



**SCANWOLF CORPORATION BERHAD**

Registration No. (200601021156) (740909-T)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2024**

**27 FEBRUARY 2025**



**Scanwolf Corporation Berhad**  
**Registration No. (200601021156) (740909-T)**  
**Condensed Consolidated Statement of Comprehensive Income**  
**For the Second Quarter ended 31 December 2024**  
**(The figures have not been audited)**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>	9,502	9,041	20,104	16,773
Other operating income	83	2,419	107	2,420
Operating expenses	(11,883)	(10,999)	(23,348)	(20,954)
Depreciation & amortisation	(984)	(997)	(1,471)	(1,991)
<b>Results from operating activities</b>	<b>(3,282)</b>	<b>(536)</b>	<b>(4,608)</b>	<b>(3,752)</b>
Finance costs	(380)	(288)	(907)	(672)
<b>Profit /(Loss) before taxation</b>	<b>(3,662)</b>	<b>(824)</b>	<b>(5,515)</b>	<b>(4,424)</b>
Taxation	-	-	-	-
<b>Profit /(Loss) for the period &amp; total comprehensive loss attributed to the Company</b>	<b>(3,662)</b>	<b>(3)</b>	<b>(5,515)</b>	<b>(4,424)</b>
<b>Profit /(Loss) per share attributable to equity holders of the Company:</b>				
Profit/(Loss) per share (sen)	(1.80)	(0.41)	(2.72)	(2.21)

**Note:**

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the Interim Financial Report.



**Scanwolf Corporation Berhad**  
**Registration No. (200601021156) (740909-T)**  
**Condensed Consolidated Statement of Financial Position**  
**As at 31 December 2024**  
**(The figures have not been audited)**

	As at 31 December 2024 RM'000	(Audited) As at 30 June 2024 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	38,849	38,996
Right-of-use assets	1,428	2,183
Deferred tax assets	154	154
Inventories	2,398	2,665
<b>Total non-current assets</b>	<b>42,829</b>	<b>43,998</b>
<b>Current assets</b>		
Inventories	47,685	44,838
Trade and other receivables	8,399	8,860
Cash and bank balances	1,115	481
<b>Total current assets</b>	<b>57,199</b>	<b>54,179</b>
<b>TOTAL ASSETS</b>	<b>100,028</b>	<b>98,177</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	83,407	82,577
ICULS equity	1,972	1,972
Warrant reserve	3,204	3,398
Other reserves	(14,267)	(14,267)
Accumulated losses	(35,460)	(29,945)
<b>Total Equity</b>	<b>38,856</b>	<b>43,735</b>
<b>Non-current liabilities</b>		
Lease liabilities	1,966	2,831
Borrowings	1,955	1,568
Deferred tax liabilities	1,897	1,897
<b>Total non-current liabilities</b>	<b>5,818</b>	<b>6,296</b>
<b>Current liabilities</b>		
Trade and other payables	31,815	28,967
Lease liabilities	116	1,700
Borrowings	22,667	16,834
ICULS liabilities	643	643
Tax payables	113	2
<b>Total current liabilities</b>	<b>55,354</b>	<b>48,146</b>
<b>Total liabilities</b>	<b>61,172</b>	<b>54,442</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>100,028</b>	<b>98,177</b>
<b>Net Assets per share (RM)</b>	<b>0.19</b>	<b>0.22</b>

**Note:**

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the Interim Financial Report.



**Scanwolf Corporation Berhad**  
**Registration No. (200601021156) (740909-T)**  
**Condensed Consolidated Statement of Changes in Equity**  
**For the Second Quarter ended 31 December 2024**  
**(The figures have not been audited)**

	Share capital RM'000	Non-distributable				Distributable	Total RM'000
		ICULS equity RM'000	Warrant reserve RM'000	Reverse acquisition reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	
As at 01 July 2024	82,577	1,972	3,398	(19,524)	5,257	(29,945)	<b>43,735</b>
Loss, representing total comprehensive loss for the period	-	-	-	-	-	(1,853)	<b>(1,853)</b>
Conversion of Warrant	684	-	(162)	-	-	-	<b>522</b>
As at 30 September 2024	83,261	1,972	3,236	(19,524)	5,257	(31,798)	<b>42,404</b>
Loss, representing total comprehensive loss for the period	-	-	-	-	-	(3,662)	<b>(3,662)</b>
Conversion of Warrant	146	-	(32)	-	-	-	<b>114</b>
As at 31 December 2024	83,407	1,972	3,204	(19,524)	5,257	(35,460)	<b>38,856</b>

**Note:**

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the Interim Financial Report.



**Scanwolf Corporation Berhad**  
**Registration No. (200601021156) (740909-T)**  
**Condensed Consolidated Statement of Cash Flows**  
**For the Second Quarter ended 31 December 2024**  
**(The figures have not been audited)**

	<b>Cumulative</b>	
	<b>6 months ended Dec</b>	
	<b>2024</b>	<b>2023</b>
<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>		
Loss before tax	(5,515)	(4,424)
Adjustments for:		
Allowance for expected credit losses	-	186
Depreciation	902	1,475
Gain on disposal of asset	-	(500)
Interest expense	1,685	625
Realised loss / (gain) on foreign exchange - cash and cash equivalents	-	(2)
Unrealised (gain) / loss on foreign exchange	(85)	26
	<u>(3,013)</u>	<u>(2,614)</u>
Movements in working capital:		
(Increase)/Decrease in:		
Inventories	(1,164)	6,678
Trade & other receivables	(577)	(373)
Increase / (Decrease) in:		
Trade and other payables	692	(2,934)
Cash generated from / (used in) operations	<u>(4,062)</u>	<u>757</u>
Income tax paid	115	(15)
Net cash generated from / (used in) operating activities	<u>(3,947)</u>	<u>742</u>
<b>CASH FLOWS (USED IN) / FROM INVESTING ACTIVITIES</b>		
Acquisition of plant and equipment	(352)	-
Proceeds from disposal of assets	-	3,713
Net cash generated from investing activities	<u>(352)</u>	<u>3,713</u>
<b>CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>		
Interest paid	(871)	(625)
Proceeds from issuance of share	717	445
Proceeds from bankers' acceptances	29,432	19,984
Repayment of bankers' acceptances	(24,754)	(20,356)
Repayment of bridging and term loans	(199)	(3,472)
Repayment of lease liabilities	-	(182)
Net cash generated from/(used in) financing activities	<u>4,325</u>	<u>(4,206)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>26</b>	<b>249</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>	<b>(4,623)</b>	<b>(5,031)</b>
<b>CASH AND CASH EQUIVALENTS AT END</b>	<b><u>(4,597)</u></b>	<b><u>(4,782)</u></b>
<b>A15</b>		

**Note:**

The unaudited condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the Interim Financial Report.

**Part A - Explanatory Notes Pursuant to MFRS 134**

**1. Basis of Preparation**

The unaudited interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2024. These explanatory notes attached to the interim financial statements provide an explanation of 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 June 2024.

The significant accounting policies and methods of computation adopted in the preparation of this interim financial report are consistent with those adopted in the audited financial statements of the Company for the financial year ended 30 June 2024. The adoption of the new MFRS, amendments/improvements to MFRSs and new IC Interpretations does not have any significant impact on the financial performance and financial position of the Group.

**2. Auditors' Report on Preceding Annual Financial Statements**

The preceding audited financial statements for the financial year ended 30 June 2024 was not subject to any qualification.

**3. Comments about Seasonality or Cyclicity of Operations**

The principal business operations of the Group were not affected by any seasonal and cyclical factors.

**4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

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

**5. Changes in estimates**

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

**6. Debt and equity securities**

During the financial period ended 31 December 2024, the Company increased its issued and paid up ordinary share capital from RM83.2 million to RM83.4 million by way of issuance of 453,200 new ordinary shares of RM0.30 each pursuant to the conversion of warrants to ordinary shares.

Save for the above, there were no issuance and repayment of debt and equity securities, share buybacks, share cancellations, share held as treasury and resale of treasury shares during the financial period under review.

**7. Dividend paid**

No dividend was paid during this quarter.

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Notes To The Interim Report  
For the Second Quarter ended 31 December 2024  
(The figures have not been audited)

**8. Segmental information**

Segmental information is presented in respect of the Group's business segment as follows:

**6 Months ended 31 December 2024**

	Manufacturing RM'000	Property RM'000	Construction RM'000	Investment Holding RM'000	Consolidated RM'000
<b>Revenue</b>	18,753	963	388	-	20,104
<b>Results</b>					
Segment results	(3,717)	(305)	(14)	(572)	(4,608)
Finance costs	(782)	(34)	-	(91)	(907)
Profit/(Loss) before tax	(4,499)	(339)	(14)	(663)	(5,515)
Tax expenses					-
Loss after tax					(5,515)

**6 Months ended 31 December 2023**

	Manufacturing RM'000	Property RM'000	Construction RM'000	Investment Holding RM'000	Consolidated RM'000
<b>Revenue</b>	16,773	-	-		16,773
<b>Results</b>					
Segment results	(4,699)	1,805	-	(858)	(3,752)
Finance costs	(523)	(104)	-	(45)	(672)
Loss before tax	(5,222)	1,701	-	(903)	(4,424)
Tax expenses					-
Loss after tax					(4,424)

<b>Geographical Area</b>	<b>6 Months ended 31 Dec 2024 RM'000</b>	<b>6 Months ended 31 Dec 2023 RM'000</b>
<b>Revenue</b>		
Asia	2,388	3,645
Oceania	277	399
Middle East	239	359
Others	261	173
Total export	3,165	4,576
Malaysia	16,939	12,197
Total revenue	20,104	16,773

**9. Valuation of property, plant and equipment**

There were no valuation of the property, plant and equipment in the current quarter under review.

**10. Material events subsequent to the end of the quarter**

Neither the Company nor its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiaries.

There were no material events subsequent to the statement of financial position date up to 25 February 2025.

**11. Changes in the composition of the Group**

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

**12. Contingent liabilities**

The Group has no contingent liabilities which upon crystallisation would have a material impact on the financial position and business of the Group as at 25 February 2025.

**13. Capital commitments**

As at 25 February 2025, there is no significant commitment for capital expenditure by the Group which might have a material impact on the financial position or business of the Group.

**14. Significant Related Party Transactions**

Our Group's transactions with companies in which our director or substantial shareholders have an interest in for the current quarter ended 31 December 2024 were as follows:

Transaction with companies in which the Director or substantial shareholders have financial interest:

	<b>RM'000</b>
- Construction work	<u>259</u>

**15 Cash and cash equivalents**

	<b>As at 31 Dec 2024 RM'000</b>	<b>As at 31 Dec 2023 RM'000</b>
Cash & bank balances	1,115	201
Bank overdrafts	<u>(5,712)</u>	<u>(4,983)</u>
	<u>(4,597)</u>	<u>(4,782)</u>

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**1. Review of performance**

	Comparison with preceding year corresponding quarter			Comparison with preceding year corresponding period		
	Individual Quarter Ended			Cumulative Quarter Ended		
	31 Dec 2024 RM'000	31 Dec 2023 RM'000	Variation RM'000	31 Dec 2024 RM'000	31 Dec 2023 RM'000	Variation RM'000
Revenue	9,502	9,041	461	20,104	16,773	3,331
Profit/(Loss)	(3,362)	(824)	(2,538)	(5,515)	(4,424)	(1,091)

**Comparison with preceding year corresponding quarter**

For the current quarter under review, the Group's revenue increased by 5% to RM9.50 million, as compared to RM9.00 million in the corresponding quarter of the previous year. This growth was primarily driven by higher sales in Manufacturing. Meanwhile, loss before tax increased from RM0.80 million to RM3.36 million mainly due to unfavourable results in Property and Construction divisions and income of RM2.40 million recorded in previous year corresponding quarter on the waiver of debt and gain in disposal of a vacant land.

**Comparison with preceding year corresponding period**

For the financial period under review, the Group's total revenue grew by 19.8% to RM20.10 million, as compared to RM16.77 million recorded in the preceding year's corresponding period. However, loss before tax rising from RM4.42 million to RM5.51 million mainly due to income of RM2.40 million recorded in previous year corresponding quarter on the waiver of debt and disposal of a vacant land.

**2. Variation of results against preceding quarter**

	2Q 2025 RM'000	1Q 2025 RM'000	Increase/(Decrease)	
			RM'000	%
Revenue	9,502	10,602	(1,100)	-10.38%
Profit/(Loss) before	(3,662)	(1,853)	1,809	-97.63%

The Group's revenue for the current financial quarter decreased from RM10.60 million to RM9.50 million. Subsequently, it has resulted increase in loss before tax from RM1.85 million in the previous financial quarter to RM3.66 million coupled with unfavourable results in Property and Construction divisions and expenses incurred for corporate exercise.

**3. Current year prospects**

The Group is recognise on the ongoing macroeconomic challenges, including a declining global economic outlook and impending regulatory changes, such as the new minimum wage policy and EPF policy set to be implemented in March 2025, which could affect operational costs.

The Board is committed to tackling these challenges through continuous innovation, focusing on high product quality, effective cost management and strategic differentiation from competitors.

While in Property and Construction Divisions, the Group is anticipating to positive impact the Group's profitability and cash flow in coming years.

**4. Profit forecast and profit guarantee**

The Company did not issue any profit forecast or profit guarantee in this quarter and financial year to date.

**5. Taxation**

There is no tax expense due available of unutilised capital allowances or losses brought forward.

## 6. Group's borrowings and debt securities

	As at 31 Dec 2024 RM'000	As at 30 June 2024 RM'000
Secured:		
Bankers' acceptances	17,462	11,556
Term loans	1,448	1,741
Bank overdrafts	5,712	5,105
	<u>24,622</u>	<u>18,402</u>
Less: Amount due within 12 months	<u>(22,667)</u>	<u>(16,834)</u>
	<u>1,955</u>	<u>1,568</u>

## 7. Material litigation

Neither the Company nor its subsidiaries are engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiaries.

## 8. Dividends

No dividend is proposed in this quarter.

## 9. Earnings per share

Basic earnings per share is calculated by dividing net profit attributable to ordinary equity holders by the weighted average number of ordinary shares (excluding treasury shares) in issue during the period.

Weighted average number of ordinary shares for calculation of basic earnings per share:

	3 months ended 31 Dec 2024	Year to Date 31 Dec 2024
Profit/(Loss) attributable to shareholders (RM'000)	(3,662)	(5,515)
Weighted average number of ordinary shares ('000)	203,055	203,055
Profit/(Loss) per share (sen)	<u>(1.80)</u>	<u>(2.72)</u>

## 10. Notes to the Condensed Consolidated Income Statement

	3 months ended 31 Dec 2024 RM'000	Year to Date 31 Dec 2024 RM'000
The profit/(loss) has been arrived at after accounting for the following items		
(a) Interest income	-	-
(b) Other income including investment income	83	107
(c) Interest expense	380	907
(d) Depreciation and amortization	984	1,471
(e) Provision for and write off of receivable	-	-
(f) Provision for and write off of inventories	-	-
(g) (Gain) / Loss on disposal of property, plant and equipment	-	-
(h) Gain/(loss) on disposal of quoted/unquoted investments/properties	-	-
(i) Property, plant and equipment written off /impairment of asset	-	-
(j) Foreign exchange gain/(loss)	(85)	24
(k) Gain or (loss) on derivatives	-	-
(l) Share options vested under SIS	-	-

## 11. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors passed at the Board of Directors' meeting held on 27 February 2025.