

FRONTKEN CORPORATION BERHAD

(Co. No. 651020-T)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

(The figures have not been audited)

	Individual Quarter				Cumulative Quarter			
	Current Year Quarter 30 Sep 2023 RM '000	Preceding Year Corresponding Quarter 30 Sep 2022 RM '000	Changes RM'000 (%)		Current Year To-date 30 Sep 2023 RM '000	Preceding Year Corresponding Period 30 Sep 2022 RM '000	Changes RM'000 (%)	
Revenue	133,523	134,566	(1,043)	(1)	368,662	381,910	(13,248)	(3)
Operating expenses	(84,918)	(84,420)	(498)	1	(236,689)	(242,187)	5,498	(2)
Profit before depreciation and finance costs	48,605	50,146	(1,541)	(3)	131,973	139,723	(7,750)	(6)
Depreciation	(5,114)	(4,485)			(14,999)	(12,923)		
Finance costs	(218)	(186)			(837)	(602)		
Other operating income	2,193	3,362			8,766	8,080		
Profit before tax	45,466	48,837	(3,371)	(7)	124,903	134,278	(9,375)	(7)
Taxation	(15,494)	(10,803)	(4,691)	43	(33,817)	(32,401)	(1,416)	4
Profit after tax	29,972	38,034	(8,062)	(21)	91,086	101,877	(10,791)	(11)
Profit after tax attributable to :								
Owners of the Company	26,746	34,733	(7,987)	(23)	82,244	93,449	(11,205)	(12)
Non-controlling interests	3,226	3,301			8,842	8,428		
Profit for the period	29,972	38,034			91,086	101,877		
Profit for the period	29,972	38,034			91,086	101,877		
Other comprehensive income:								
Foreign currency translation	(11,375)	(5,396)			11,016	(10,703)		
Total comprehensive income for the period	18,597	32,638			102,102	91,174		
Total comprehensive income attributable to:								
Owners of the Company	16,203	29,785			92,697	83,640		
Non-controlling interests	2,394	2,853			9,405	7,534		
Total comprehensive income for the period	18,597	32,638			102,102	91,174		
Earnings per share attributable to equity holders of the company :								
Basic (sen)	1.70	2.21			5.23	5.95		

The condensed consolidated income statement is to be read in conjunction with the accompanying notes to the interim financial report.

The comparative figures are based on unaudited financial statements of the Company for the financial period ended 30 September 2022.

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FRONTKEN CORPORATION BERHAD

(Co. No. 651020-T)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

(The figures have not been audited)

	Unaudited 30 Sep 2023 RM'000	Audited 31 Dec 2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	231,448	229,265
Right-of-use assets	35,234	35,561
Other receivables and prepaid expenses	131	161
Goodwill on consolidation	33,761	33,761
Deferred tax assets	1,469	1,447
Total non-current assets	<u>302,043</u>	<u>300,195</u>
Current assets		
Inventories	27,793	21,282
Trade receivables	127,116	124,086
Other receivables, deposits and prepaid expenses	10,950	17,752
Short-term investments	19,978	11,985
Fixed deposits with licensed banks	72,108	13,161
Cash and bank balances	272,381	317,359
Total current assets	<u>530,326</u>	<u>505,625</u>
Total assets	<u>832,369</u>	<u>805,820</u>
EQUITY AND LIABILITIES		
Capital and reserve		
Share capital	118,441	118,441
Treasury shares	(4,748)	(4,748)
Reserves	486,497	434,775
Equity attributable to owners of the Company	<u>600,190</u>	<u>548,468</u>
Non-controlling interests	45,078	39,454
Total equity	<u>645,268</u>	<u>587,922</u>
Non-current liabilities		
Borrowings	90	-
Lease liabilities	29,780	30,030
Other payables	330	826
Deferred tax liabilities	1,181	1,142
Total non-current liabilities	<u>31,381</u>	<u>31,998</u>
Current liabilities		
Trade payables	24,357	27,661
Other payables and accrued expenses	114,088	111,668
Borrowings	63	19,720
Lease liabilities	3,120	2,886
Current tax liabilities	14,092	23,965
Total current liabilities	<u>155,720</u>	<u>185,900</u>
Total liabilities	<u>187,101</u>	<u>217,898</u>
Total equity and liabilities	<u>832,369</u>	<u>805,820</u>
Net assets per share attributable to owners of the parents (RM)	0.38	0.35

The condensed consolidated balance sheet is to be read in conjunction with the accompanying notes to the interim financial report.

The comparative figures are based on audited financial statements of the Company for the financial year ended 31 December 2022.

FRONTKEN CORPORATION BERHAD

(Co. No. 651020-T)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(The figures have not been audited)

	<----- Non-distributable ----->					Distributable			Total RM'000
	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Statutory reserve RM'000	Share grant plan reserve RM'000	Retained earnings RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	
Balance at 1 January 2023	118,441	(4,748)	39,624	33,862	4,184	357,105	548,468	39,454	587,922
Other comprehensive income recognised for the period:									
Foreign currency translation	-	-	10,453	-	-	-	10,453	563	11,016
Profit for the period	-	-	-	-	-	82,244	82,244	8,842	91,086
Total comprehensive income for the period	-	-	10,453	-	-	82,244	92,697	9,405	102,102
Dividend									
- by the Company	-	-	-	-	-	(40,845)	(40,845)	-	(40,845)
- by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	(3,632)	(3,632)
Transfer to statutory reserve	-	-	-	11,648	-	(11,648)	-	-	-
Changes in ownership interests in a subsidiary that do not result in loss of control	-	-	-	-	-	(130)	(130)	(149)	(279)
Balance at 30 September 2023	118,441	(4,748)	50,077	45,510	4,184	386,726	600,190	45,078	645,268

CORRESPONDING PERIOD CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	<----- Non-distributable ----->					Distributable			Total RM'000
	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Statutory reserve RM'000	Share grant plan reserve RM'000	Retained earnings RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	
Balance at 1 January 2022	118,441	(4,748)	54,277	24,517	-	308,368	500,855	34,225	535,080
Other comprehensive income recognised for the period:									
Foreign currency translation	-	-	(9,809)	-	-	-	(9,809)	(894)	(10,703)
Profit for the period	-	-	-	-	-	93,449	93,449	8,428	101,877
Total comprehensive income for the period	-	-	(9,809)	-	-	93,449	83,640	7,534	91,174
Dividend									
- by the Company	-	-	-	-	-	(64,409)	(64,409)	-	(64,409)
- by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	(1,260)	(1,260)
Transfer to statutory reserve	-	-	-	9,389	-	(9,389)	-	-	-
Changes in ownership interests in a subsidiary that do not result in loss of control	-	-	-	-	-	(2,244)	(2,244)	(2,495)	(4,739)
Balance at 30 September 2022	118,441	(4,748)	44,468	33,906	-	325,775	517,842	38,004	555,846

The condensed consolidated statement of changes in equity is to be read in conjunction with the accompanying notes to the interim financial report.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2023

(The figures have not been audited)

	CUMULATIVE QUARTER	
	Current Period To Date	Preceding Corresponding Period
	30 Sep 2023 RM'000	30 Sep 2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	124,903	134,278
Adjustments for:		
Depreciation of property, plant and equipment	12,272	10,487
Depreciation of right-of-use assets	2,727	2,436
Interest expense	837	602
Unrealised gain on foreign exchange	(1,995)	(4,116)
Interest income	(3,066)	(612)
Gain on disposal of short-term investment	(175)	-
Gain on disposal of property, plant and equipment	(898)	(32)
Reversal of allowance for impairment losses on receivables	(26)	-
Plant and equipment written off	41	-
Fair value gain on short-term investments	(557)	-
Inventories written down	38	-
Operating profit before working capital changes	134,101	143,043
Inventories	(6,174)	(3,502)
Trade receivables	(144)	(22,795)
Other receivables, deposits and prepaid expenses	7,229	(840)
Trade payables	(3,695)	6,290
Other payables and accrued expenses	185	18,796
Cash generated from operations	131,502	140,992
Taxes paid	(44,074)	(35,405)
Net cash from operating activities	87,428	105,587
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	3,066	612
Additional investment in an existing subsidiary	(279)	(4,739)
Purchase of property, plant and equipment	(10,560)	(46,277)
Investment	-	(2,007)
Proceeds from disposal of short-term investments	1,155	-
Proceeds from disposal of property, plant and equipment	920	32
Net withdrawal/(placement) of fixed deposits with licensed banks	(37,946)	(15,090)
Net cash for investing activities	(43,644)	(67,469)

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	CUMULATIVE QUARTER	
	Current Period To Date	Preceding Corresponding Period
	30 Sep 2023	30 Sep 2022
	RM'000	RM'000
CASH FLOWS FOR FINANCING ACTIVITIES		
Interest paid	(837)	(602)
Dividend paid by the Company	(40,845)	(64,409)
Dividend paid by a subsidiary to non-controlling interests	(3,632)	(2,085)
Drawdown of term loans	-	2,591
Repayment of term loans	(20,696)	(2,591)
Payment of lease liabilities	(2,313)	(2,267)
Net cash for financing activities	(68,323)	(69,363)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(24,539)	(31,245)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	327,441	302,359
EFFECT OF EXCHANGE DIFFERENCES	8,741	(2,935)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	311,643	268,179
THE CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	272,381	264,028
Fixed deposits with licensed banks	72,108	30,384
Short-term investments - money market fund	17,456	1,532
	361,945	295,944
Less: Fixed deposits pledged with banks	(534)	(502)
Less: Fixed deposits with maturity more than 3 months	(49,768)	(27,263)
Cash and cash equivalents	311,643	268,179

The condensed consolidated cash flow statement is to be read in conjunction with the accompanying notes to the interim financial report.

The comparative figures are based on unaudited financial statements of the Company for the financial period ended 30 September 2022.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**A NOTES TO THE INTERIM FINANCIAL REPORT****A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in the Malaysian Financial Reporting Standards ("MFRS") No.134 : Interim Financial Reporting, and Paragraph 9.22 of Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and should be read in conjunction with the Company's audited financial statements for the financial year ended 31 December 2022.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Frontken Corporation Berhad ("FCB" or "the Company") and its subsidiaries since the financial year ended 31 December 2022.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2022 except for those standards, amendments and interpretations which are effective from the annual period beginning 1 January 2023. The adoption of the MFRSs and Amendments do not have significant impact on the financial statements of the Group.

A2. Audit qualification

The auditors' report in respect of the audited consolidated financial statements of FCB for the financial year ended 31 December 2022 was not subjected to any qualification.

A3. Seasonality or cyclicity of interim operations

The Group's business operations were not materially affected by any seasonal or cyclical factors during the quarter under review.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows, of the Group that are unusual by reason of their nature, size or incidence during the current quarter.

A5. Material changes in estimates

The Company has not issued any revenue or profit estimate, forecast or target.

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A6. Issuance, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations or resale of treasury shares during the current quarter.

As at 30 September 2023, the Company held 9,201,250 repurchased shares as treasury shares out of its total issued and paid-up share capital of 1,580,152,675 ordinary shares. Such treasury shares are held at a carrying amount of RM4,747,849.

A7. Dividends

During the financial period ended 30 September 2023, the Company paid the following dividend:

Second single tier dividend on 13 July 2023, in respect of the financial year ended 31 December 2022, of 2.6 sen per share on 1,570,951,425 ordinary shares amounting to RM40,844,736.

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A8. Segmental information

The breakdown of the Group's revenue and results by geographical regions for the quarter ended 30 September 2023 are set out below. Revenue and results by geographical sales were based on the location of the Group's subsidiaries.

Current Quarter 30 September 2023

	<u>Singapore</u>	<u>Malaysia</u>	<u>Philippines</u>	<u>Indonesia</u>	<u>Taiwan</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>						
External revenue	17,796	24,424	3,936	17	87,350	133,523
Inter-companies revenue	23	1,297	70	-	52	1,442
Total revenue	17,819	25,721	4,006	17	87,402	134,965
<u>Segment Results</u>						
Operating profit	3,494	4,810	573	(214)	36,151	44,814
Interest income						870
Finance cost						(218)
Profit before taxation						45,466

Current Year-to-date 30 September 2023

<u>Segment Revenue</u>						
External revenue	46,709	69,795	11,268	77	240,813	368,662
Inter-companies revenue	62	4,876	70	-	114	5,122
Total revenue	46,771	74,671	11,338	77	240,927	373,784

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Current Year-to-date 30 September 2023

	<u>Singapore</u>	<u>Malaysia</u>	<u>Philippines</u>	<u>Indonesia</u>	<u>Taiwan</u>	<u>Elimination</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Segment Results</u>							
Operating profit	7,810	12,224	1,586	1,062	99,992	-	122,674
Interest income							3,066
Finance cost							(837)
Profit before taxation							<u>124,903</u>
<u>Assets</u>							
<u>Non-current assets</u>							
- Property, plant and equipment	20,624	16,700	1,600	693	191,831	-	231,448
- Right-of-use assets	7,016	3,962	2,645	804	20,807	-	35,234
- Deferred tax assets	-	-	11	-	1,458	-	1,469
- Goodwill	-	33,761	-	-	-	-	33,761
- Other receivables	-	-	-	-	131	-	131
Current assets	48,381	29,257	23,233	645	400,336	28,474	<u>530,326</u>
Consolidated total assets							<u>832,369</u>
<u>Liabilities</u>							
Tax liabilities	2,631	1,619	384	-	10,639	-	15,273
Segment liabilities	20,318	20,281	6,160	9,793	129,591	(14,315)	<u>171,828</u>
Consolidated total liabilities							<u>187,101</u>

Disclosure of segmental information of the Group by business segment is not presented as the Group is primarily engaged in only one business segment which is the provision of surface treatment technology using thermal spray coating processes and a series of complementary processes, including mechanical and chemical engineering services.

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A9. Profit before tax

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

	Current Quarter 30 Sept 2023 RM'000	Current Year-to-date 30 Sept 2023 RM'000
Interest income	870	3,066
Fair value gain on short-term investments	2	557
Foreign exchange gain	634	1,823
Gain on disposal of property, plant and equipment	-	898
Gain on disposal of short-term investments	-	175
Reversal of allowance for impairment losses on receivables	-	26
Depreciation of property, plant and equipment	(4,203)	(12,272)
Depreciation of right-of-use assets	(911)	(2,727)
Interest expense	(218)	(837)
Inventories written down	(11)	(38)
Plant and equipment written off	(41)	(41)
	(41)	(41)

A10. Valuation of property, plant and equipment

There was no revaluation of property, plant and equipment during the quarter under review.

A11. Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current quarter under review up to the date of this report.

A12. Changes in the composition of the Group

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

A13. Contingent liabilities

As at 30 September 2023, the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position of the Group.

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A14. Cash and cash equivalents

	As at 30 Sept 2023
	RM'000
Cash at bank	272,313
Cash on hand	68
Fixed deposits with licensed banks	72,108
Short-term investments – unit trust	17,456
	361,945
Less: Fixed deposits pledged with banks	(534)
Less: Fixed deposits with maturity period more than 3 months	(49,768)
	311,643

A15. Significant related party transactions

	Current Quarter 30 Sept 2023	Current Year-to-date 30 Sept 2023
	RM'000	RM'000
Sales to AMT	9	16
Sales to A&I	11	32
Sales to TTM	2	16
Purchase from AMT	2	2
Purchase from TTM	46	62
Rental payable to AMT	36	108
Rental payable to a director of a subsidiary	30	90

Name of Related Parties	Relationship
AMT	Sia Chiok Meng, a Director of FEM, is also a director and substantial shareholder of AMT.
A&I	Sia Chiok Meng, a director of FEM, is also a director and substantial shareholder of A&I.
TTM	Mohd Shukri Bin Hitam and Fauziah Binti Hamlawi, directors and shareholders of TTES, are also directors and shareholders of TTM.

Abbreviations:

AMT	AMT Engineering Sdn Bhd	FEM	Frontken (East Malaysia) Sdn Bhd
A&I	A&I Engine Rebuilders Sdn Bhd	TTM	Tenaga-Tech (M) Sdn Bhd
TTES	TTES Frontken Integrated Services Sdn. Bhd.		

A16. Capital commitments

Capital expenditure of the Group approved by the Directors but not provided for in the condensed financial statements are as follows:

	As at 30 Sept 2023
	RM'000
Plant and equipment	5,658

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**B1. Analysis of performance**Current quarter's performance against the quarter ended 30 September 2022

The Group's revenue for the current quarter ended 30 September 2023 decreased marginally by approximately 1% compared to the preceding year corresponding quarter mainly due to slightly lower contributions from our subsidiaries in Taiwan and Malaysia. This is due partly to weaker demand from our semiconductor customers.

However, the Group's subsidiaries engaged in the oil and gas industry in Singapore and Malaysia performed better due to better demand in that industry.

The profit after tax ("PAT") of RM30.0 million for current quarter decreased approximately by 21% as compared to the corresponding quarter. This was mainly due to a RM5.6 million withholding tax paid in relation to the dividend received from our Taiwan subsidiary in the current quarter as compared to withholding tax of RM1.9 million paid last year. The foreign exchange gain also decreased by RM1.7 million as compared to the previous year corresponding quarter. If we were to exclude the withholding tax, foreign currency exchange and under provision of incentive from an incorrect advice on the financial treatment of certain benefits in the preceding year corresponding quarter from the equation, the current quarter's performance would have been only 3% lower than the corresponding quarter in spite of the very challenging operating environment.

Current 9 months period's performance against the 9 months period ended 30 September 2022

The Group's revenue of RM368.7 million for the current period ended 30 September 2023 was 3% lower than that achieved in the previous corresponding period. This was mainly due to lower contributions from our subsidiaries in Taiwan, Singapore and Indonesia.

Against the same period last year, the PAT for the Group decreased by 11% mainly due to lower revenue and higher tax payments. If we were to exclude the withholding tax, foreign currency exchange and under provision of incentive from an incorrect advice on the financial treatment of certain benefits in the previous corresponding period, the current period performance would have only been 2% lower than the preceding year corresponding period.

FRONTKEN CORPORATION BERHAD

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(Incorporated in Malaysia)**B2. Comparison with immediate preceding quarter**

	3rd Quarter 30 Sept 2023	2nd Quarter 30 Jun 2023
	RM'000	RM'000
Revenue	133,523	121,152
Profit before tax	45,466	44,309
Profit after tax	29,972	34,982
Profit attributable to owners of the Company	26,746	31,914

The Group's revenue was 10% higher sequentially due to higher contributions from all our subsidiaries. However, as mentioned earlier, the PAT decreased by 14% due to the withholding tax paid for the dividend received from our Taiwan subsidiary. If we were to exclude the withholding tax and foreign currency exchange from the equation, the current quarter's performance would have been 5% higher than the immediate preceding quarter.

B3. Prospects

The Semiconductor Industry Association announced that the global semiconductor industry sales during the month of August 2023 totaled USD44.0 billion, an increase of 1.9% compared to July 2023 but 6.8% less than August 2022. Global semiconductor sales ticked up on a month-to-month basis for the sixth consecutive month in August, demonstrating a slow-and-steady increase in market demand during the middle of the year. Global sales were down again in August compared to last year, but the year-to-year decrease was smaller than at any point since October 2022, providing optimism for continued momentum in the months ahead. To that end, we are hopeful to see more activities in our new second facilities in Taiwan. The better quarter performance sequentially is an encouraging sign to a hopefully strong close for the year.

As for the oil and gas industry, we are cautiously optimistic that our business will be stronger compared to last year due to increased orders from the various contracts for provision of engineering services, manpower supply and also mechanical rotating equipment services and parts that we have with the oil majors.

Amidst the positive business developments in the third quarter of 2023, the Group will keep observing the current issues involving geopolitical tension, rising interest rates and inflationary pressure. At the same time, we will remain focused on the quality of our services to our customers and efficiencies in our operation so as to maintain our competitiveness and to deliver long term value to our stakeholders.

B4. Variance in profit forecast

Not applicable as no profit forecast or profit guarantee has been announced or disclosed in a public document previously.

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B5. Taxation

	Current Quarter 30 Sept 2023 RM'000	Current Year-to-date 30 Sept 2023 RM'000
Income tax	9,798	28,184
Deferred tax	82	19
Withholding tax	5,614	5,614
	15,494	33,817

The Group's effective tax rate for the period under review is lower than the statutory tax rate principally due to relatively lower statutory tax rate of overseas subsidiaries.

B6. Status of corporate proposals

There were no corporate proposals that were announced but not completed.

B7. Group borrowings

The Group's borrowings as at 30 September 2023 are as follows:

	As at 30 Sept 2023		As at 30 Sept 2022	
	Foreign currencies RM'000	RM'000	Foreign currencies RM'000	RM'000
<u>Short term</u>				
Hire Purchase Payables				
- Ringgit Malaysia	-	63	-	33
		63		33
<u>Long term</u>				
Hire Purchase Payables				
- Ringgit Malaysia	-	90	-	64
		153		97

The Group's borrowings are denominated in functional currency.

B8. Material litigations

The Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant 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 affect the financial position or business of the Group as at 24 October 2023.

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(Incorporated in Malaysia)**B9. Earnings per share (“EPS”)****(a) Basic EPS**

The calculation of the basic EPS is based on the net profit for the financial period under review divided by the weighted average number of ordinary shares in issue after deducting treasury shares.

	Current Quarter	Preceding Corres- ponding Quarter	Current Year-to- date	Preceding Corres- ponding Year-to- date
Profit attributable to owners of the Company (RM'000)	26,746	34,733	82,244	93,449
Weighted average number of shares in issue ('000)	1,572,906	1,570,952	1,572,906	1,570,952
Basic EPS (sen)	<u>1.70</u>	<u>2.21</u>	<u>5.23</u>	<u>5.95</u>

b) Diluted EPS

The potential conversion of warrants is anti-dilutive as its exercise price is higher than the average market price of the Company's ordinary shares during the current financial period and hence, the diluted earnings per share is equal to the basic earnings per share.

B10. Dividends

No dividend was declared for the current quarter ended 30 September 2023.

This report has been approved by the Board of Directors on 24 October 2023.