

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 SEPTEMBER 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Notes	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		Current Quarter 30.9.2023 RM	Preceding Quarter 30.9.2022 RM	Current Year To Date 30.9.2023 RM	Preceding Year To Date 30.9.2022 RM
Revenue	A9	10,444,868	12,007,271	10,444,868	12,007,271
Cost of sales		(3,934,344)	(3,277,295)	(3,934,344)	(3,277,295)
Gross profit		6,510,524	8,729,976	6,510,524	8,729,976
Other income		302,297	410,437	302,297	410,437
Administrative expenses		(1,487,575)	(1,552,730)	(1,487,575)	(1,552,730)
Other operating expenses		(670,679)	(338,932)	(670,679)	(338,932)
Selling and distribution expenses		(1,507,923)	(1,604,737)	(1,507,923)	(1,604,737)
Profit before tax	B10	3,146,644	5,644,014	3,146,644	5,644,014
Taxation	B5	(548,688)	(1,370,555)	(548,688)	(1,370,555)
Profit after tax		2,597,957	4,273,459	2,597,957	4,273,459
Other comprehensive income		-	(66,667)	-	(66,667)
Total comprehensive income		2,597,957	4,206,792	2,597,957	4,206,792
Profit after tax attributable to:					
- Owners of the Company		2,597,957	4,273,459	2,597,957	4,273,459
Total comprehensive income attributable to:					
- Owners of the Company		2,597,957	4,206,792	2,597,957	4,206,792
Earnings per share (sen)					
- Basic	B9	0.82	1.34	0.82	1.34
- Diluted	B9	0.82	1.34	0.82	1.34

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 2023 and the accompanying explanatory notes attached to the interim financial report.

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 SEPTEMBER 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited As at 30.9.2023 RM	Audited As at 30.9.2022 RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	50,965,182	44,144,400
Intangible assets	6,908,996	7,238,904
Investment in quoted shares	4,900,000	4,900,000
	62,774,178	56,283,304
CURRENT ASSETS		
Inventories	22,499,043	20,412,867
Trade receivables	20,096,083	17,911,309
Other receivables, deposits and prepayments	2,948,504	5,237,656
Cash and cash equivalents	8,728,806	16,052,425
Asset classified as held for sale	-	232,473
	54,272,436	59,846,730
TOTAL ASSETS	117,046,614	116,130,034
EQUITY AND LIABILITIES		
EQUITY		
Share capital	60,988,160	60,519,155
Merger reserve	(14,225,998)	(14,225,998)
Share option reserve	784,860	681,568
Fair value reserve	3,700,000	3,700,000
Retained profits	57,160,970	54,507,810
TOTAL EQUITY	108,407,992	105,182,535
NON-CURRENT LIABILITIES		
Deferred tax liabilities	1,295,075	960,027
Government grants	4,254,848	4,867,949
	5,549,923	5,827,976
CURRENT LIABILITY		
Trade and other payables	3,088,699	5,119,523
	3,088,699	5,119,523
TOTAL LIABILITIES	8,638,622	10,947,499
TOTAL EQUITY AND LIABILITIES	117,046,614	116,130,034
No. of ordinary shares	318,719,815	318,205,515
Net asset per share	0.34	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 (1ST) QUARTER ENDED 30 SEPTEMBER 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	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
<u>Period Ended 30 September 2022</u>						
At 1 July 2022	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
At 30 September 2022	60,519,155	(14,225,998)	681,568	3,700,000	54,507,810	105,182,535
<u>Period Ended 30 September 2023</u>						
At 1 July 2023	60,988,160	(14,225,998)	784,860	3,700,000	54,713,013	105,960,035
Total comprehensive income for the period	-	-	-	-	2,597,957	2,597,957
At 30 June 2024	60,988,160	(14,225,998)	784,860	3,700,000	57,310,970	108,557,992

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 (1ST) QUARTER ENDED 30 SEPTEMBER 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	For the Financial Period Ended 30.9.2023 RM	For the Financial Period Ended 30.9.2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,146,644	5,644,014
Adjustments for:		
Non-cash items	488,058	55,689
Non-operating items	(68,025)	367,440
Operating profit before working capital changes	<u>3,566,677</u>	<u>6,067,143</u>
Changes in working capital:		
Inventories	213,125	(692,360)
Receivables	529,530	(5,029,334)
Payables	(981,262)	(832,028)
Cash generated from operations	<u>3,328,071</u>	<u>(486,579)</u>
Interest received	64,197	94,619
Tax paid	(1,597,477)	(1,413,234)
Net cash generated from operating activities	<u>1,794,820</u>	<u>(1,805,194)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(359,647)	(2,731,652)
Development expenditure	(173,293)	(174,115)
Proceeds from disposal of property, plant and equipment	-	-
Dividend received	-	53,333
Government grants received	-	-
Net cash used in investing activities	<u>(532,940)</u>	<u>(2,852,434)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	-
Proceeds from the issuance of ESOS	-	330,783
Net cash used in financing activities	<u>-</u>	<u>330,783</u>
Net change in cash and cash equivalents	1,261,880	(4,326,845)
Cash and cash equivalents at beginning of the financial period	<u>7,466,926</u>	<u>20,379,270</u>
Cash and cash equivalents at end of the financial period	<u>8,728,806</u>	<u>16,052,425</u>

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

	For the Financial Period Ended 30.9.2023 RM	For the Financial Period Ended 30.9.2022 RM
Cash and cash equivalents comprise the following:		
Fixed deposits with licensed banks	112,706	110,067
Placement in Money Market Funds	8,343,459	10,417,058
Cash and bank balances	272,641	5,525,300
	<u>8,728,806</u>	<u>16,052,425</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 (1ST) QUARTER ENDED 30 SEPTEMBER 2023

A EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2023**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 2023 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 2023. The Group have not applied the following new standards, amendments and IC Interpretation 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 101	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 112	International Tax Reform - Pillar Two Model Rules	1 January 2023
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangement	1 January 2024

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

A3 Auditors' Report

The audited financial statements of the Group for the financial year ended 30 June 2023 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 2023 were not materially affected by significant seasonal or cyclical fluctuations.

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 SEPTEMBER 2023**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:

Date Granted	Amount Granted	Exercise Price	Exercise Period
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:-

	Balance as at 1.7.2023	Granted	Exercised	Balance as at 30.9.2023
ESOS Grant 1	3,481,000	-	-	3,481,000
ESOS Grant 2	2,279,000	-	-	2,279,000
	<u>5,760,000</u>	<u>-</u>	<u>-</u>	<u>5,760,000</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.

A8 Dividends Paid

There were no dividends paid during the quarter under review.

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 SEPTEMBER 2023**A EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2023 (CON'T)****A9 Segmental Reporting**

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

	Current Quarter 30.9.2023 RM	Preceding Quarter 30.9.2022 RM	Current Year To Date 30.9.2023 RM	Preceding Year To Date 30.9.2022 RM
Malaysia	10,410,919	11,715,326	10,410,919	11,715,326
Others	33,949	291,945	33,949	291,945
	10,444,868	12,007,271	10,444,868	12,007,271

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

	Current Quarter 30.9.2023 RM	Preceding Quarter 30.9.2022 RM	Current Year To Date 30.9.2023 RM	Preceding Year To Date 30.9.2022 RM
House Brand	9,914,776	11,051,585	9,914,776	11,051,585
OEM	530,092	955,686	530,092	955,686
	10,444,868	12,007,271	10,444,868	12,007,271

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

The Group did not have any capital commitments in the current quarter under review.

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.

A EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2023 (CON'T)

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 2024) against the preceding quarter (Q1 2023)

The Group recorded revenue of RM 10.44 million for the current quarter under review compared to RM 12.00 million for the preceding quarter. Revenue from House Brand of RM 9.91 million contributed 95% of the total revenue for the current quarter under review with a decrease of 10.2% comparing to the preceding quarter while the revenue from OEM experienced a decrease of 45% from preceding quarter.

Administrative expenses and selling and distribution expenses fell slightly and this is consistent with the Group managing to attain a consistent level of expenses during the current quarter under review. There was an increase in other operating expenses mainly due to provisions made for stock obsolescence.

The Group's profit after tax (PAT) for current quarter under review is RM 2.597 million or lower by 40% than the PAT of RM 4.273 million recorded in the preceding quarter. The decrease in the PAT was mainly contributed by lower revenue recorded in the current quarter followed by an increase in other operating expenses as described above.

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 SEPTEMBER 2023

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (CON'T)**B2 Performance of the current quarter (Q1 2024) against the immediate preceding quarter (Q4 2023)**

	Current Quarter 30.9.2023 RM	Immediate Preceding Quarter 30.6.2023 RM	Difference RM	%
Revenue	10,444,868	10,481,038	(36,170)	(0)
Profit before tax	3,146,644	4,573,093	(1,426,424)	(31)
Profit after tax	2,597,957	3,510,484	(912,527)	(26)

For the quarter under review, the Group's revenue decreased marginally by 1% from RM 10.48 million to RM 10.44 million. This was mainly due to adjustments for sales that were to be recognised in the next quarter.

The decrease in profit before tax is mainly due to provisions made for stock obsolescence. The decrease in profit after tax as compared to the immediate preceding quarter is due to an decrease the provision of taxation for the current year.

B3 Prospects for the Current Financial Year

The Group continued to drive its strategic initiatives with a focus on the fundamentals by expanding the product portfolio and reach, and production efficiencies within the Group. The Group will emphasis on sustaining market interests by paying close attention to meet consumer's expectations. The Group also has implemented adequate safety protocols to ensure the product quality is maintained.

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 (1ST) QUARTER ENDED 30 SEPTEMBER 2023**B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (CON'T)****B5 Taxation**

	Current Quarter 30.9.2023 RM	Preceding Quarter 30.9.2022 RM	Current Year To Date 30.9.2023 RM	Preceding Year To Date 30.9.2022 RM
Income Tax	548,688	1,370,555	548,688	1,370,555
Deferred Tax	-	-	-	-
	<u>548,688</u>	<u>1,370,555</u>	<u>548,688</u>	<u>1,370,555</u>
Effective tax rate	17.4	24.3	17.4	24.3

The effective tax rate for the current quarter and current year to date were lower than the statutory tax rate of 24% due to certain expenses not deductible for tax purposes that were not taken up.

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 30.9.2023	Preceding Quarter 30.9.2022	Current Year To Date 30.9.2023	Preceding Year To Date 30.9.2022
Profit after taxation attributable to owners of the Company (RM)	2,597,957	4,273,459	2,597,957	4,273,459
Weighted average issued share capital	318,719,815	317,827,588	318,719,815	317,827,588
Basic earnings per share (sen)	0.82	1.34	0.82	1.34

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 30 SEPTEMBER 2023
B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (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:

	Current Quarter 30.9.2023	Preceding Quarter 30.9.2022	Current Year To Date 30.9.2023	Preceding Year To Date 30.9.2022
Profit after taxation attributable to owners of the Company (RM)	2,597,957	4,273,459	2,597,957	4,273,459
Weighted average issued share capital	318,719,815	317,827,588	318,719,815	317,827,588
Effect of dilution due to ESOS	-	116,962	-	116,962
Adjusted weighted average number of share capital	318,719,815	317,944,550	318,719,815	317,944,550
Diluted earnings per share (sen)	0.82	1.34	0.82	1.34

B10 Profit Before Tax

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

	Current Quarter 30.9.2023 RM	Preceding Quarter 30.9.2022 RM	Current Year To Date 30.9.2023 RM	Preceding Year To Date 30.9.2022 RM
Cost of inventories recognised as an expense	2,400,287	1,904,278	2,400,287	1,904,278
Depreciation	381,334	321,932	381,334	321,932
Amortisation of intangible assets	260,000	260,000	260,000	260,000
Share options granted under ESOS	-	6,527	-	6,527
Realised loss on foreign exchange	49,104	107,440	49,104	107,440
Unrealised loss on foreign exchange	240.61	-	240.61	-
Interest income	(64,197)	(94,619)	(64,197)	(94,619)
Amortisation of deferred income	(153,275)	(153,275)	(153,275)	(153,275)
Realised gain on foreign exchange	(11,149)	(56,694)	(11,149)	(56,694)
Unrealised gain on foreign exchange	(4,069)	(34,984)	(4,069)	(34,984)
Gain on disposal of fixed assets	-	(90)	-	(90)
Other income	(45,624)	(53,333)	(45,624)	(53,333)
Dividend income	-	1,904,278	-	1,904,278

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

B11 Declared Dividend

There has been no dividend declared during the quarter under review

B12 Authorisation for issue

The quarter financial report was authorised for issue by the Board in accordance with a resolution of the Board dated 6 November 2023.

BY ORDER OF THE BOARD

Wong Youn Kim (MAICSA 7018778)
Company Secretary

Kuala Lumpur
6 November 2023