



AXTERIA GROUP BERHAD

Company No. 199901021765 (496665-W)
(Incorporated in Malaysia)

Interim Financial Report For The Period Ended 30 September 2024 (Quarter 3, 2024)

AXTERIA GROUP BERHAD
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**Interim Financial Report for the period ended 30 September 2024
(Quarter 3, 2024)**

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AXTERIA GROUP BERHAD

Company No. 199901021765 (496665-W)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**FOR THE PERIOD ENDED 30 SEPTEMBER 2024***(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	RM'000 (Unaudited)	RM'000 (Audited)	RM'000 (Unaudited)	RM'000 (Audited)
Revenue	11,511	21,785	37,282	49,204
Operating expenses	(11,343)	(21,304)	(36,932)	(46,445)
Other operating income	121	69	585	234
Profit from operations	289	550	935	2,993
Finance costs	(76)	(285)	(593)	(844)
Share of results in associate	18	88	164	243
Profit before taxation	231	353	506	2,392
Income tax expenses	(172)	(71)	(263)	(929)
Profit after taxation/Total Comprehensive Income for the financial period	59	282	243	1,463
Profit after taxation attributable to :				
- Equity holders of the parent	59	282	243	1,463
- Non-controlling interests	-	-	-	-
	59	282	243	1,463
Earnings per share ("EPS") attributable to equity holders of the parent :				
- Basic EPS (sen)	0.01	0.05	0.04	0.24
- Diluted EPS (sen)	0.01	0.05	0.04	0.24

The above Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited consolidated financial statements of Axteria Group Berhad ("AGB" or the "Company") for the financial year ended 31 December 2023 and the accompanying explanatory notes to the interim financial statements.

AXTERIA GROUP BERHAD

Company No. 199901021765 (496665-W)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024***(The figures have not been audited)*

	(Unaudited) As at 30/09/2024	(Audited) As at 31/12/2023
	RM'000	RM'000
ASSETS		
Property, plant and equipment	44,087	44,738
Right-of-use assets	330	458
Investment properties	12,468	19,624
Goodwill	9,841	9,841
Investment in associate	4,552	4,388
Other receivables	2,101	1,916
Deferred tax assets	95	95
Other financial asset	1,568	1,552
Total non-current assets	75,042	82,612
Inventories	93,765	93,646
Trade receivables	12,894	5,735
Other receivables, deposits and prepayments	622	587
Current tax assets	1,026	410
Fixed deposits with a licensed bank	-	1,019
Cash and bank balances	10,497	13,419
Asset held for sale	4,791	-
Total current assets	123,595	114,816
TOTAL ASSETS	198,637	197,428

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024 (CONT'D)***(The figures have not been audited)*

	(Unaudited) As at 30/09/2024	(Audited) As at 31/12/2023
	RM'000	RM'000
EQUITY AND LIABILITIES		
Share capital	201,032	192,187
Treasury shares	(92)	(92)
Accumulated losses	(43,827)	(44,070)
Equity holders of the parent	157,113	148,025
Non-controlling interest	-	-
Total equity	157,113	148,025
Hire purchase creditors	77	124
Lease liabilities	181	286
Term loans	15,890	18,926
Total non-current liabilities	16,148	19,336
Trade payables	7,547	13,788
Contract liabilities	3,273	6,263
Other payables and accruals	10,993	6,435
Current tax liabilities	89	1,671
Hire purchase creditors	66	71
Lease liabilities	145	178
Term loans	3,263	1,661
Total current liabilities	25,376	30,067
TOTAL LIABILITIES	41,524	49,403
TOTAL EQUITY AND LIABILITIES	198,637	197,428
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS	0.20	0.21

The above Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements of AGB for the financial year ended 31 December 2023 and the accompanying explanatory notes to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2024***(The figures have not been audited)*

	----- Attributable to equity holders of the parent -----				
	----- Non-distributable -----		----- Distributable -----		
	Share Capital	Treasury Shares	Redeemable Convertible Preference Shares ("RCPS")	(Accumulated Losses)	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2023	164,479	(92)	1,000	(43,086)	122,301
Profit after taxation/Total comprehensive income for the financial period	-	-	-	1,463	1,463
Total contributions by and distributions to owners					
- Issuance of new shares	26,708	-	-	-	26,708
- Conversion of RCPS	1,000	-	(1,000)	-	-
Balance as at 30 September 2023	<u>192,187</u>	<u>(92)</u>	<u>-</u>	<u>(41,623)</u>	<u>150,472</u>
Balance as at 1 January 2024	192,187	(92)	-	(44,070)	148,025
Profit after taxation/Total comprehensive income for the financial period	-	-	-	243	243
Contributions by and distributions to owners of the Company:					
- Issuance of new shares	8,845	-	-	-	8,845
Balance as at 30 September 2024	<u>201,032</u>	<u>(92)</u>	<u>-</u>	<u>(43,827)</u>	<u>157,113</u>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements of AGB for the financial year ended 31 December 2023 and the accompanying explanatory notes to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024***(The figures have not been audited)*

	(Unaudited) Period ended 30/09/2024	(Audited) Year ended 31/12/2023
	RM'000	RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Profit before taxation	506	1,452
Net adjustments for non-cash items	819	5,320
Operating profit before working capital changes	1,325	6,772
Changes in working capital		
Net change in inventories	(119)	7,819
Net change in trade and other receivables	(7,194)	830
Net change in contract assets	-	65
Net change in trade and other payables	(7,683)	(4,589)
Net change in contract liabilities	(2,990)	(326)
Net change in provision	-	(285)
CASH (FOR)/FROM OPERATIONS	(16,661)	10,286
Income tax refunded	-	819
Income tax paid	(2,462)	(496)
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(19,123)	10,609
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Repayment of advance to associate	-	127
Interest income received	23	52
Purchase of:		
- investment properties	-	(341)
- property, plant and equipment	414	(17,288)
Withdrawal/(placement) of fixed deposits with tenure more than 3 months	1,019	(134)
Proceeds from disposal of investment properties	2,356	-
NET CASH FLOW FROM/(FOR) INVESTING ACTIVITIES	3,812	(17,584)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from/(repayment) to a director	6,000	(1)
Drawdown of term loan	1,502	5,773
Interest paid	(825)	(1,191)
Proceeds from issuance of ordinary shares	8,845	18,257
Repayment of lease liabilities	(138)	(187)
Repayment of term loans	(2,942)	(9,392)
Repayment to hire purchase creditors	(54)	(69)
NET CASH FLOW FROM FINANCING ACTIVITIES	12,388	13,190
Net (decrease)/increase in cash and cash equivalents	(2,923)	6,215
Cash and cash equivalents at beginning of financial period/year	13,420	7,205
Cash and cash equivalents at end of financial period/year	10,497	13,420

The above Condensed Consolidated Cash Flow Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the financial year ended 31 December 2023.

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**A1. Basis of Preparation**

The condensed interim financial statements are unaudited and have 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 (“Bursa Securities”) and issuers communication no. 1/2017 – Guidance on Disclosures in Notes to Quarterly Reported issued by Bursa Securities.

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. The explanatory notes attached to these condensed 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 31 December 2023.

A2. Summary of Significant Accounting Policies

The significant accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those adopted in preparation of the Group’s audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following amendments and/or interpretation(s) (including the consequential amendments, if any), during the current financial period:

- Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
- Amendment to MFRS 101: Non-current Liabilities with Covenants
- Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements
- Amendment to MFRS 16: Lease Liability in a Sale and Leaseback

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any), is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

A2.1 Amendment to MFRSs and IC Interpretations (including the Consequential Amendments) which were issued but not yet effective

The Group and the Company have not applied in advance the following amendments to the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysia Accounting Standards Board but are not yet effective for the current financial period:-

	<u>Effective Date</u>
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
• Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
• Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
• MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027

- MFRS 19 Subsidiaries without Public Accountability: Disclosures 1 January 2027

The Group is currently assessing the impact of adopting these amendments and plans to adopt these standards on the respective effective dates.

A3. Audit Report of Preceding Year's Annual Financial Statements

The preceding year annual audited financial statements were not subjected to any qualification.

A4. Seasonal or Cyclical Factors

The Group's performance during the financial period under review was not materially affected by seasonal or cyclical factors.

A5. Extraordinary and Exceptional Items

There was no item which is extraordinary and exceptional because of its size or incidences that has affected the assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter under review.

A6. Changes in Estimates

There were no material changes in estimates of amounts reported in prior interim periods or prior financial years that have a material effect in the current financial quarter and year-to-date.

A7. Debt and Equity Securities

No notable events related to the issuance, cancellation, repurchase, or repayment of debt and equity securities took place during the current quarter.

The outstanding warrant count remained constant at 97,211,694 units.

A8. Dividend Paid

No dividends were declared or paid by the Group during the current quarter.

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A9. Segmental Information

The Group's segmental information are as follows: -

	Property development & construction	Trading	Investment holding	Total
	RM'000	RM'000	RM'000	RM'000
9-month ended 30 September 2024				
Revenue				
External revenue	37,282	-	-	37,282
Results				
Operating profit/(loss)	1,450	(9)	(1,091)	350
Finance costs	(593)	-	-	(593)
Interest income	11	-	197	208
Other income	377	-	-	377
Share of results in an associate	-	-	164	164
Profit/(loss) before taxation	1,245	(9)	(730)	506
Income tax expenses	(229)	-	(34)	(263)
Profit/(loss) for the period	1,016	(9)	(764)	243

	Property development & construction	Trading	Investment holding	Total
	RM'000	RM'000	RM'000	RM'000
9-month ended 30 September 2023				
Revenue				
External revenue	49,201	3	-	49,204
Results				
Operating profit/(loss)	3,634	(12)	(863)	2,759
Finance costs	(844)	-	-	(844)
Interest income	33	-	121	154
Other income	80	-	-	80
Share of results in an associate	-	-	243	243
Profit/(loss) before taxation	2,903	(12)	(499)	2,392
Income tax expenses	(760)	-	(169)	(929)
Profit/(loss) for the period	2,143	(12)	(668)	1,463

A10. Valuation of Property, Plant and Equipment

The property, plant and equipment are stated at cost less depreciation and impairment loss, if any.

A11. Significant Events During the Reporting Period

The following are the significant events during the current quarter:

(a) Termination of Joint Venture Agreement

On 24 July 2024, Axteria Development Sdn Bhd (“ADSB”), a wholly-owned subsidiary of the Group, terminated its Joint Venture Agreement (“JVA”) with Alpha Astral Properties Sdn Bhd (“AAPSB”). This JVA, entered into on 22 November 2022, was intended for a mixed development project in Johor Bahru.

The termination was due to the non-fulfilment of a key condition within the specified timeframe. Both parties mutually agreed to terminate the JVA without no claims or liabilities arising from the termination.

The termination is not expected to have a material impact on the Group’s financial performance or position for the financial year ending 31 December 2024.

(b) Completion of Private Placement

On 13 September 2024, the Company announced the successful completion of its Private Placement. A total of 71,676,600 ordinary shares were listed on the Main Market of Bursa Securities, raising RM8,520,032.02 at an issue price of RM0.123 per share.

A12. Material Events After the End of the Interim Financial Period

There was no significant event after the end of the quarter up to the date of this report.

A13. Changes in the Composition of the Group

There was no change in the composition of the Group during the current quarter.

A14. Contingent Liabilities and Contingent Assets**(a) Contingent liabilities****Limit:**

Corporate guarantees given to financial institutions for credit facilities granted to subsidiaries – unsecured
Corporate guarantees given to financial institutions for credit facilities granted to an associate – unsecured

Company	
As at 30/09/2024 (Unaudited) RM’000	As at 31/12/2023 (Audited) RM’000
76,709	74,914
13,573	13,573

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	Company	
	As at 30/09/2024 (Unaudited) RM'000	As at 31/12/2023 (Audited) RM'000
Utilised:		
Corporate guarantees given to financial institutions for credit facilities granted to subsidiaries – unsecured	19,151	24,206
Corporate guarantees given to financial institutions for credit facilities granted to an associate – unsecured	11,882	13,225

(b) Contingent assets

There was no contingent asset as at the end of current quarter.

A15. Capital Commitments

The material commitments for the Group as at the 30 September 2024 are as follows:

	RM'000
Purchase of property, plant and equipment	1,406

A16. Related Party Transactions

For the purpose of this interim financial statement, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

The following transactions have been entered into with related parties that were necessary for the day-to-day operations in the ordinary course of business and are transacted on negotiated and arm's length basis.

	RM'000
Associate	
- Interest income	185
Company which certain directors have substantial financial interest	
- Reimbursement of revolving credit interest for loan obtained to finance the development land	342
- Landowner's entitlement for A SOHO Johor Jaya Project	820

B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENT BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 9 months ended	Preceding Year 9 months ended
	30/09/2024 (Unaudited) RM'000	30/09/2023 (Audited) RM'000	30/09/2024 (Unaudited) RM'000	30/09/2023 (Audited) RM'000
Revenue	11,511	21,785	37,282	49,204
Profit before taxation	231	353	506	2,392

(a) Individual Quarter Performance (3 months ended 30 September 2024 vs. 30 September 2023)

For the three-month period ended 30 September 2024, the Group recorded a revenue of RM11.51 million, a decrease from RM21.79 million in the same quarter of the previous year. The higher revenue in the previous year was attributed to the successful sale of Bumiputra units in Project Desa 88, alongside progressive billing recognition for completed sales under both the Desa 88 and Sentrío Projects. These factors significantly contributed to last year's elevated revenue figures.

In the current quarter, the Group began recognizing revenue from the A SOHO Johor Jaya project following its official launch in July 2024. The conversion of bookings into confirmed sales contributed to this quarter's revenue. Additionally, the official launch of The Asteria Melaka serviced apartment project in September 2024 marks another major contributor to future revenue. These projects are expected to be key revenue drivers for the Group moving forward.

Despite the decline in revenue compared to the previous year, the Group maintained a stable profit margin, highlighting strong cost control and operational efficiency. This financial prudence helped cushion the impact of lower revenues, with profitability supported by effective inventory management and ongoing sales from completed units.

(b) Cumulative Quarter Performance (9 months ended 30 September 2024 vs. 30 September 2023)

For the nine-month period ended 30 September 2024, the Group reported revenue of RM37.28 million, a 24.22% decrease compared to RM49.20 million in the same period of the previous year. The reduction in revenue is largely attributed to the absence of the high-margin sales of completed units, which contributed to last year's stronger performance. In the current year, a significant portion of revenue has been derived from land sales, which typically yield lower profit margins compared to completed unit sales.

Nevertheless, the inclusion of revenue from the newly launched A SOHO Johor Jaya and the anticipated contributions from The Asteria Melaka serviced apartment project are expected to play a pivotal role in stabilizing the Group's revenue. This strategic shift is

intended to optimize the Group's asset portfolio, reduce holding costs, and generate immediate cash flow, thereby supporting long-term growth objectives.

(c) Conclusion

In summary, the Group experienced a decrease in revenue for both the individual and cumulative quarters compared to the previous year. This decline can be attributed to the previous year's strong sales of completed units and the focus on land sales in the current period, which have lower profit margins. However, the successful launches of A SOHO Johor Jaya and The Asteria Melaka serviced apartment project demonstrate the Group's proactive approach in diversifying its revenue streams and securing future growth.

Management remains committed to enhancing profitability through strategic inventory management, maintaining strong cost control, and capitalizing on new project launches. These initiatives are expected to drive long-term value and sustain the Group's financial stability in the face of market fluctuations.

B2. Comparison with Preceding Quarter's Results

The result for the current quarter ended 30 September 2024 compared to the preceding quarter ended 30 June 2024 are summarised as follows:-

	Current Quarter ended	Preceding Quarter ended
	30/09/2024 (Unaudited) RM'000	30/06/2024 (Unaudited) RM'000
Revenue	11,511	16,968
Profit before taxation	231	7

For the current quarter ended 30 September 2024, the Group recorded a revenue of RM11.51 million, a decrease of 32.16% from the preceding quarter's revenue of RM16.97 million. The reduction in revenue was primarily due to the absence of high-margin sales that were recognized in the previous quarter, particularly from the sale of vacant industrial land, which contributed significantly to last quarter's figures.

Despite the reduction in revenue, the Group's profitability showed a marked improvement, with Profit Before Taxation (PBT) increasing to RM231 thousand from RM7 thousand in the preceding quarter. This improvement reflects a shift in the Group's sales mix towards higher-margin products and the benefits of effective cost management. In the current quarter, the Group focused on sales from completed inventory and new project launches, which are expected to drive profitability in the coming periods.

While revenue experienced a decline, the sales momentum remains strong with the launch of A SOHO Johor Jaya and The Asteria Melaka serviced apartment projects. Management continues to monitor cost structures closely and adjust sales strategies to enhance profitability in the upcoming quarters, aiming to capitalize on new market opportunities and maintain financial stability.

B3. Prospects for the Group

The Group remains steadfast in its commitment to maximizing the value of both existing and upcoming developments. Over the next two to three years, resources will be strategically allocated to high-potential projects, forming the backbone of the Group's growth strategy. Alongside this, the Group is actively pursuing new opportunities to diversify its portfolio, aiming to sustain long-term growth and enhance overall market positioning.

The successful completion of Project Desa 88 and Project Sentrío marks a significant achievement for the Group. Project Desa 88 has fully sold out Phases 1 and 2 of its terrace factory units, with only a limited selection of build-to-suit industrial lands remaining available. Project Sentrío also continues to perform well, with around 70% of its units sold or reserved. The Group is now focusing on maximizing returns by fully monetizing the remaining inventory of both projects by mid-2025, leveraging current market demand.

The Group's flagship project, The Asteria Melaka, is a key highlight. This impressive development includes a 16-storey hotel with 241 rooms and a 44-storey serviced apartment tower comprising 306 suites. Construction of the hotel is nearing completion and is being positioned as a strategic divestment opportunity, with essential interior fit-outs left flexible to accommodate potential buyers' customization preferences. The serviced suites are progressing on schedule for a December 2024 completion, with the Certificate of Completion and Compliance (CCC) anticipated in the first quarter of 2025. A notable milestone was reached in September 2024, with the official launch of the serviced suites generating significant interest and reinforcing the project's strong future potential.

A SOHO Johor Jaya is another major project, showcasing the Group's focus on innovative, market-responsive developments. This mixed-use venture, officially launched in July 2024, comprises 474 SOHO units and 33 retail shop lots, strategically situated within a well-established and vibrant township. Market response has been exceptionally favorable, with 96.12% of available SOHO units sold to date. Construction continues to progress smoothly, and the Group is optimistic that this project will serve as a strong revenue driver in the upcoming quarters.

Looking ahead, the Group is confident in its future prospects, buoyed by the robust performance of ongoing projects and the promising potential of newly launched developments, particularly The Asteria Melaka and A SOHO Johor Jaya. These initiatives are expected to play a crucial role in bolstering the Group's revenue and profitability, further solidifying its standing in the real estate sector.

The Group's strategy centers on operational efficiency, the delivery of innovative projects, and effective asset management. By refining existing developments and seizing new opportunities, the Group is well-positioned to enhance its market share and deliver consistent value to stakeholders. A disciplined approach to cost management, combined with a focused sales strategy, will be crucial to maintaining strong profit margins and ensuring financial stability. As the Group progresses, these strategic efforts will underpin its sustained success and long-term value creation.

B4. Profit Forecast or Profit Guarantee

The Group did not announce or provide any profit forecasts or profit guarantees during the current financial quarter under review and the financial year-to-date.

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B5. Corporate Proposals

As of the date of this report, there have been no pending corporate proposals that were announced but not yet completed.

B6. Profit before Taxation

The profit before taxation is arrived at after charging the following items:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 9 months ended	Preceding Year 9 months ended
	30/09/2024 (Unaudited) RM'000	30/09/2023 (Audited) RM'000	30/09/2024 (Unaudited) RM'000	30/09/2023 (Audited) RM'000
Interest income	(52)	(47)	(208)	(154)
Other income including investment income	(68)	(22)	(377)	(80)
Interest expenses	76	285	593	844
Depreciation and amortisation	124	104	374	302
Provision for write off of receivables	-	-	-	-
Provision for write off of inventories	-	-	-	-
Gain or loss on disposal of quoted or unquoted investments or properties	44	-	44	-
Impairment of assets	-	-	-	-
Foreign exchange loss/(gain)	-	-	-	-
Gain or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

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B7. Taxation

Taxation comprises the following: -

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 9 months ended	Preceding Year 9 months ended
	30/09/2024 (Unaudited) RM'000	30/09/2023 (Audited) RM'000	30/09/2024 (Unaudited) RM'000	30/09/2023 (Audited) RM'000
Current tax expense	172	11	263	760
Deferred taxation	-	60	-	169
	172	71	263	929

Effective tax rate	74.46%	20.11%	51.98%	38.84%
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The Group's effective tax rate for the reporting period exceeds the statutory tax rate. This is primarily due to the consolidation of financial results across the Group. While some entities within the Group achieved profits, these profits were offset by losses incurred by other entities. This consolidation results in a higher taxable income, which can lead to an effective tax rate that is higher than the statutory rate might indicate.

B8. Borrowings

The Group's borrowings as at 30 September 2024 are as follows: -

	As at 30 September 2024		
	Long Term Borrowings	Short Term Borrowings	Total Borrowings
	(Unaudited) RM'000	(Unaudited) RM'000	(Unaudited) RM'000
Secured			
Term loans	15,890	3,263	19,153
Hire purchase creditors	77	66	143
	15,967	3,329	19,296

	As at 30 September 2023		
	Long Term Borrowings	Short Term Borrowings	Total Borrowings
	(Audited) RM'000	(Audited) RM'000	(Audited) RM'000
Secured			
Term loans and bridging finance	18,277	3,864	22,141
Hire purchase creditors	143	71	214
	18,420	3,935	22,355

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B9. Financial Instruments

The fair value of financial asset measured at fair value through profit or loss as at 30 September 2024 is as follows:-

	RM'000
Other financial asset	1,568

The other financial asset is classified under Level 2 of the fair value hierarchy. Its fair value is determined based on the surrender value at the end of current financial period.

Apart from the above, the fair values of the Group's financial assets and liabilities measured at amortised cost are approximated to the carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand.

B10. Material Litigation

There was no material litigation during the current financial period under review.

B11. Proposed Dividend

There was no dividend declared for the current financial period under review.

B12. Earnings per Ordinary Share ("EPS")**(i) Basic EPS**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 9 months ended	Preceding Year 9 months ended
	30/09/2024 (Unaudited)	30/09/2023 (Audited)	30/09/2024 (Unaudited)	30/09/2023 (Audited)
Earnings attributable to equity holders of the parent (RM'000)	59	282	243	1,463
Weighted average number of shares in issue ('000)	721,214	612,698	721,214	612,698
Basic EPS (sen)	0.01	0.05	0.04	0.24

AXTERIA GROUP BERHAD

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(ii) Diluted EPS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3 months ended	Preceding Year 3 months ended	Current Year 9 months ended	Preceding Year 9 months ended
	30/09/2024 (Unaudited)	30/09/2023 (Audited)	30/09/2024 (Unaudited)	30/09/2023 (Audited)
Earnings attributable to equity holders of the parent (RM'000)	59	282	243	1,463
Weighted average number of shares in issue ('000)	721,214	612,698	721,214	612,698
Cumulative Redeemable Convertible Preference Shares	-	-	-	-
Shares deemed issued for no consideration ('000) – Warrants	-	-	-	-
Weighted average number of shares for diluted EPS ('000)	721,214	612,698	721,214	612,698
Diluted EPS (sen)	0.01	0.05	0.04	0.24

**By Order Of The Board Of
Axteria Group Berhad**

Date: 26 November 2024