



The Board of Directors of KIM HIN JOO (MALAYSIA) BERHAD hereby announce the following unaudited consolidated results for the second quarter and financial period ended (“FPE”) 30 June 2024.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND FPE  
30 JUNE 2024**

	3 months ended		6 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	22,782	22,861	45,877	48,280
Cost of sales	(13,292)	(12,277)	(26,652)	(25,976)
Gross profit	9,490	10,584	19,225	22,304
Other operating income	512	396	962	684
Selling and marketing costs	(720)	(557)	(1,497)	(1,283)
Administration and other operating expenses	(9,759)	(10,173)	(20,073)	(20,971)
Finance cost	(149)	(188)	(317)	(391)
<b>(Loss)/Profit before tax</b>	<b>(626)</b>	<b>62</b>	<b>(1,700)</b>	<b>343</b>
Tax expense	(147)	(43)	(265)	(61)
<b>(Loss)/Profit and total comprehensive (loss)/income for the period</b>	<b>(773)</b>	<b>19</b>	<b>(1,965)</b>	<b>282</b>
<b>Basic earnings per ordinary share (sen)</b>	<b>(0.20)</b>	<b>0.01</b>	<b>(0.52)</b>	<b>0.07</b>

The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

	<b>As at 30.06.2024 RM'000</b>	<b>As at 31.12.2023 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Plant and equipment	3,656	5,158
Right-of-use assets	11,690	15,276
Deferred tax assets	641	681
Refundable deposits	2,538	2,460
	<b>18,525</b>	<b>23,575</b>
<b>Current Assets</b>		
Inventories	41,644	52,355
Trade receivables	1,689	1,573
Other receivables, deposits and prepaid expenses	2,534	2,983
Amount due from immediate holding company	-	82
Amount due from other related company	186	701
Tax recoverable	1,120	1,002
Short-term investments	-	2,039
Fixed deposits with licensed banks	8,128	6,097
Cash and bank balances	17,745	13,411
	<b>73,046</b>	<b>80,243</b>
<b>TOTAL ASSETS</b>	<b>91,571</b>	<b>103,818</b>



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

	<b>As at 30.06.2024 RM'000</b>	<b>As at 31.12.2023 RM'000 (Audited)</b>
<b>Equity attributable to owners of the parent</b>		
Share capital	31,128	31,128
Retained earnings	43,180	45,145
<b>TOTAL EQUITY</b>	<b>74,308</b>	<b>76,273</b>
<b>Non-Current Liability</b>		
Lease liabilities	6,016	8,985
	6,016	8,985
<b>Current Liabilities</b>		
Trade payables	1,924	5,822
Other payables, accrued expenses and provision	3,180	5,907
Amount due to other related company	^	-
Lease Liabilities	6,143	6,831
Tax Liabilities	-	^
	11,247	18,560
<b>TOTAL LIABILITIES</b>	<b>17,263</b>	<b>27,545</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>91,571</b>	<b>103,818</b>
Net assets per ordinary share attributable to ordinary equity holders of the Company (sen)	19.55	20.07

<sup>^</sup> *Negligible*

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FPE 30 JUNE 2024**

	←— Attributable to owners of the Company —→		
	Share Capital RM'000	Retained Earnings RM'000	Total RM'000
<b>Balance as at 1 January 2023</b>	31,128	48,211	<b>79,339</b>
Total comprehensive income for the year	-	282	<b>282</b>
<b>Balance as at 30 June 2023</b>	<b>31,128</b>	<b>48,493</b>	<b>79,621</b>
<b>Balance as at 1 January 2024</b>	31,128	45,145	<b>76,273</b>
Total comprehensive loss for the year	-	(1,965)	<b>(1,965)</b>
<b>Balance as at 30 June 2024</b>	<b>31,128</b>	<b>43,180</b>	<b>74,308</b>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FPE 31 MARCH 2024**

	<b>6 months ended 30.06.2024 RM'000</b>	<b>6 months ended 30.06.2023 RM'000</b>
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
(Loss)/Profit before tax	(1,700)	343
Adjustments:		
Amortisation of right-of-use asset	3,610	3,708
Depreciation for plant and equipment	1,586	2,231
Fair value gain from short-term investment	-	(34)
Finance costs:		
- Unwinding of interest expense of provision for restoration cost	9	9
- Lease interest expense	308	382
Fit out contribution	(83)	(83)
Gain on disposal of plant and equipment	-	(34)
Interest income	(329)	(153)
Inventories		
Reversal of write down	(28)	(98)
- Written off / (Reversal)	122	(24)
Plant and equipment written off	3	-
Unrealised (gain)/loss on foreign exchange	(40)	105
Unwinding of interest income – refundable deposit	(52)	(34)
Operating profit before changes in working capital	<b>3,406</b>	<b>6,318</b>
Changes in working capital:		
(Increase)/Decrease in		
Inventories	10,617	5,379
Trade receivables	(115)	241
Other receivables, deposits and prepaid expenses	425	993
Amount due from holding company	82	-
Amount due from other related company	514	(356)
Increase/(Decrease) in		
Trade payables	(3,857)	(8,703)
Other payables, accrued expenses and provision	(2,653)	(3,931)
Amount due to other related company	^	5
Cash generated used in operations	8,419	(54)
Income tax paid	(342)	(968)
Net cash from/(used in) operating activities	<b>8,077</b>	<b>(1,022)</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FPE 30 JUNE 2024**

	<b>6 months ended 30.06.2024 RM'000</b>	<b>6 months ended 30.06.2023 RM'000</b>
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		
Acquisition of plant and equipment	(87)	(447)
Interest received	329	153
Proceed from disposal of plant and equipment	-	34
Proceed from disposal of short-term investment	2,039	-
Net cash from/(used in) investing activities	<b>2,281</b>	<b>(260)</b>
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>		
Interest paid	(307)	(382)
Repayment of lease liabilities	(3,682)	(3,688)
Net cash used in financing activities	<b>(3,989)</b>	<b>(4,070)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	6,369	(5,352)
Effect of exchange rate differences on the balance of cash held in foreign currencies	(4)	(1)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	18,531	18,110
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>24,896</b>	<b>12,757</b>
<b>Cash and cash equivalents comprise:</b>		
Fixed deposits	8,128	7,511
Cash and bank balances	17,745	6,213
	25,873	13,724
Less: Fixed deposits pledged with licensed banks	(977)	(967)
	<b>24,896</b>	<b>12,757</b>

<sup>^</sup> *Negligible*

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
SECOND QUARTER ENDED 30 JUNE 2024**

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**A COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) (“LISTING REQUIREMENTS”)**

**A1 Basis of preparation**

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with all the new Malaysian Financial Reporting Standards (“MFRS”) and Amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

The unaudited condensed consolidated interim financial statements should be read in conjunction with audited financial statements for the financial year ended (“FYE”) 31 December 2023 and the accompanying explanatory notes therein. The explanatory notes attached to these unaudited condensed consolidated 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 Kim Hin Joo (Malaysia) Berhad and its subsidiaries (“Group”) since FYE 31 December 2023.

**A2 Significant Accounting Policies**

The accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements for the FYE 31 December 2023, save for the adoption of the following amendments to MFRS, which became effective and relevant to the Group for financial period beginning 1 January 2024:

**Amendments/Improvements to MFRS**

Amendments to MFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to MFRS 101	<i>Non-current Liabilities with Covenants</i>
Amendments to MFRS 107 and MFRS 7	<i>Supplier Finance Arrangements</i>

The adoption of the above amendments to MFRSs did not have any material impact on the amounts reported in the financial statements of the Group and of the Company upon its initial application.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
SECOND QUARTER ENDED 30 JUNE 2024**

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**New Standards and amendments to MFRSs in issue but not yet effective**

At the date of authorisation for issue of these financial statements, the new and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and by the Company are as listed below:

MFRS 19	<i>Subsidiaries Without Public Accountability: Disclosures<sup>3</sup></i>
MFRS 18	<i>Presentation and Disclosure in Financial Statements<sup>3</sup></i>
Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>4</sup></i>
Amendments to MFRS 9 and MFRS 7	<i>Amendments to the Classification and Measurement of Financial Instrument<sup>2</sup></i>
Amendments to MFRS 121	<i>Lack of Exchangeability<sup>1</sup></i>

<sup>1</sup> Effective immediately for annual periods beginning before 1 January 2025 with earlier application permitted.

<sup>2</sup> Effective immediately for annual periods beginning before 1 January 2026 with earlier application permitted.

<sup>3</sup> Effective immediately for annual periods beginning before 1 January 2027 with earlier application permitted.

<sup>4</sup> Effective date deferred to a date to be determined and announced by MASB.

The adoption of these amendments to MFRSs are not expected to have any material financial impact on the financial statements of the Group in the period of initial application.

**A3 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the preceding audited financial statements of the Group for the FYE 31 December 2023 was not subject to any qualification.

**A4 Seasonality**

The Group's business operations are generally dependent on the Malaysia's economy, consumer confidence and Government restrictions and policies on retail operations, as well as major festive seasons sales such as Chinese New Year, Hari Raya and Christmas celebrations.

**A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

**A6 Changes in Estimates**

There were no changes in estimates that have had a material effect on the current quarter results.





**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
SECOND QUARTER ENDED 30 JUNE 2024**

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**A7 Changes in Debt and Equity Securities**

There was no issuance, cancellations, repurchases, resale or repayments of debt and equity securities during the current financial quarter.

**A8 Dividends Paid**

There was no dividend paid for the current quarter.

**A9 Operating segments**

The business segment of the Group comprises Retail and Distribution.

The segmental analysis of the Group's revenue by business segments are set out as follows:

	3 months ended		6 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Retail	19,680	19,968	39,739	43,034
Distribution	3,102	2,893	6,138	5,246
<b>Total</b>	<b>22,782</b>	<b>22,861</b>	<b>45,877</b>	<b>48,280</b>

The major contributor to the revenue stream of the Group was from the retail segment, which constituted 86.62% of the Group's total revenue for FPE 30 June 2024, recording sales totalling RM39.74 million. This represents a decrease of approximately 7.66% compared to RM43.03 million recorded in the previous FPE 30 June 2023.

Meanwhile, the Distribution segment revenue recording an increase of 17.0% in revenue from RM5.25 million in the FPE 30 June 2023 to RM6.14 million in the FPE 30 June 2024.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
SECOND QUARTER ENDED 30 JUNE 2024**

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**A10 Valuation of Plant and Equipment**

There were no valuations of plant and equipment during the current quarter under review.

**A11 Material Subsequent Event**

There were no significant events since the end of this current quarter up to the date of this announcement.

**A12 Changes in the Composition of the Group**

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

**A13 Contingent liabilities or contingent assets**

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

**A14 Recurrent Related Party Transactions (“RRPT”)**

Save as disclosed below, there was no other RRPT for the FPE 30 June 2024:

	<b>6 months ended 30.06.2024 RM’000</b>	<b>6 months ended 30.06.2023 RM’000</b>
Purchases	612	132
Sales	362	323
Rental payable	480	480
E-Commerce management fees payable	142	75
Corporate management fees payable	55	107
Management service routine fees	98	15

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
SECOND QUARTER ENDED 30 JUNE 2024****B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS****B1 Review of Performance**

	Individual Period (2nd Quarter)				Cumulative Period (6 Months)			
	Current Year Quarter 30 June 2024	Preceding Year Corresponding Quarter 30 June 2023	Variance		Current Year-to-date 30 June 2024	Preceding Year Corresponding Period 30 June 2023	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	22,782	22,861	(79)	(0.35)	45,877	48,280	(2,403)	(4.98)
Gross Profit	9,490	10,584	(1,094)	(10.34)	19,225	22,304	(3,079)	(13.80)
(Loss)/Profit Before Tax	(626)	62	(688)	(1,109.68)	(1,700)	343	(2,043)	(595.63)

Current quarter (“Q2 2024) against preceding corresponding quarter (“Q2 2023”)

The Group registered a revenue of RM22.78 million for the current quarter as compared to a revenue of RM22.86 million recorded in the previous year’s corresponding quarter. The decrease in revenue was primarily attributed to lower sales volume in retail segments. As a result, the Group recorded a loss before tax (“LBT”) of RM0.63 million in Q2 2024, representing a decrease of RM0.69 million as compared to profit before tax (“PBT”) of RM0.06 million in Q2 2023.

Current year to date ended 30 June 2024 (“Q2 2024) against preceding year corresponding period dated 30 June 2023 (“Q2 2023”)

For the FPE 30 June 2024, the Group registered a revenue of RM45.88 million as compared to a revenue of RM48.28 million recorded in FPE 30 June 2023, representing a decrease of RM2.40 million or 4.98%.

The Group recorded a LBT of RM1.7 million as compared to PBT of RM0.34 million in FPE 30 June 2023. The lower profit before tax was mainly due to lower sales and lower gross profit margin.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
SECOND QUARTER ENDED 30 JUNE 2024**

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**B2 Comment on material change in profit before taxation for current quarter compared with the immediately preceding quarter**

	<b>Current Quarter 30 June 2024</b>	<b>Immediate Preceding Quarter 31 March 2024</b>	<b>Variance</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	22,782	23,095	(313)	(1.36%)
Gross Profit	9,490	9,735	(245)	(2.52%)
Gross Profit Margin	41.66%	42.15%		
Loss Before Tax	(626)	(1,074)	(448)	41.71%

For the current quarter under review, the Group registered revenue of RM22.78 million and LBT of RM0.63 million as compared to the revenue of RM23.1 million and LBT of RM1.07 million reported in the preceding quarter.

**B3 Prospects**

As we continue to navigate the current market conditions, we are seeing progress in our cash generation efforts, with an improvement of RM4 million for the first half of this year. This reflects our ongoing initiatives of reducing our current inventory.

We have also recently acquired the distribution rights of Jabadabado, which complements our existing portfolio and supports our strategic growth objectives.

Moving forward, we will maintain our focus on generating cash flow and enhancing our business's overall financial performance. We remain committed to taking the necessary steps to manage our operations effectively.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
SECOND QUARTER ENDED 30 JUNE 2024**

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**B4 Variance between Actual Profit and Forecast Profit**

The Group has not provided any profit forecast in any public documents and announcements.

**B5 Taxation**

	3 months ended		6 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Current tax	126	35	225	49
Deferred tax	21	8	40	12
Total	<b>147</b>	<b>43</b>	<b>265</b>	<b>61</b>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit before tax for the current quarter and current financial period.

**B6 Unquoted investments and properties**

There were no purchases or sales of unquoted investment or properties for the current quarter.

**B7 Quoted securities**

There were no acquisitions or disposals of quoted securities for the current quarter and the financial period to date.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
SECOND QUARTER ENDED 30 JUNE 2024**

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**B8 Status of Corporate Proposals**

There is no corporate proposal announced but pending completion as at the date of this report.

**B9 Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at the end of current quarter to the date of the interim financial report.

**B10 Material Litigation**

As at the date of this report, there is no litigation against the Group which has a material effect on the financial position of the Group and the Board is not aware of any material litigation or any proceedings pending or threatened or of any fact likely to give rise to any proceedings.

**B11 Earnings Per Share (“EPS”)**

	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2024</b>	<b>30.06.2023</b>	<b>30.06.2024</b>	<b>30.06.2023</b>
<b>BASIC EPS</b>				
(Loss)/Profit attributable to owners of the Company (RM'000)	(773)	19	(1,965)	282
Weighted average number of ordinary shares in issue ('000)	380,000	380,000	380,000	380,000
Basic EPS (sen)	(0.20)	0.01	(0.52)	0.07

**Notes:**

The basic earnings per share is computed based on profit after tax attributable to the owners of the Company and divided by the weighted average number of shares in issue as at 30 June 2024.

There was no dilution in the earning per share as there was no potential diluted ordinary share outstanding as at the end of the current period under review.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
SECOND QUARTER ENDED 30 JUNE 2024****B12 Notes to the Statement of Comprehensive Income**

	3 months ended		6 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
The following items have been charged / (credited) in arriving profit from operations:				
Auditors' remuneration	54	59	108	117
Amortisation of right-of-use assets	1,797	1,855	3,610	3,708
Depreciation for plant and equipment	771	1,067	1,586	2,231
Reversal of fair value/(gain) from short-term investment	17	(17)	-	(34)
Finance costs:				
Unwinding of interest expense of provision for restoration cost	5	5	9	9
Lease interest expense	144	183	308	382
Fit out contribution	(42)	(42)	(83)	(83)
Gain on disposal of plant and equipment	-	(34)	-	(34)
Loss on foreign exchange:				
- Realised	(51)	79	32	(20)
- Unrealised	(45)	(3)	(40)	42
Interest income	(196)	(93)	(329)	(153)
Inventories:				
- Reversal of write down	(28)	-	(28)	(98)
- Written off	65	(40)	122	(24)
Plant and equipment written off	3	-	3	-
Rent concessions	(4)	(3)	(6)	(6)
Unwinding of interest income – refundable deposit	(26)	(17)	(52)	(34)

**B13 Authorisation for issue**

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Board dated 28 August 2024.