Total comprehensive income	-	-	-	-	(3,479)	-	17,781	14,302	(282)	14,020
Transactions with owners:										
Share Grant Scheme ("SGS") expenses	-	-	-	176	-	-	-	176	-	176
Purchase of treasury share	-	(3,982)	-	-	-	-	-	(3,982)	-	(3,982)
Total transactions with owners	-	(3,982)	-	176	-	-	-	(3,806)	-	(3,806)
Balance as at 31 March 2025	855,459	(14,622)	10,451	1,174	(40,434)	(63,558)	292,265	1,040,735	(1,779)	1,038,956
Balance as at 1 January 2024	855,459	(9,561)	8,158	1,969	2,188	(63,558)	280,367	1,075,022	(325)	1,074,697
Profit for the financial period	-	-	-	-	-	-	26,794	26,794	(453)	26,341
Other comprehensive income, net of tax	-	-	-	-	(614)	-	-	(614)	9	(605)
Total comprehensive income	-	-	-	-	(614)	-	26,794	26,180	(444)	25,736
Transfer to legal reserve	-	-	2,292	-	-	-	(2,292)	-	-	-
Transactions with owners:										
Share Grant Scheme ("SGS") expenses	-	-	-	179	-	-	-	179	-	179
Dividends paid	-	-	-	-	-	-	(17,865)	(17,865)	-	(17,865)
Total transactions with owners	-	-	-	179	-	-	(17,865)	(17,686)	-	(17,686)
Balance as at 31 March 2024	855,459	(9,561)	10,450	2,148	1,574	(63,558)	287,004	1,083,516	(769)	1,082,747

Note:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.

Unaudited Condensed Consolidated Statement of Cash Flows ⁽¹⁾

	3 months ended 31-Mar-2025 RM '000	3 months ended 31-Mar-2024 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	22,656	30,772
Adjustments for:		
Amortisation of intangible assets	1,343	1,567
Depreciation of property, plant and equipment	4,115	3,522
Depreciation of right-of-use assets	1,315	1,264
Depreciation of investment properties	215	219
Interest expense	356	365
Impairment loss on trade receivables	289	90
Defined benefit expenses	109	8
Interest income	(1,976)	(3,730)
Inventories written down	385	-
Fair value loss on other investments	450	-
Provision for warranty replacement costs	1,050	912
Reversal of inventories written down	(125)	(205)
Reversal of provision for warranty replacement costs	(404)	(294)
Share grant expenses	176	179
Share of result of associates, net of tax	747	(35)
Unrealised loss/(gain) on foreign exchange	2,247	(9,811)
Operating profit before changes in working capital	32,948	24,823
Working capital changes:		
Inventories	(10,543)	(5,515)
Trade and other receivables	(32,427)	(5,416)
Trade and other payables	1,421	5,936
Contract liabilities	500	(1,225)
Cash (used in)/from operations	(8,101)	18,603
Lease payment received	287	156
Defined benefit paid	(46)	(112)
Warranty paid	(268)	(164)
Tax paid	(4,708)	(1,569)
Net cash (used in)/from operating activities	(12,836)	16,914

Unaudited Condensed Consolidated Statement of Cash Flows ⁽¹⁾ (Cont'd)

	3 months ended 31-Mar-2025 RM '000	3 months ended 31-Mar-2024 RM '000
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1,976	3,693
Purchase of other investments	(13,541)	-
Proceeds from disposal of property, plant and equipment	6	-
Purchase of intangible assets	(51)	(71)
Purchase of property, plant and equipment	(13,474)	(4,801)
Withdrawal of short term deposits	6,103	-
Net cash used in investing activities	<u>(18,981)</u>	<u>(1,179)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	-	(17,865)
Interest paid	(191)	(365)
Drawdown of term loans	5,879	3,107
Repayment of term loans	(5,603)	(5,129)
Payment of lease liabilities	(907)	(780)
Repurchase of treasury shares	<u>(3,982)</u>	<u>-</u>
Net cash used in financing activities	<u>(4,804)</u>	<u>(21,032)</u>
Net decrease in cash and cash equivalents	(36,621)	(5,297)
Effect on foreign exchange rates changes	(3,322)	3,642
Cash and cash equivalents at beginning of financial period	292,381	422,728
Cash and cash equivalents at end of financial period	<u><u>252,438</u></u>	<u><u>421,073</u></u>
Cash and cash equivalents at end of financial year comprises:		
Cash and bank balances	200,172	285,847
Deposits with a licensed banks	53,572	36,250
Money market funds	<u>29,338</u>	<u>98,976</u>
	283,082	421,073
Less: Deposits with maturity period more than three (3) months	<u>(30,644)</u>	<u>-</u>
	<u><u>252,438</u></u>	<u><u>421,073</u></u>

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“**MFRS**”) 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“**MASB**”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) (“**Listing Requirements**”).

This interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

A2. Material Accounting Policies

The accounting policies adopted by the Group in the interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2024, except for the adoption of the following new MFRS, Amendments to MFRSs and Annual Improvements to MFRS Standards.

a) New MFRSs adopted during the financial year

The Group adopted the following Amendments to the Standards that are mandatory for annual periods beginning on or after 1 January 2025.

Title	
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Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rate - <i>Lack of Exchangeability</i>	
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	1 January 2025
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Adoption of the above Standards did not have any material effect on the financial performance or position of the Group.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (Cont'd)

A2. Material Accounting Policies (Cont'd)

b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2026

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group.

Title	Effective Date
Amendments to MFRS 9 and MFRS 7 <i>Classification and Measurement of Financial Instruments</i>	1 January 2026
<i>Annual Improvements to MFRS Accounting Standards—Volume 11</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and Its Associates or Joint Venture</i>	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments to the Standards, since the effects would only be observable for the future financial years.

A3. Auditors' Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2024.

A4. Seasonal or Cyclical Factors

The business operation of the Group, in general, is subject to the cyclical trend of the global semiconductor and electronics industry.

A5. Material Unusual Items

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

A6. Material Changes in Estimates

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

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (Cont'd)

A7. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and equity securities during the current quarter under review except for the repurchase and transfer of treasury shares. The details of the shares held as treasury shares for the financial period ended 31 March 2025 were as follows:

	Number of Treasury Shares ('000)	Total Cost Consideration RM'000
Balance as at 1 January 2025	6,868	10,640
Repurchased during the financial period	2,137	3,982
Balance as at 31 March 2025	9,005	14,622

A8. Dividends Paid

No dividend paid during the current quarter under review.

A9. Segment Information

The Group reportable segments, aptly named Business Unit ("BU") which comprised its major operating segments. These business units are involved in different industry segments and separately managed by the BU Presidents who report directly to the Group Chief Executive Officer.

The major reportable segments of the Group are as follows:

(a) Semiconductor Equipment Business Unit ("SEBU")

Involved in design, manufacturing and sales of semiconductor manufacturing equipment, coupled with integrated Artificial Intelligence ("AI") technologies and smart factory automation solutions, as well as provides post-sales maintenance services and technical support for the machines and sales of related spare parts and components.

No.	Entity	Product Portfolio
1	Mi Equipment (M) Sdn. Bhd. Penang, Malaysia	Mi Series (Assembly and Packaging Equipment) & Vi Series (Vision Inspection Equipment)
2	Mi Equipment Korea Co., Ltd. Gyeonggi, Korea	Ai Series (Bonding Equipment)
3	Suzhou Mi Equipment Co., Ltd. Suzhou, China	Si Series (Final Test Equipment) & Mi Series (Assembly and Packaging Equipment)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (Cont'd)

A9. Segment Information (Cont'd)

(b) Semiconductor Material Business Unit ("SMBU")

Involved in design, manufacturing and sales of solder spheres ("solder balls"), which are crucial components to electrically interconnect flip chip semiconductors and are widely used in advanced packaging and wafer level packaging in semiconductor industry.

No.	Entity	Product Portfolio
1	Accurus Scientific Co., Ltd. Tainan, Taiwan	Solder Spheres (solder balls)
2	Accurus (Ningbo) Scientific Co., Ltd Ningbo, China	Solder Spheres (solder balls)

(c) Semiconductor Solution Business Unit ("SSBU")

This business unit targeted to position the Group in a wider scope of the semiconductor value chain through strategic business integration and technological development strategy. Involved in research, development and manufacturing facility for power modules, devices and application systems, which target for automotive and renewable energy segments.

No.	Entity	Product Portfolio
1	Mi Semiconductor (Hangzhou) Co., Ltd Hangzhou, China	High power modules, devices, and application systems

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Inter-segment transactions have been accounted for on a basis that is consistent with the Group's accounting policies. Investment holding and other activities are not considered as reporting segment and the related financial information has been included under "Others".

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (Cont'd)

A9. Segment Information (Cont'd)

Results for the financial period ended 31 March 2025⁽¹⁾

	SEBU RM '000	SMBU RM '000	SSBU RM '000	Others RM '000	Adjustment RM '000	Consolidated RM '000
Revenue from external customers	73,053	46,479	15	-	-	119,547
Inter-segment revenue	-	-	-	1,091	(1,091)	-
Total revenue	73,053	46,479	15	1,091	(1,091)	119,547
Interest income	706	29	649	592	-	1,976
Interest expense	(22)	(169)	-	(8)	(157)	(356)
Net interest income/(expense)	684	(140)	649	584	(157)	1,620
Share of result of associates						(747)
Segment profit/(loss) before tax	19,766	10,781	(5,079)	(1,781)	(1,031)	22,656
Tax expense						(5,358)
Other material non-cash items:						
- Depreciation of property, plant and equipment	(1,681)	(1,995)	(366)	(73)		(4,115)
- Depreciation of right-of-use assets	(571)	(16)	(435)	(293)	-	(1,315)
- Depreciation of investment properties	(161)	-	-	(54)	-	(215)
- Amortisation of intangible assets	(236)	(1,064)	-	(43)	-	(1,343)
- Fair value loss on other investments	-	-	-	(450)	-	(450)
- Inventories written down	(356)	(29)	-	-	-	(385)
- Reversal of inventories written down	-	125	-	-	-	125
- Unrealised loss on foreign exchange	(1,230)	(177)	(591)	(249)	-	(2,247)
- Provision for warranty replacement costs	(1,050)	-	-	-	-	(1,050)
- Reversal of provision for warranty replacement costs	404	-	-	-	-	404

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (Cont'd)

A9. Segment Information (Cont'd)

Results for the financial period ended 31 March 2025⁽¹⁾ (cont'd)

	SEBU RM '000	SMBU RM '000	SSBU RM '000	Others RM '000	Adjustment RM '000	Consolidated RM '000
Assets						
Segment assets	358,294	376,917	37,473	275,287	(234,693)	813,278
Investment in associates						58,637
Deferred tax assets						9,595
Defined benefit asset						9
Other investments						57,640
Cash and bank balances						253,744
						<u>1,192,903</u>
Liabilities						
Segment liabilities	325,093	47,528	9,053	2,681	(260,197)	124,158
Deferred tax liabilities						15,943
Current tax liabilities						13,846
						<u>153,947</u>

Notes:

- (1) The segment information should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024, under Note 34 *Operating Segments*.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (cont'd)

A9. Segment Information (Cont'd)

Results for the financial period ended 31 March 2024 ⁽¹⁾

	SEBU RM '000	SMBU RM '000	SSBU RM '000	Others RM '000	Adjustment RM '000	Consolidated RM '000
Revenue from external customers	61,322	45,799	4	-	-	107,125
Inter-segment revenue	-	-	-	1,004	(1,004)	-
Total revenue	61,322	45,799	4	1,004	(1,004)	107,125
Interest income	1,170	29	828	1,703	-	3,730
Interest expense	(647)	(198)	(96)	(25)	601	(365)
Net interest (expense)/income	523	(169)	732	1,678	601	3,365
Share of results of an associate						35
Segment profit/(loss) before tax	16,111	12,273	(319)	3,659	(952)	30,772
Tax expense						(4,431)
Other material non-cash items:						
- Depreciation of property, plant and equipment	(1,453)	(1,987)	(11)	(71)	-	(3,522)
- Depreciation of right-of-use assets	(586)	(18)	(412)	(248)	-	(1,264)
- Depreciation of investment properties	(161)	-	-	(58)	-	(219)
- Amortisation of intangible assets	(418)	(1,105)	-	(44)	-	(1,567)
- Reversal of inventories written down	-	205	-	-	-	205
- Unrealised gain on foreign exchange	3,012	3,193	945	2,661	-	9,811
- Provision for warranty replacement costs	(912)	-	-	-	-	(912)
- Reversal of provision for warranty replacement costs	294	-	-	-	-	294

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (Cont'd)

A9. Segment Information (Cont'd)

Results for the financial period ended 31 March 2024 ⁽¹⁾ (Cont'd)

	SEBU RM '000	SMBU RM '000	SSBU RM '000	Others RM '000	Adjustment RM '000	Consolidated RM '000
Assets						
Segment assets	320,098	378,248	17,260	83,896	(40,908)	758,594
Investment in an associate						59,100
Deferred tax assets						10,229
Defined benefit asset						2,843
Current tax assets						1,583
Short term funds						98,976
Cash and bank balances						322,097
						<u>1,253,422</u>
Liabilities						
Segment liabilities	118,106	59,801	8,283	3,754	(49,068)	140,876
Deferred tax liabilities						16,592
Current tax liabilities						13,207
						<u>170,675</u>

Notes:

(1) The segment information should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024, under Note 34 *Operating Segments*.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (Cont'd)

A10. Material Events Subsequent to the end of the Quarter

There were no material events subsequent to the end of current quarter that were not reflected in the interim financial report.

A11. Changes in the Composition of the Group

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

A12. Contingent Liabilities and Contingent Assets

Saved as disclosed under B9 Material Litigation, there were no material contingent liabilities or contingent assets to be disclosed as at the date of this interim financial report.

A13. Material Capital Commitment

Save as disclosed below, as of 31 March 2025, the Group does not have any material capital commitment:

	RM'000
Material capital expenditure in respect of purchase of property, plant and equipment:	
- Approved but not contracted for	21,071
- Contracted but not provided for	17,132
	38,203

A14. Significant Related Party Transactions

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

A15. Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current quarter under review.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Performance

Individual and Cumulative Quarter:

Comparison with corresponding quarter in previous financial year (Q1 2025 vs Q1 2024)

	INDIVIDUAL/CUMULATIVE QUARTER 3 months ended			
	31-Mar-2025 RM'000	31-Mar-2024 RM'000	Changes RM'000 %	
Revenue	119,547	107,125	12,422	11.6%
Profit before tax	22,656	30,772	(8,116)	-26.4%
PBT Margin	19.0%	28.7%		
Net profit attributable to owners of the parent	17,589	26,794	(9,205)	-34.4%
Net profit margin	14.7%	25.0%		
Diluted earnings per share (sen)	1.97	3.00	(1.03)	-34.4%

For Q1 2025 under review, the Group revenue expanded 11.6% to RM119.5 million from RM107.1 million recorded in Q1 2024 which benefited from the momentum of advanced packaging demand where all our business units operate in.

SEBU contributed RM73.0 million to the Group's top line in Q1 2025, representing 61.1% of total revenue. The revenue recorded an increase of 19.1% from RM61.3 million in Q1 2024, supported by higher demand on Mi Series Die Sorter for the High-Performance Computing (HPC) & Memory segment in the Southeast Asia market.

SMBU contributed RM46.5 million to the Group's top line in Q1 2025, representing 38.9% of total revenue, a flat growth versus RM45.8 million in Q1 2024. The demand across all segments (Mobility & Wearables, HPC & Memory and Automotives & Renewable Energy) remain relatively consistent as compared to Q1 2024.

SSBU recorded a revenue of RM15 thousand in Q1 2025 against RM4 thousand in Q1 2024, mainly from sales of service and samples.

The Group reported a 26.4% decrease in profit before tax ("PBT") to RM22.7 million compared with RM30.8 million in Q1 2024, resulting in PBT margin decreased by 9.7 percentage points. This was mainly attributed to foreign currency fluctuation loss of RM1.3 million in Q1 2025 against the foreign currency fluctuation gain of RM10.5 million in Q1 2024 and lower interest income. Excluding the foreign currency fluctuation impact, the Group recorded an improvement in PBT on the back of stronger operating performance and favorable product mix, despite the RM5.1 million loss incurred by SSBU due to higher R&D staff costs and related development expenses in Q1 2025.

As a result of the above and higher tax expense, the Group's net profit attributable to owners of the parent ("Net Profit") decreased by 34.4% year-on-year from RM26.8 million to RM17.6 million, resulting in a decrease in diluted EPS from 3.00 sen to 1.97 sen.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)

B2. Comparison with Immediate Preceding Quarter (Q1 2025 vs Q4 2024)

	INDIVIDUAL QUARTER 3 months ended		Changes RM'000 %	
	31-Mar-2025 RM'000	31-Dec-2024 RM'000		
Revenue	119,547	111,432	8,115	7.3%
Profit before tax	22,656	31,158	(8,502)	-27.3%
PBT Margin	19.0%	28.0%		
Net profit attributable to owners of the parent	17,589	20,901	(3,312)	-15.8%
Net profit margin	14.7%	18.8%		
Diluted Earnings per share (sen)	1.97	2.34	(0.37)	-15.8%

The Group recorded a higher revenue of RM119.5 million in Q1 2025 as compared with RM111.4million in Q4 2024, an increase of 7.3% supported by sustainable semiconductor advanced packaging growth.

SEBU's revenue climbed 42.3% to RM73.0 million from RM51.3 million recorded in the previous quarter on the back of sustainable demand in semiconductor advanced packaging capacity expansion. However, this was partly offset against lower revenue contribution from SMBU of RM46.5 million, representing 22.7% decrease from RM60.1 million in Q4 2024. This is due to the cyclical nature of our solder ball material business where Mobility & Wearables segment will slow down at beginning of the calendar year especially for Taiwan and China market. In addition, SSBU recorded a lower revenue of RM15 thousand versus RM44 thousand in Q4 2024.

The Group posted a PBT at RM22.7 million compared with RM31.2 million in Q4 2024, resulting in a decrease of PBT margin by 9.0 percentage points. This was principally attributed to a foreign currency fluctuation loss of RM1.3 million against the foreign currency fluctuation gain of RM15.8 million in Q4 2024. Excluding the foreign currency fluctuation impact, the Group recorded an improvement in PBT on the back of stronger operating performance in Q1 2025.

Consequently, the Group's Net Profit dropped 15.8% to RM17.6 million from RM20.9 million quarter-on-quarter, resulting in a decrease in diluted EPS to 1.97 sen from 2.34 sen.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)

B3. Prospects for the Financial Year Ending 31 December 2025

Amid escalating geopolitical tension and the tariff-induced uncertainty, the semiconductor industry faces a mix of robust growth potential and heightened operational complexity. Rising tariffs have increased manufacturing costs as well as leading to project delays and supply chain disruptions. The Group remains strategically vigilant and adaptable, prioritizing innovation and supply chain diversification in the semiconductor advanced packaging sector to mitigate risks while capitalizing on high-growth markets.

SEBU (Semiconductor Equipment Business Unit) will continue to prioritize its three main market segments in its effort to ensure Product & Solutions diversification for its clients in the advanced technology ecosystem. In Mobility & Wearables segment, we are featuring our industry-leading AI Enabled Die & Package Sorting platform to enhance precision and efficiency for advanced packages. In High Performance Computing (HPC) & Memory segment, our Smart Binning Sorting platform and Laser Bonding platform are tailored for high-yield, energy-efficient semiconductor manufacturing. We are making inroads with our Si series Known Good Die (KGD) test platform in the Automotive & Renewable Energy segment.

SEBU anticipates sustained momentum in topline improvement through Q2 2025, positioning the first half of the year for stronger year-on-year performance. The growth is driven by the stable contribution from the resilient Mobility & Wearables segment and heightened sales from HPC & Memory Mi Series Die Sorter. Looking ahead to the second half of 2025, SEBU maintains a cautiously optimistic outlook. While the current order book reflects steady demand, the lingering US-China trade tension could lead to macroeconomic slowdown, affecting overall semiconductor ecosystem.

SMBU (Semiconductor Material Business Unit) forecasts a minor growth in FY2025. The Mobility & Wearables segment is projected to see modest growth with our specialty alloy, driven by increased demand for AI-integrated solutions from our key customers. Meanwhile, the HPC & Memory segment is poised for stronger performance, fueled by rising requirements for High Bandwidth Memory. In contrast, the Automotives & Renewable Energy segment is expected to remain flat throughout the second half of 2025.

SMBU anticipated an accelerated order pull-ins in Q2 2025 due to near-term tariff concerns, contributing to unexpected growth for the first half of 2025. However, the second half of 2025 faces heightened uncertainty, with risks including geopolitical tensions, trade policy shifts, foreign exchange fluctuations, and potential tariff escalations. Barring significant disruptions, we expect the second half of 2025 to deliver flat or marginal growth relative to the first half of 2025.

SSBU (Semiconductor Solutions Business Unit) is advancing its first in-house Power Module Pilot production line, the line is on track for prototype builds by mid-2025, positioning the Group to address growing demand for energy-efficient power solutions in automotive and industrial markets.

Barring any unforeseen circumstances, the Board of Directors maintains a cautious and conservative attitude towards the outlook for FY2025.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)

B4. Profit Forecast

The Group did not provide any profit forecast in any public document.

B5. Taxation

The Group's taxation together with the comparison between the effective and statutory tax rates for the current quarter under review are set out below:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
	RM '000	RM '000	RM '000	RM '000
Tax Expense (RM'000)	5,339	4,528	5,339	4,528
Deferred Tax (RM'000)	(212)	(212)	(212)	(212)
Withholding Tax (RM'000)	231	115	231	115
Total (RM'000)	5,358	4,431	5,358	4,431
Effective Tax Rate (%)	23.6	14.4	23.6	14.4
Statutory tax rate (%)	24.0	24.0	24.0	24.0

The Group's effective tax rate for the current quarter and the cumulative quarter under review is slightly lower than the statutory tax rate of 24%. The provision of income tax for the current quarter includes tax provision on tax expenses in relation to certain non-business income and the non-tax-exempted income generated from the non-pioneer products and services based on the new pioneer status approval granted to Mi Equipment (M) Sdn. Bhd.

Mi Equipment (M) Sdn. Bhd. was granted pioneer status for its promoted principal activities, the statutory income of which is 100% tax-exempted for a total period of 10 years which expired on 17 January 2024. On 2 December 2024, Mi Equipment (M) Sdn. Bhd. was granted a new pioneer status for its artificial intelligence-enabled wafer-level advanced packaging die sorting machines for semiconductor industry, the statutory income of which is 70% tax-exempted for a period of 5 years effective 31 January 2024 and expiring 30 January 2029.

B6. Status of Corporate Proposals

There were no corporate proposals announced and not completed as at the date of this interim financial report.

B7. Utilization of Proceeds from the Private Placement

There were no proceeds from new Private Placement during the current quarter under review.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)

B8. Group Borrowings and Debt Securities

The details of the Group's borrowings are as follows:

	Unaudited As at 31-Mar-2025 RM '000	Unaudited As at 31-Mar-2024 RM '000
<u>Borrowings (Secured)</u>		
Short term portion	21,209	12,771
Long term portion	10,478	21,394
Total	31,687	34,165

The Group's borrowings comprise the following:

- Revolving credit and term loan denominated in New Taiwan Dollar ("NTD"), which were drawn down by Accurus Scientific Co. Ltd. to finance the operating expenses and capex spending.
- Term loan denominated in Chinese Yuan ("CNY"), which was drawn down by Accurus (Ningbo) Scientific Co. Ltd. to partly finance the construction of factory building in Ningbo, China.
- Term loan denominated in Chinese Yuan ("CNY"), which was drawn down by Suzhou Mi Equipment Co. Ltd. to partly finance the operating expenses.

B9. Material Litigation

- Mi Technovation Berhad has on 14 May 2023 filed a writ in the Penang High Court against Mr. Chin Yong Keong, the former Chief Operation Officer cum General Manager of the Company, primarily for breach of employment contract, abuse of legal process and the false or misleading statements contained in Mr. Chin Yong Keong's profile stated in the prospectus dated 9 May 2023 published by Edeltech Holdings Berhad pertaining to his employment history in the Company ("Writ"). On 28 July 2023, Mr. Chin Yong Keong counterclaimed for defamation against the Company for its announcement to Bursa Malaysia Securities Berhad on 17 May 2023 ("Announcement") and the summary write-up prepared by the Company's solicitors attached to the Announcement. Mr. Chin Yong Keong also counterclaimed that the writ filed by the Company was an abuse of process. The matter proceeded for trial on 9-10 September, 10-11 October 2024. It is fixed for continued trial on 16-17, 19 and 20 June and 8-11 July 2025.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)

B9. Material Litigation (Cont'd)

(b) Mi Technovation Berhad and its wholly owned subsidiary, Mi Equipment (M) Sdn. Bhd. ("the Companies") has on 19 July 2023 filed a writ in the Penang High Court against 9 defendants, namely:

- Chin Yong Keong (former employee of Mi Technovation Berhad),
- Lee Kim Loon (former employee of Mi Equipment (M) Sdn. Bhd.),
- Edeltech Holdings Berhad (Co. No. 201901033362(1342692-X)),
- Edeltech Technologies Sdn. Bhd. (Co. No. 201901010509(1319837-U)),
- Edel Technology (M) Sdn. Bhd. (Co. No.200401018737(657240-T)),
- Edeltech Ventures Sdn. Bhd. (Co. No.201901012483(1321811-T)),
- Camyang Enterprise Sdn. Bhd. (Co. No.200601005398(725147-T)),
- Dystech Technique Sdn. Bhd. (Co. No.201901013390(1322718-W)),
- Tan Joo Hung (former employee of Mi Technovation Berhad),

Main Suit

On 19 July 2023, Mi Technovation Berhad and its wholly owned subsidiary, Mi Equipment (M) Sdn. Bhd. ("the plaintiffs") filed a writ in the Penang High Court against the defendants, primarily for breach of confidential information, copyright infringement, patent infringement, tort of conspiracy to injure an unlawful interference with trade. On 20 October 2023, the 1st to 8th defendants counterclaimed against the plaintiffs for primarily, a declaration that Malaysian Patent No. MY-194779-A ("Patent 779") (owned by Mi Equipment (M) Sdn. Bhd.) is invalid and null and void in Malaysia. It is fixed for trial on 17 to 21 and 24 to 28 of November 2025.

Plaintiffs' Application for Anton Piller Order

On 19 July 2023, the plaintiffs took out an ex-parte Anton Piller injunction against the 1st to 8th defendants (Enclosure 3). On 27 July 2023, the Penang High Court granted the ex-parte Anton Piller order ("APO"). On 31 July 2023 to 2 August 2023, the plaintiffs executed the APO on the 1st to 8th defendants. On 7 August 2023, the 1st to 8th defendants filed an application to set aside the APO (Enclosure 23). In relation to the APO, the parties are now at the stage of the analysis exercise of the evidence procured during the execution of the APO. The analysis exercise is now ongoing. The High Court fixed the hearing for both Enclosures 3 and 23 on 20 August 2025.

1st to 8th Defendants' Application for Further and Better Particulars

On 8 September 2023, the 1st to 8th defendants took out an application for further and better particulars be provided by the plaintiffs in relation to their statement of claim. On 30 November 2023, the Penang High Court dismissed the 1st to 8th defendant's application for further and better particulars. On 27 December 2023, the 1st to 8th defendants appealed against the decision of Penang High Court to the Court of Appeal. On 28 March 2025, the Court of Appeal dismissed the aforesaid appeal with costs of RM 10,000.00 to be paid by the 1st to 8th defendants to the plaintiffs.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)

B9. Material Litigation (Cont'd)

(b) (Cont'd)

9th Defendant's (i) Application for Interrogatories and (ii) Discovery Application

On 8 September 2023, the 9th defendant took out two applications for interrogatories and discovery respectively against the plaintiffs. On 30 November 2023, the Penang High Court dismissed both the 9th defendant's applications for interrogatories and discovery. On 14 December 2023, the 9th defendant appealed against the decision of the Penang High Court on his application for discovery to the Court of Appeal. On 28 March 2025, the Court of Appeal dismissed the aforesaid appeal with costs of RM 10,000.00 to be paid by the 9th defendant to the plaintiffs.

Plaintiffs' Committal Proceeding against Edeltec Venture Sdn. Bhd.; Chin Yong Keong; Khong Chee Seong and Ang Shi Jie (collectively "the proposed contemnors") and the proposed contemnors' setting aside application

On 12 September 2023, the plaintiffs took out an ex-parte application for leave to commit the proposed contemnors for disobeying the APO granted by the High Court and/or interfering with or obstructing the due administration of justice. On 25 October 2023, the leave order was granted by the High Court (the "Leave Order"). On 1 November 2023, the plaintiffs then took out the inter-partes application to commit the proposed contemnors ("the Application"). In response to the Application, the proposed contemnors filed three (3) separate applications to set aside the Leave Order. These applications were called up for hearing on 25 April 2024. After considering the written submissions and oral submissions of counsel for the parties, the High Court dismissed the three (3) applications filed by the proposed contemnors to set aside the Leave Order, as well as the plaintiffs' application for committal, both with no orders as to costs.

Notwithstanding the dismissal of the plaintiffs' application for contempt, the High Court ordered ASJ to affirm an affidavit within fourteen (14) days from 25 April 2024 disclosing to the best of his abilities, the particulars and details of the digital files which he had deleted.

On 16 May 2024, the plaintiffs lodged an appeal to the Court of Appeal against the decision of the High Court given on 25 April 2024 which dismissed the plaintiffs' application for a committal order. The appeal is fixed for mention on 2 July 2025.

On 17 May 2024, the proposed contemnors also lodged 3 appeals to the Court of Appeal against the decision of the High Court which dismissed their respective applications to set aside the Leave Order. The Court of Appeal heard the appeals on 14 May 2025 and fixed the same for decision on 2 July 2025.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)

B10. Dividend Declared

No dividend was declared in the current quarter under review in respect of the financial year ending 31 December 2025.

B11. Earnings Per Share ("EPS")

The basic and diluted EPS for the current quarter is computed as below:

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 3 months ended	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
Net profit attributable to owners of the parent (RM'000)	17,589	26,794	17,589	26,794
Weighted average number of ordinary shares in issue ('000)	892,324	893,586	892,324	893,586
Adjusted weighted average no. of ordinary shares in issue ('000)	892,929	894,522	892,929	894,522
Basic EPS (sen) ⁽¹⁾	1.97	3.00	1.97	3.00
Diluted EPS (sen) ⁽²⁾	1.97	3.00	1.97	3.00

Notes:

- (1) Basic EPS is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period under review, after deducting for treasury shares.
- (2) Diluted EPS is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period after deducting for treasury shares and adjusted for the effects of dilutive potential ordinary shares due to share grant scheme.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)

B12. Profit Before Tax

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

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 3 months ended	
	31-Mar-2025 RM '000	31-Mar-2024 RM '000	31-Mar-2025 RM '000	31-Mar-2024 RM '000
Interest income	(1,976)	(3,730)	(1,976)	(3,730)
Interest expense	356	365	356	365
Amortisation of intangible assets	1,343	1,567	1,343	1,567
Depreciation of property, plant and equipment	4,115	3,522	4,115	3,522
Depreciation of right-of-use assets	1,315	1,264	1,315	1,264
Depreciation of investment properties	215	219	215	219
Realised gain on foreign exchange	(935)	(710)	(935)	(710)
Unrealised loss/(gain) on foreign exchange	2,247	(9,811)	2,247	(9,811)

Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Listing Requirements are not applicable.

BY ORDER OF THE BOARD
16 May 2025