

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2024
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		Current Quarter 30.6.2024 RM	Preceding Quarter 30.6.2023 RM	Current Year To Date 30.6.2024 RM	Preceding Year To Date 30.6.2023 RM
Revenue	A9	10,093,908	10,481,038	40,837,179	45,534,491
Cost of sales		(4,974,858)	(2,418,709)	(16,725,623)	(13,478,183)
Gross profit		5,119,050	8,062,329	24,111,556	32,056,308
Other income		839,639	291,215	1,883,377	1,917,547
Administrative expenses		(2,327,065)	(1,945,531)	(6,936,997)	(6,710,299)
Other operating expenses		(1,702,257)	(318,981)	(2,998,821)	(1,271,860)
Selling and distribution expenses		(677,249)	(1,515,938)	(5,157,084)	(6,231,536)
Profit before tax	B10	1,252,118	4,573,094	10,902,031	19,760,160
Taxation	B5	(625,516)	(1,062,609)	(3,033,909)	(4,767,764)
Profit after tax		626,602	3,510,485	7,868,122	14,992,396
Other comprehensive income		-	-	(66,667)	(66,667)
Total comprehensive income		626,602	3,510,485	7,801,455	14,925,729
Profit after tax attributable to:					
- Owners of the Company		626,602	3,510,485	7,868,122	14,992,396
Total comprehensive income attributable to:					
- Owners of the Company		626,602	3,510,485	7,801,455	14,925,729
Earnings per share (sen)					
- Basic	B9	0.20	1.10	2.47	4.70
- Diluted	B9	0.20	1.10	2.47	4.70

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 FOURTH (4TH) QUARTER ENDED 30 JUNE 2024**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited As at 30.6.2024 RM	Audited As at 30.6.2023 RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	51,941,242	50,986,869
Intangible assets	6,566,058	6,995,703
Other investment	4,833,333	4,900,000
	63,340,633	62,882,572
CURRENT ASSETS		
Inventories	21,659,248	22,862,168
Trade and other receivables	21,526,278	23,603,066
Current tax assets	3,467,290	1,651,312
Short term investments	6,256,099	6,682,259
Cash and bank balances	2,773,073	784,667
	55,681,988	55,583,472
TOTAL ASSETS	119,022,621	118,466,044
EQUITY AND LIABILITIES		
EQUITY		
Share capital	60,988,160	60,988,160
Merger reserve	(14,225,998)	(14,225,998)
Share option reserve	227,900	784,860
Fair value reserve	3,633,333	3,700,000
Retained profits	59,154,098	54,713,013
TOTAL EQUITY	109,777,493	105,960,035
NON-CURRENT LIABILITIES		
Deferred tax liabilities	833,476	1,295,075
Government grants	3,795,022	4,408,124
	4,628,498	5,703,199
CURRENT LIABILITY		
Trade and other payables	4,616,630	6,802,810
	4,616,630	6,802,810
TOTAL LIABILITIES	9,425,128	12,506,009
TOTAL EQUITY AND LIABILITIES	119,202,621	118,466,044
No. of ordinary shares	318,719,815	318,719,815
Net asset per share	0.34	0.33

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

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2024**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

<u>Period Ended 30</u> <u>June 2023</u>	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
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	-	-	268,600	-	-	268,600
Ordinary shares issued pursuant to ESOS	865,660	-	(123,740)	-	-	741,920
Dividend	-	-	-	-	(10,513,734)	(10,513,734)
Total comprehensive income for the period	-	-	-	(66,667)	14,992,396	14,925,729
At 30 June 2023	60,988,160	(14,225,998)	784,860	3,700,000	54,713,013	105,960,035
<u>Period Ended 30</u> <u>June 2024</u>						
At 1 July 2023	60,988,160	(14,225,998)	784,860	3,700,000	54,713,013	105,960,035
Dividend	-	-	-	-	(3,983,998)	(3,983,998)
Expired Share Options	-	-	(556,960)	-	556,960	-
Total comprehensive income for the period	-	-	-	(66,667)	7,868,123	7,801,456
At 30 June 2024	60,988,160	(14,225,998)	227,900	3,633,333	59,154,098	109,777,493

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

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2024
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the Financial Period Ended 30.6.2024 RM	For the Financial Period Ended 30.6.2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	10,902,031	19,760,161
Adjustments for:		
Loss allowance on trade receivables	650,000	200,650
Write down of inventories	678,900	150,000
Gains on disposal of investment properties	-	(591,965)
Depreciation of property, plant and equipment	1,524,482	1,284,295
Amortisation of intangible assets	1,305,772	1,044,245
Amortisation of deferred income	(613,101)	(613,101)
Goodwill written off	107,989	-
ESOS expenses	-	268,6000
Dividend income	(53,333)	(53,333)
Interest income	(265,315)	(317,650)
Net unrealised gain on foreign exchange	(9,277)	(27,732)
Operating profit/(loss) before working capital changes	<u>14,228,148</u>	<u>21,104,170</u>
Changes in inventories	616,427	(3,291,661)
Changes in receivables	592,065	(4,377,484)
Changes in payables	(1,543,345)	886,171
Cash generated from/(used in) operations	<u>13,893,295</u>	<u>14,321,196</u>
Interest received	265,315	317,650
Tax paid	(5,379,842)	(5,863,246)
Net cash generated from/(used in) operating activities	<u>8,778,768</u>	<u>8,775,600</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,477,971)	(10,536,483)
Proceeds from disposal of property, plant and equipment	-	824,438
Development expenditure	(811,216)	(715,160)
Dividend received	53,333	53,333
Acquisition of a subsidiary, net of cash and cash acquired	3,330	-
Advances to a related party	-	(1,542,258)
Net cash (used in)/generated investing activities	<u>(3,232,524)</u>	<u>(11,916,130)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(3,983,998)	(10,513,734)
Proceeds from issuance of ordinary shares pursuant to exercise of ESOS	-	741,920
Net cash used in financing activities	<u>(3,983,998)</u>	<u>(9,771,814)</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	1,562,246	(12,912,344)
CASH AND CASH EQUIVALENTS AT 1 JULY	<u>7,466,926</u>	<u>20,379,270</u>
CASH AND CASH EQUIVALENTS AT 30 JUNE	<u>9,029,172</u>	<u>7,466,926</u>

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2024

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

	For the Financial Period Ended 30.6.2024 RM	For the Financial Period Ended 30.6.2023 RM
<i>Represented by:</i>		
Cash and bank balances	2,773,073	784,667
Short term investments	6,256,099	6,682,259
	<u>9,029,172</u>	<u>7,466,926</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 2023 and the accompanying explanatory notes attached to the interim financial report.

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2024**A EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2024****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”) 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 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
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
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 MASB

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 June 2024 were not materially affected by significant seasonal or cyclical fluctuations.

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2024**A EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2024 (CONT'D)****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

As of 30 June 2024, the options granted on 1 June 2022 had lapsed and the necessary adjustments were made to the Group' equity.

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

	Balance as at				Balance as at
	1.7.2023	Granted	Exercised	Expired	30.6.2024
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>3,481,000</u>	<u>2,279,000</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 in the period under review.

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2024**A EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2024 (CONT'D)****A9 Segmental Reporting**

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

	Current Quarter 30.6.2024 RM	Preceding Quarter 30.6.2023 RM	Current Year To Date 30.6.2024 RM	Preceding Year To Date 30.6.2023 RM
Malaysia	9,282,167	8,529,624	39,278,662	43,004,435
Others	811,741	1,951,414	1,558,517	2,530,056
	10,093,908	10,481,038	40,837,179	45,534,491

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

	Current Quarter 30.6.2024 RM	Preceding Quarter 30.6.2023 RM	Current Year To Date 30.6.2024 RM	Preceding Year To Date 30.6.2023 RM
House Brand	8,837,376	7,407,430	36,707,554	39,358,147
OEM	1,256,532	3,073,608	4,129,625	6,176,344
	10,093,908	10,481,038	40,837,179	45,534,491

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

	As at 30.6.2024
Property, plant and equipment - Approved and contracted for	<u>1,202,811</u>

A12 Subsequent Events

No events subsequent to the end of the current financial period from the date this report was issued 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 2024 (CONT'D)

A13 Changes in Composition of the Group

On 3 January 2024, the Company acquired all the ordinary shares in Nova Life Marketing Sdn Bhd for the consideration of RM 1.5 million. Nova Life Marketing Sdn Bhd becomes a 100% subsidiary of the Group and is principally engaged in the direct selling of nutraceutical products to consumers.

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

(a) Performance of the current quarter (Q4 2024) against the preceding quarter (Q4 2023)

The Group recorded revenue of RM 10.094 million for the current quarter under review compared to RM 10.481 million for the preceding quarter, a reduction by 4%. Revenue from House Brand was RM 8.837 million for the current quarter compared with RM 7.407 million for the preceding quarter, an increase of 19%. The revenue from OEM was RM 1.257 million for the current quarter compared with RM 3.074 million for the previous quarter, a decrease of 59%.

Administrative expenses increased by 20%, while selling & distribution expenses decreased by 55% compared to the preceding quarter. The increase in administrative expenses was mainly due to unrealised losses in foreign exchange. For the selling & distribution expenses, the decrease was mainly due to reduced sales commissions. Other operating expenses increased by 434% due to additional provisions for doubtful debts and stock obsolescence, and the amortisation of R&D costs. This is in line with the group's management of attaining a consistent level of expenses during the current quarter under review.

The Group's profit after tax (PAT) for current quarter under review is RM 0.627 million or lower by 82% than the PAT of RM 3.510 million recorded in the preceding quarter. The decrease in the PAT was mainly due to an erosion of the Company's gross profit margin in the quarter due to increased cost of materials contributed by to fluctuations in foreign currency exchange. Management is confident of reversing the erosion of the gross profit margin in future quarters through better management of currency fluctuations and the rationalisation of vendors.

(b) Performance of the current cumulative quarter (12 months Q4 2024) against the preceding cumulative quarter (12 months Q4 2023)

The Group recorded revenue of RM 40.837 million for the current cumulative quarter under review compared to RM 45.534 million for the preceding cumulative quarter, a reduction of 10%. Revenue from House Brand was RM 36.708 million for the current cumulative quarter compared with RM 39.358 million for the preceding cumulative quarter, a decrease of 7%. The revenue from OEM was RM 4.129 million for the current cumulative quarter compared with RM 6.176 million for the previous cumulative quarter, a decrease of 33%.

Administrative expenses increased marginally by 3.4% for the current cumulative quarter under review compared to the preceding cumulative quarter. Other operating expenses increased by 135% for the current cumulative quarter under review compared to the preceding cumulative quarter due to additional provisions for doubtful debts and stock obsolescence and the amortisation of R&D costs. Selling & distribution expenses decreased by 17% for the current cumulative quarter under review compared to the preceding cumulative quarter. This is in line with the Group managing to attain a consistent level of expenses during the current cumulative quarter under review.

The Group's profit after tax (PAT) for the current cumulative quarter under review is 7.868 million, or 48% lower than the PAT of RM 14.992 million recorded in the preceding cumulative quarter. The decrease in the PAT was mainly due to lower revenue, as market demand for the Company's products showed signs of slowing in the Group's key markets. The decrease in the PAT was also due to a decrease in the gross profit margin due to the increased cost of materials due to fluctuations in foreign currency exchange and other operating expenses including additional provisions for doubtful debts, stock obsolescence, and the amortisation of R&D costs.

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2024**B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (CON'T)****B2 Performance of the current quarter (Q4 2024) against the immediate preceding quarter (Q3 2024)**

	Current Quarter 30.6.2024 RM	Immediate Preceding Quarter 31.3.2024 RM	Difference RM	%
Revenue	10,093,908	10,078,810	15,098	0.15
Profit before tax	1,252,118	3,087,748	(1,835,630)	(59.45)
Profit after tax	626,602	1,841,750	(1,215,148)	(65.98)

The Group generates consistent revenue in the current and immediate preceding quarter. For the quarter under review, the Group's revenue increased marginally by 0.15% i.e. RM 10.093 million from RM 10.079 million. The profit before and after tax decreased as a result of provision for stock obsolescence, bad debts written off, and the increase in tax payable by the Group since the immediate preceding quarter.

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 emphasise sustaining market interests by paying close attention to meeting consumer's expectations. The Group also has implemented adequate safety protocols to maintain product quality.

To address the decline in the gross profit margin, the Group will strive to control the cost of materials through better management of currency fluctuations and the rationalisation of vendors.

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 FOURTH (4TH) QUARTER ENDED 30 JUNE 2024**B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (CON'T)****B5 Taxation**

	Current Quarter 30.6.2024 RM	Preceding Quarter 30.6.2023 RM	Current Year To Date 30.6.2024 RM	Preceding Year To Date 30.6.2023 RM
Income Tax	1,087,115	727,561	3,495,508	4,432,716
Deferred Tax	(461,599)	335,048	(461,599)	335,048
	<u>625,516</u>	<u>1,062,609</u>	<u>3,033,909</u>	<u>4,767,764</u>
Effective tax rate	50.0	23.2	27.8	24.1

The effective tax rate for the current quarter was higher due to additional tax and for the current year to date was marginally higher than the statutory tax rate of 24% due to certain expenses that were 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.

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2024**B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (CON'T)****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 30.6.2024	Preceding Quarter 30.6.2023	Current Year To Date 30.6.2024	Preceding Year To Date 30.6.2023
Profit after taxation attributable to owners of the Company (RM)	626,602	3,510,484	7,868,123	14,992,396
Weighted average issued share capital	318,427,991	318,427,991	318,427,991	318,427,991
Basic earnings per share (sen)	0.20	1.10	2.47	4.70

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 30.6.2024	Preceding Quarter 30.6.2023	Current Year To Date 30.6.2024	Preceding Year To Date 30.6.2023
Profit after taxation attributable to owners of the Company (RM)	626,602	3,510,484	7,868,123	14,992,396
Weighted average issued share capital	318,719,815	318,427,991	318,719,815	318,427,991
Effect of dilution due to ESOS	-	423,866	-	423,866
Adjusted weighted average number of share capital	318,719,815	318,851,877	318,719,815	318,851,877
Diluted earnings per share (sen)	0.20	1.10	2.47	4.70

INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2024**B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT (CON'T)****B10 Profit Before Tax**

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

	Current Quarter 30.6.2024 RM	Preceding Quarter 30.6.2023 RM	Current Year To Date 30.6.2024 RM	Preceding Year To Date 30.6.2023 RM
Cost of inventories recognised as an expense	3,347,292	870,627	18,518,712	13,478,183
Depreciation	399,686	336,923	1,517,880	1,284,296
Amortisation of intangible assets	722,471	264,245	1,305,772	1,044,245
Share options granted under ESOS	-	107,440	-	268,600
Realised loss on foreign exchange	-	9,729	-	90,305
Unrealised loss on foreign exchange	682,481	11,460	621,066	19,824
Interest income	(65,515)	(43,537)	(265,315)	(317,651)
Amortisation of deferred income	(153,275)	(153,275)	(613,101)	(613,101)
Realised gain on foreign exchange	(5,625)	(36,410)	(47,449)	(208,175)
Unrealised gain on foreign exchange	(696,867)	(13,548)	(630,343)	(47,557)
Gain on disposal of fixed assets	-	-	-	(591,965)
Other income	(4,971)	(24,409)	(275,033)	(31,706)
Dividend income	-	-	(53,333)	(53,333)

B11 Declared Dividend

There was no dividend declared for the period 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 30 August 2024.

BY ORDER OF THE BOARD

Lim Li Heong (MAICSA 7054176)
Company Secretary

Kuala Lumpur
30 August 2024