

Interim Financial Report

APPENDIX 4D – INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 JUNE 2024

Results for Announcement to the Market

Key Information	Half-year Ended 30 June 2024	Half-year Ended 30 June 2023	% Change
	RM'000	RM'000	
Revenue from ordinary activities	3,743	3,906	-4%
Profit / (Loss) after tax from ordinary activities attributable to members	478	(163)	393%
Net Profit / (Loss) attributable to members	478	(163)	393%
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	3,156	2,301	37%

Explanation of Key Information

An explanation of the above figures is contained in the Review of Operations included within the attached directors' report.

Net Tangible Assets per share

	Half-year Ended 30 June 2024	Half-year Ended 30 June 2023
	RM/Share	RM/Share
Net tangible assets per share	0.2646	0.2592

Dividend Reinvestment Plans

The Group does not have any dividend reinvestment plans in operation.

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DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 30 June 2024.

Directors

The names of directors who held office during or since the end of the half-year:

Tan Sri Dr Mah King Thian
Dato' Seri Mah King Seng
Mr. Soong Swee Koon
Mr. Jack Tian Hock Tan
Mr. Lee Chong Hoe
Mr. Derrick De Souza
Dr. Jordina Siu Yi Mah (Alternate Director to Tan Sri Dr Mah King Thian)
Ms. Li-Na Mah (Alternate Director to Dato' Seri Mah King Seng)

Review of Operations for 1HFY24

Following a loss in the previous financial year, Mistral Engineering Sdn.Bhd. returned to the black with a cumulative profit before tax (PBT) of RM787,529. The group's cost cutting initiatives and focus on operational efficiency led to gross profit margin rising by 21.53% year over year (yoy).

Total Biogas Power Plant exports declined marginally by 4% yoy to 8,018MWh, largely due to the reduced availability of POME (Palm Oil Mill Effluent) feedstock. POME supply was strained by an unplanned shutdown of the adjacent Biomass Power Plant in January 2024 coupled with intermittent interruptions at the neighbouring Palm Oil Mill. A short circuit of a 33kV cable line caused the Biogas Power Plant's operations to cease from June 1st to June 10th.

Average power exports increased steadily from 1.68MW in Jan 2024 to 2.83MW in July 2024. The group is cautiously optimistic about its ability to consistently maintain an output of 3MW in 2HFY24. Achieving this target will require a steady supply of high-quality POME, which remains a challenge.

The Plant's Jenbacher gas engine No 2 underwent a major overhaul in June 2024, incurring an estimated cost of RM992,772. Engine work is expected to be completed by 2HFY24. The remaining gas engines will incur additional servicing and maintenance costs totalling RM304,483.

The Biogas Power Plant also generated an additional RM51,015 from the sale of Renewable Energy Certificates (RECs). REC is issued for each MWh of renewable energy produced. This supports the group's CSR efforts and is in line with the group's strategy to diversify earnings

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DIRECTORS' REPORT

Rounding of Amounts

The consolidated group has applied the relief available to it under ASIC Corporation Instrument 2016/191 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest RM1,000.

Auditor's Independence Declaration

The lead Auditor's Independence Declaration under s 307C of the *Corporations Act 2001* is set out on page 4 for the half-year ended 30 June 2024.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director

Tan Sri Dr Mah King Thian

Dated this 29 day of August 2024

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Lead Auditors' Independence Declaration under Section 307C of the Corporations Act 2001

To the Members of Timah Resources Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024 there has been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

The entities are in respect of Timah Resources Limited and the entities it controlled during the period.

KS Black & Co
Chartered Accountants



Scott Bennison
Partner

Dated in Sydney on this *29th* day of *August* 2024

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CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Directors of Timah Resources Limited

Report on the Consolidated half-year Financial Report

We have reviewed the accompanying half-year Consolidated Financial Report of Timah Resources Limited, which comprises the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income, statement in changes in equity and the statement of cash flows; for the half-year then ended, a summary of significant accounting policies, other selected explanatory notes and the declaration by those charged with governance.

The Director's Responsibility for 30 June 2024 Consolidated half-year Financial Report

The Directors of the Consolidated Group are responsible for the preparation and fair presentation of the half-year Consolidated Interim Financial Report in accordance with *Accounting Standard AASB 101* and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Consolidated half-year Financial Report

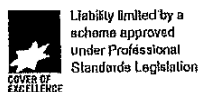
Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report is not presented fairly, in all material respects, with the Corporations Law 2001. As the auditor of Hudson Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of the person responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Australian professional accounting bodies.

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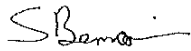
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Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of Timah Resources Limited does not present fairly, in all material respects including:

- i. Giving a true and fair view of the Entity's financial position as at 30 June 2024 and of its performance for the financial half-year ended on that date; and
- ii. Complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

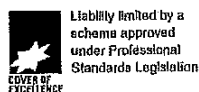
KS Black & Co
Chartered Accountants



Scott Bennison
Partner

Dated: 29 August 2024

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Timah Resources Limited ABN 69 123 981 537 and Controlled Entities

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE HALF-YEAR ENDED
30 JUNE 2024

	Note	Consolidated Group	
		Half-year Ended 30 June 2024	Half-year Ended 30 June 2023
		RM'000	RM'000
Revenue	2	3,743	3,906
Cost of sales		(3,298)	(4,077)
Gross profit		445	(171)
Other income	2	1,006	817
Administrative expenses		(171)	(179)
Finance costs		(600)	(630)
Loss before income tax		680	(163)
Income tax expenses		(202)	-
Loss for the period		478	(163)
Other comprehensive income:			
Exchange differences on translation of foreign operations		-	74
Total comprehensive loss for the period		478	(237)
Earnings per share (cents)		0.5	(0.2)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2024

	Note	Consolidated Group	
		As at 30 June 2024	As at 31 December 2023
		RM'000	RM'000
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalents		7,548	6,518
Trade and other receivables		706	969
Other assets		2,605	837
Inventories		283	150
TOTAL CURRENT ASSETS		11,142	8,474
NON-CURRENT ASSETS			
Right of use		253	264
Deferred tax assets		11,209	11,613
Property, plant and equipment		32,481	33,798
TOTAL NON-CURRENT ASSETS		43,943	45,675
TOTAL ASSETS		55,085	54,149
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Trade and other payables		516	714
Lease liabilities		13	12
TOTAL CURRENT LIABILITIES		529	726
NON-CURRENT LIABILITIES			
Borrowings		23,753	22,687
Lease liabilities		305	312
Deferred tax liabilities		7,013	7,417
TOTAL NON-CURRENT LIABILITIES		31,071	30,416
TOTAL LIABILITIES		31,600	31,142
NET ASSETS		23,485	23,007
EQUITY			
Issued capital		45,990	45,990
Foreign currency translation reserve		(42)	(42)
Retained earnings		(22,463)	(22,941)
TOTAL EQUITY		23,485	23,007

The accompanying notes form part of these financial statements.

Timah Resources Limited ABN 69 123 981 537 and Controlled Entities

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED
30 JUNE 2024

Consolidated Group	Ordinary Share Capital	Retained Earnings	Foreign Currency Translation Reserve	Total
	RM'000	RM'000	RM'000	RM'000
Balance at 1 January 2023	46,890	(23,374)	(91)	23,425
Comprehensive income				
Share capital reduction	(900)	-	-	(900)
Profit for the period	-	433	-	433
Foreign exchange translation difference	-	-	49	49
Balance at 31 December 2023	45,990	(22,941)	(42)	23,007
Balance at 1 January 2024	45,990	(22,941)	(42)	23,007
Comprehensive income				
Profit for the period	-	478	-	478
Balance at 30 June 2024	45,990	(22,463)	(42)	23,485

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED
30 JUNE 2024

	Consolidated Group	
	Half-year Ended 30 June 2024	Half-year Ended 30 June 2023
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	4,673	4,592
Payments to suppliers and employees	(3,617)	(2,508)
Interest received	55	56
Finance costs	(600)	(630)
Net cash generated from operating activities	511	1,510
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for property, plant and equipment	(559)	(727)
Net cash used in investing activities	(559)	(727)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(2,454)
Right to use	11	11
Increase in borrowings	1,066	-
Net cash generated / (used in) financing activities	1,077	(2,443)
Net increase / (decrease) in cash held	1,029	(1,660)
Cash and cash equivalents at beginning of period	6,519	8,069
Effect of exchange rate changes on cash and cash equivalents	-	49
Cash and cash equivalents at end of period	7,548	6,458

The accompanying notes form part of these financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 30 June 2024 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Timah Resources Limited and its controlled entities (referred to as the “consolidated group” or “group”). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2024, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 29 August 2024.

The consolidated financial statements have been prepared using reverse acquisition accounting. In reverse acquisition accounting, the cost of the business combination is deemed to have been incurred by the legal subsidiary Mistral (the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent, Timah (the acquirer for accounting purposes).

The ultimate holding company of the Group is Cepatwawasan Group Berhad. Cepatwawasan Group Berhad is incorporated in Malaysia.

Functional and Presentation Currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Malaysian Ringgit which is the parent entity's functional and presentation currency.

b. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2024

NOTE 2: REVENUE

	Consolidated Group	
	Half-year Ended 30 June 2024	Half-year Ended 30 June 2023
	RM'000	RM'000
The following revenue items are relevant in explaining the financial performance for the interim period:		
Revenue:		
Sales of renewable energy	3,743	3,906
Other Income:		
Sales of sludge oil	362	84
Interest income	55	56
Unrealised forex exchange gain	22	74
POME treatment	516	603
Sales of Renewable Energy Certificates (RECs)	51	-
	<u>4,749</u>	<u>4,723</u>

NOTE 3: ISSUED CAPITAL

Movements in share capital of the Company are set out below:

	No.	RM'000
Opening balance at 1 January 2023	88,759,761	46,890
Share capital reduction	-	(900)
Closing balance at 31 December 2023	<u>88,759,761</u>	<u>45,990</u>
Opening balance at 1 January 2024	88,759,761	45,990
Share buy-back	-	-
Closing balance at 30 June 2024	<u>88,759,761</u>	<u>45,990</u>

Note 4 Segment Information

TML operates in a single segment being renewable energy generation in two geographical segments.

	Australia	Malaysia	Total
	RM'000	RM'000	RM'000
(i) Segment Performance			
Year Ended 30.06.2024			
Total Segment Revenue	-	3,743	3,743
Total Segment Other Income	30	976	1,006
Inter-Segment Elimination	-	-	-
Total Group Revenue	30	4,719	4,749
Segment Net (Loss) / Profit before tax	(108)	788	680
Year Ended 30.06.2023			
Total Segment Revenue	-	3,906	3,906
Total Segment Other Income	30	787	817
Inter-Segment Elimination	-	-	-
Total Group Revenue	30	4,693	4,723
Segment Net Loss before tax	(79)	(84)	(163)
(ii) Segment Assets			
Total Group Assets			
As at 30.06.2024	1,400	53,745	55,085
As at 31.12.2023	1,400	52,749	54,149
(iii) Segment Liabilities			
Total Liabilities			
As at 30.06.2024	577	31,023	31,600
As at 31.12.2023	530	30,612	31,142

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Timah Resources Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 13, are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director



Tan Sri Dr Mah King Thian

Dated this 29 day of August 2024

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