

**INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 30 SEPTEMBER 2022**
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Notes	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		Current Quarter 30.9.2022 RM	Preceding Quarter 30.9.2021 RM	Current Year To Date 30.9.2022 RM	Preceding Year To Date 30.9.2021 RM
<b>Revenue</b>	A9	<b>12,007,271</b>	<b>14,464,017</b>	<b>12,007,271</b>	<b>14,464,017</b>
Cost of sales		(3,277,295)	(4,376,884)	(3,277,295)	(4,376,884)
Gross profit		8,729,976	10,087,133	8,729,976	10,087,133
Other income		410,437	143,713	410,437	143,713
Administrative expenses		(1,552,730)	(1,363,476)	(1,552,730)	(1,363,476)
Other operating expenses		(338,932)	(131,377)	(338,932)	(131,377)
Selling and distribution expenses		(1,604,737)	(1,856,611)	(1,604,737)	(1,856,611)
Profit before tax	B10	5,644,014	6,879,382	5,644,014	6,879,382
Taxation	B5	(1,370,555)	(1,675,892)	(1,370,555)	(1,675,892)
<b>Profit after tax</b>		<b>4,273,459</b>	<b>5,203,490</b>	<b>4,273,459</b>	<b>5,203,490</b>
Other comprehensive income		(66,667)	(33,333)	(66,667)	(33,333)
<b>Total comprehensive income</b>		<b>4,206,792</b>	<b>5,170,157</b>	<b>4,206,792</b>	<b>5,170,157</b>
Profit after tax attributable to:					
- Owners of the Company		4,273,459	5,203,490	4,273,459	5,203,490
Total comprehensive income attributable to:					
- Owners of the Company		4,206,792	5,170,157	4,206,792	5,170,157
Earnings per share (sen)					
- Basic	B9	1.34	1.64	1.34	1.64
- Diluted	B9	1.34	1.64	1.34	1.64

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

**INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 30 SEPTEMBER 2022****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited As at 30.9.2022 RM</b>	<b>Audited As at 30.6.2022 RM</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	44,144,400	41,734,681
Intangible assets	7,238,904	7,324,788
Investment in quoted shares	4,900,000	4,966,667
	<b>56,283,304</b>	<b>54,026,136</b>
<b>CURRENT ASSETS</b>		
Inventories	20,412,867	19,720,507
Trade receivables	17,911,309	15,686,149
Other receivables, deposits and prepayments	5,237,656	2,390,804
Cash and cash equivalents	16,052,425	20,379,270
Asset classified as held for sale	232,473	232,473
	<b>59,846,730</b>	<b>58,409,203</b>
<b>TOTAL ASSETS</b>	<b>116,130,034</b>	<b>112,435,339</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	60,519,155	60,122,500
Merger reserve	(14,225,998)	(14,225,998)
Share option reserve	681,568	640,000
Fair value reserve	3,700,000	3,766,667
Retained profits	54,507,810	50,234,351
<b>TOTAL EQUITY</b>	<b>105,182,535</b>	<b>100,537,520</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	960,027	960,027
Government grants	4,867,949	5,021,225
	<b>5,827,976</b>	<b>5,981,252</b>
<b>CURRENT LIABILITY</b>		
Trade and other payables	5,119,523	5,916,567
	<b>5,119,523</b>	<b>5,916,567</b>
<b>TOTAL LIABILITIES</b>	<b>10,947,499</b>	<b>11,897,819</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>116,130,034</b>	<b>112,435,339</b>
No. of ordinary shares	318,205,515	317,793,815
Net asset per share	0.33	0.32

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

**INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 30 SEPTEMBER 2022****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Non-distributable			Distributable		
	Share Capital RM	Merger Reserve RM	Share Option Reserve RM	Fair Value Reserve RM	Retained Profits RM	Total Attributable to Owners of the Company RM
<b><u>Period Ended 30 September 2021</u></b>						
<b>At 1 July 2021</b>	60,074,000	(14,225,998)	-	3,800,000	44,296,734	93,944,736
Total comprehensive income for the period	-	-	-	(33,333)	5,203,490	5,170,157
<b>At 30 September 2021</b>	<b>60,074,000</b>	<b>(14,225,998)</b>	<b>-</b>	<b>3,766,667</b>	<b>49,500,224</b>	<b>99,114,893</b>
<b><u>Period Ended 30 September 2022</u></b>						
<b>At 1 July 2022</b>	60,122,500	(14,225,998)	640,000	3,766,667	50,234,351	100,537,520
Share options granted under ESOS	-	-	107,440	-	-	107,440
Ordinary shares issued pursuant to ESOS	396,655	-	(65,872)	-	-	330,783
Total comprehensive income for the period	-	-	-	(66,667)	4,273,459	4,206,792
<b>At 30 September 2022</b>	<b>60,519,155</b>	<b>(14,225,998)</b>	<b>681,568</b>	<b>3,700,000</b>	<b>54,507,810</b>	<b>105,182,535</b>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

**INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 30 SEPTEMBER 2022****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	For the Financial Period Ended 30.9.2022 RM	For the Financial Period Ended 30.9.2021 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	5,644,014	6,879,382
Adjustments for:		
Non-cash items	55,689	147,149
Non-operating items	367,440	86,552
Operating profit before working capital changes	<u>6,067,143</u>	<u>7,113,083</u>
Changes in working capital:		
Inventories	(692,360)	(724,025)
Receivables	(5,029,334)	(4,053,346)
Payables	(832,028)	1,060,286
Cash (used in) / generated from operations	<u>(486,579)</u>	<u>3,395,998</u>
Interest received	94,619	123,669
Tax paid	(1,413,234)	(992,500)
<b>Net cash (used in) / generated from operating activities</b>	<u><b>(1,805,194)</b></u>	<u><b>2,527,167</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,731,652)	(382,251)
Development expenditure	(174,115)	(667,806)
Dividend received	53,333	-
<b>Net cash used in investing activities</b>	<u><b>(2,852,434)</b></u>	<u><b>(1,050,057)</b></u>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Proceeds from issuance of shares pursuant to ESOS	330,783	-
<b>Net cash generated from financing activity</b>	<u><b>330,783</b></u>	<u><b>-</b></u>
Net changes in cash and cash equivalents	(4,326,845)	1,477,110
Cash and cash equivalents at beginning of the financial period	<u>20,379,270</u>	<u>27,688,434</u>
<b>Cash and cash equivalents at end of the financial period</b>	<u><b>16,052,425</b></u>	<u><b>29,165,544</b></u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CON'T)**

	<b>For the Financial Period Ended 30.9.2022 RM</b>	<b>For the Financial Period Ended 30.9.2021 RM</b>
<b>Cash and cash equivalents comprise the following:</b>		
Fixed deposits with licensed banks	110,067	108,293
Placement in Money Market Funds	10,417,058	23,537,487
Cash and bank balances	5,525,300	5,519,764
	<u>16,052,425</u>	<u>29,165,544</u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial report.

**INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 30 SEPTEMBER 2022****A EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022****A1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Main Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirement”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

**A2 Summary of Significant Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30 June 2022. The Group have not applied the following amendments that have been issued by the MASB and relevant to its operation but are not yet effective:

		Effective for financial periods beginning on or after
Amendments to MFRS 1, MFRS 9, MFRS 16 and MFRS 141	Annual improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds Before Intended Use	1 January 2022
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 — Comparative Information	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture	To be announced by the MASB

The above amendments are not expected to have significant impact on the financial statements of the Group upon their initial application.

**INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 30 SEPTEMBER 2022****A EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022 (CON'T)****A3 Auditors' Report**

The audited financial statements of the Group for the financial year ended 30 June 2022 was not subject to any audit qualification.

**A4 Comments about Seasonal and Cyclical Factors**

The Group's business operations for the quarter ended 30 September 2022 were not materially affected by significant seasonal or cyclical fluctuations.

**A5 Items or Unusual Nature and Amount**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the current quarter under review.

**A6 Changes in Estimates**

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

**A7 Debt and Equity Securities****Employees' Share Option Scheme ("ESOS")**

The Group has implemented an ESOS of up to fifteen percent (15%) of the issued and paid-up share capital for the eligible employees and directors of the Group effective from 24 November 2021. The Group had offered the options to its eligible employees and directors under the ESOS as follows:

<b>Date Granted</b>	<b>Amount Granted</b>	<b>Exercise Price</b>	<b>Exercise Period</b>
1 June 2022	4,050,000	RM0.81	01/06/2022 – 31/05/2024
1 September 2022	2,686,000	RM0.79	01/09/2022 – 31/08/2024

The movement of the ESOS granted during the quarter under review are disclosed as below:-

	<b>Balance as at 1.7.2022 RM</b>	<b>Granted RM</b>	<b>Exercised RM</b>	<b>Balance as at 30.9.2022 RM</b>
ESOS Grant 1	4,000,000	-	(277,000)	3,723,000
ESOS Grant 2	-	2,686,000	(134,700)	2,551,300
	<u>4,000,000</u>	<u>2,686,000</u>	<u>(411,700)</u>	<u>6,274,300</u>

Save as disclosed above, there was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current financial quarter under review.

**INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 30 SEPTEMBER 2022****A EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022 (CON'T)****A8 Dividends Paid**

There was no dividend paid for the current quarter under review.

**A9 Segmental Reporting**

The Group's revenue based on the geographical location of its customers is as follows:

	Current Quarter 30.9.2022 RM	Preceding Quarter 30.9.2021 RM	Current Year To Date 30.9.2022 RM	Preceding Year To Date 30.9.2021 RM
Malaysia	11,715,326	14,280,360	11,715,326	14,280,360
Others	291,945	183,657	291,945	183,657
	<b>12,007,271</b>	<b>14,464,017</b>	<b>12,007,271</b>	<b>14,464,017</b>

The Group's revenue based on the activities is as follows:

	Current Quarter 30.9.2022 RM	Preceding Quarter 30.9.2021 RM	Current Year To Date 30.9.2022 RM	Preceding Year To Date 30.9.2021 RM
House Brand	11,051,585	13,748,216	11,051,585	13,748,216
OEM	955,686	715,801	955,686	715,801
	<b>12,007,271</b>	<b>14,464,017</b>	<b>12,007,271</b>	<b>14,464,017</b>

**A10 Valuation of Property, Plant and Equipment**

The Group did not carry out any valuation on property, plant and equipment in the current quarter under review.

**A11 Capital Commitments**

Property, plant and equipment - Approved and contracted for	<b>As at 30.9.2022</b>
	<b>2,766,005</b>



**A EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022 (CON'T)**

**A12 Subsequent Events**

There were no events subsequent to the end of the current financial period from the date of the issue of this report that are expected to have a material impact on the Group.

**A13 Changes in Composition of the Group**

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

**A14 Contingent Liabilities**

There were no contingent liabilities as at the date of this interim report.

**A15 Significant Related Party Transactions**

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

**B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT**

**B1 Group Performance Review**

**Performance of the current quarter (Q1 2023) against the preceding quarter (Q1 2022)**

The Group recorded revenue of RM12 million for the current quarter under review compared to RM14.46 million for the preceding quarter. Revenue from House Brand of RM11.05 million contributed 92% of the total revenue for the current quarter under review and recorded a decrease of 19.6% when compared to the preceding quarter. The decrease of 17% in the total revenue was mainly due to lower sales contribution from House Brand segment.

The increase in other income were mainly due to amortization of deferred income, dividend received from the investment in Top Vision and training fees for 'Health Talk' to Nova retailers in the current quarter under review.

The increase in administrative expenses was mainly due to recognition of employee benefit expenses for share options in the current quarter under review followed by the increase in staff costs resulting from upward salary revision made in year 2022.

The increase in other operating expenses was mainly due to higher amortisation of research and development costs as a result of commercialisation of new products in the market in the current quarter under review as compared to the preceding quarter.

The decrease in selling and distribution expenses was mainly due to decrease in commission to sales staff and marketing campaign expenses for NWPP which is in tandem with the decrease in revenue for the current quarter under review.

The Group's profit after tax (PAT) for current quarter under review is RM4.27 million or 17.9% lower than the PAT of RM5.20 million recorded in the preceding quarter. The decrease in the PAT was mainly due to lower sales contribution from House Brand segment in the current quarter under review.

**INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 30 SEPTEMBER 2022****B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (CON'T)****B2 Performance of the current quarter (Q1 2023) against the immediate preceding quarter (Q4 2022)**

	<b>Current Quarter 30.9.2022 RM</b>	<b>Immediate Preceding Quarter 30.6.2022 RM</b>	<b>Difference RM</b>	<b>%</b>
Revenue	12,007,271	10,584,756	1,422,515	13.4
Profit before tax	5,644,014	1,727,537	3,916,477	>100
Profit after tax	4,273,459	1,443,948	2,829,511	>100

For the current quarter under review, the Group's revenue increased by 13.4% from RM10.58 million to RM12 million. This was mainly due to the increase in sales price and sales order for the House Brand products in the current quarter under review as compared to immediate preceding quarter.

The increase in profit before and after tax were mainly due to the increase in sales contribution from House Brand products and improvement in gross profit margin in current quarter. This however, mitigated with the decrease in administrative and other operating expenses as a result of cost spreading throughout the year including amortisation of intangible assets and employee benefit options.

**B3 Prospects for the Current Financial Year**

The COVID-19 pandemic resulted in travel restriction and slowdown in global economy. The COVID-19 pandemic continued to be a worldwide concern with the emergence of new variants of the virus.

To ensure the continuity of business operations of the Group, management has implemented adequate safety protocols to minimise any possible disruptions from COVID-19 pandemic and to ensure the product quality is maintained. The carrying amounts of the Group's assets and liabilities as at the reporting date have been reviewed and found to be appropriate taking into consideration of any possible impact of COVID-19 pandemic. However, as the global COVID-19 situation remains fluid at the date of this report, management cannot reasonably ascertain the full extent of probable impact, if any, to the Group's financial results for future periods.

**B4 Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

**INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 30 SEPTEMBER 2022****B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (CON'T)****B5 Taxation**

	Current Quarter 30.9.2022 RM	Preceding Quarter 30.9.2021 RM	Current Year To Date 30.9.2022 RM	Preceding Year To Date 30.9.2021 RM
Income Tax	1,370,555	1,675,892	1,370,555	1,675,892
Deferred Tax	-	-	-	-
	1,370,555	1,675,892	1,370,555	1,675,892
Effective tax rate	24.3	24.4	24.3	24.4

The effective tax rate for the current quarter and current year to date were slightly higher than the statutory tax rate of 24% mainly due to certain expenses not deductible for tax purposes.

**B6 Status of Corporate Proposals**

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

**B7 Group Borrowings**

As at the date of this report, the Group has no bank borrowings.

**B8 Material Litigation**

As at the date of this report, the Group was not engaged in any material litigation.

**B9 Earnings per Share**

## i) Basic Earnings Per Share

The basic earnings per share are computed based on the profit attributable to the equity shareholders of the Company divided by the total number of ordinary shares in issue for the period as follows:

	Current Quarter 30.9.2022	Preceding Quarter 30.9.2021	Current Year To Date 30.9.2022	Preceding Year To Date 30.9.2021
Profit after taxation attributable to owners of the Company (RM)	4,273,459	5,203,490	4,273,459	5,203,490
Weighted average issued share capital	317,827,588	317,743,815	317,827,588	317,743,815
Basic earnings per share (sen)	1.34	1.64	1.34	1.64

**INTERIM FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 30 SEPTEMBER 2022**
**B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (CON'T)**
**B9 Earnings per Share (Con't)**

## ii) Diluted Earnings Per Share

Diluted earnings per share arising from the share options granted under ESOS of the Group is computed as follows:

	<b>Current Quarter 30.9.2022</b>	<b>Preceding Quarter 30.9.2021</b>	<b>Current Year To Date 30.9.2022</b>	<b>Preceding Year To Date 30.9.2021</b>
Profit after taxation attributable to owners of the Company (RM)	4,273,459	5,203,490	4,273,459	5,203,490
Weighted average issued share capital	317,827,588	317,743,815	317,827,588	317,743,815
Effect of dilution due to ESOS	116,962	-	116,962	-
Adjusted weighted average number of share capital	317,944,550	317,743,815	317,944,550	317,743,815
Diluted earnings per share (sen)	1.34	1.64	1.34	1.64

**B10 Profit Before Tax**

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

	<b>Current Quarter 30.9.2022 RM</b>	<b>Preceding Quarter 30.9.2021 RM</b>	<b>Current Year To Date 30.9.2022 RM</b>	<b>Preceding Year To Date 30.9.2021 RM</b>
Cost of inventories recognised as an expense	1,904,278	3,201,509	1,904,278	3,201,509
Depreciation	321,932	270,009	321,932	270,009
Amortisation of intangible assets	260,000	86,552	260,000	86,552
Realised loss on foreign exchange	6,527	23,242	6,527	23,242
Share options granted under ESOS	107,440	-	107,440	-
Unrealised loss on foreign exchange	-	1,005	-	1,005
Interest income	(94,619)	(123,669)	(94,619)	(123,669)
Amortisation of deferred income	(153,275)	-	(153,275)	-
Realised gain on foreign exchange	(56,694)	(19,848)	(56,694)	(19,848)
Unrealised gain on foreign exchange	(34,984)	(197)	(34,984)	(197)
Other income	(90)	-	(90)	-
Dividend income	(53,333)	-	(53,333)	-

**B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (CON'T)**

**B11 Declared Dividend**

No dividend was proposed by the Board of Directors for the current quarter under review. The Company will make the necessary announcement when any dividend decision is made.

**B12 Authorisation for issue**

The quarter financial report was authorised for issue by the Board in accordance with a resolution of the Board dated 16 November 2022.

**BY ORDER OF THE BOARD**

**Wong Youn Kim (MAICSA 7018778)**  
**Company Secretary**

**Kuala Lumpur**  
**16 November 2022**