

SDS GROUP BERHAD

COMPANY NO. 201701026951 (1241117-T)

(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FOURTH QUARTER ENDED

31 MARCH 2024

SDS GROUP BERHAD

Company No: 201701026951 (1241117-T)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 MARCH 2024

| | Note | Individual Quarter 3 months ended | | Cumulative Quarter 12 months ended | |
|--|------|--------------------------------------|----------------------------|---------------------------------------|--------------------------|
| | | Unaudited 31 March 2024 | Unaudited 31 March 2023 | Unaudited 31 March 2024 | Audited 31 March 2023 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 9 | 82,195 | 73,707 | 324,063 | 283,667 |
| Cost of sales | | (54,140) | (52,297) | (214,009) | (194,375) |
| Gross profit | | 28,055 | 21,410 | 110,054 | 89,292 |
| Other income | | 383 | 306 | 1,408 | 1,119 |
| Administrative expenses | | (4,719) | (3,672) | (17,508) | (14,230) |
| Selling and distribution expenses | | (12,800) | (11,132) | (48,724) | (41,636) |
| Other operating expenses | | (68) | (660) | (1,068) | (892) |
| Finance costs | | (225) | (169) | (872) | (886) |
| Profit before taxation | 25 | 10,626 | 6,083 | 43,290 | 32,767 |
| Income tax expense | 19 | (2,608) | (1,525) | (10,404) | (7,930) |
| Profit after taxation | | 8,018 | 4,558 | 32,886 | 24,837 |
| Other comprehensive income | | | | | |
| <u>Item that will be reclassified</u> | | | | | |
| <u>subsequently to profit or loss</u> | | | | | |
| Foreign currency translation differences | | 70 | 43 | 197 | 145 |
| Total comprehensive income for the period/ year | | 8,088 | 4,601 | 33,083 | 24,982 |
| Profit after taxation attributable to:- | | | | | |
| Owners of the Company | | 7,917 | 4,501 | 32,551 | 24,529 |
| Non-controlling interests | | 101 | 57 | 335 | 308 |
| | | 8,018 | 4,558 | 32,886 | 24,837 |
| Total comprehensive income attributable to:- | | | | | |
| Owners of the Company | | 7,987 | 4,544 | 32,748 | 24,674 |
| Non-controlling interests | | 101 | 57 | 335 | 308 |
| | | 8,088 | 4,601 | 33,083 | 24,982 |
| Earnings per share attributable to owners of the Company (Sen): | | | | | |
| - Basic/ Diluted | 24 | 1.94 | 1.10 | 7.95 | 6.00 |

The 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 March 2023 and the accompanying explanatory notes attached to these interim financial statements.

SDS GROUP BERHAD

Company No: 201701026951 (1241117-T)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

| | Unaudited As at 31 March 2024 RM'000 | Audited As at 31 March 2023 RM'000 |
|--|---|---|
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 120,684 | 95,068 |
| Right-of-use assets | 15,368 | 11,492 |
| Goodwill | 162 | 162 |
| Deferred tax assets | 24 | 20 |
| | 136,238 | 106,742 |
| CURRENT ASSETS | | |
| Inventories | 8,597 | 7,339 |
| Trade receivables | 13,051 | 11,129 |
| Other receivables, deposits and prepayments | 5,383 | 8,849 |
| Current tax assets | 177 | 295 |
| Cash and bank balances | 29,975 | 27,519 |
| | 57,183 | 55,131 |
| TOTAL ASSETS | 193,421 | 161,873 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| Share capital | 54,413 | 54,413 |
| Reserves | 73,364 | 49,013 |
| Equity attributable to owners of the Company | 127,777 | 103,426 |
| Non-controlling interests | 742 | 652 |
| TOTAL EQUITY | 128,519 | 104,078 |
| LIABILITIES | | |
| NON-CURRENT LIABILITIES | | |
| Lease liabilities | 21 9,995 | 7,391 |
| Term loans | 21 3,461 | 3,787 |
| Deferred tax liabilities | 7,006 | 4,931 |
| Contract liabilities | 421 | 341 |
| | 20,883 | 16,450 |

SDS GROUP BERHAD

Company No: 201701026951 (1241117-T)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024 (CONT'D)**

| | Unaudited As at 31 March 2024 | Audited As at 31 March 2023 |
|--|-------------------------------------|-----------------------------------|
| Note | RM'000 | RM'000 |
| CURRENT LIABILITIES | | |
| Trade payables | 23,933 | 24,069 |
| Other payables and accruals | 11,324 | 10,676 |
| Lease liabilities | 21 5,588 | 4,684 |
| Term loans | 21 577 | 603 |
| Contract liabilities | 699 | 548 |
| Current tax liabilities | 1,898 | 765 |
| | <u>44,019</u> | <u>41,345</u> |
| TOTAL LIABILITIES | <u>64,902</u> | <u>57,795</u> |
| TOTAL EQUITY AND LIABILITIES | <u>193,421</u> | <u>161,873</u> |
| Net assets per ordinary share attributable to owners of the Company (RM) ⁽¹⁾ | <u>0.31</u> | <u>0.25</u> |

Note:

- (1) Net assets per ordinary shares as at 31 March 2024 and 31 March 2023 are calculated based on ordinary shares in issuance in the Company of 409,630,765 shares.

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

SDS GROUP BERHAD

Company No: 201701026951 (1241117-T)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024**

| | <u><----- Non-distributable -----></u> | | <u>Distributable</u> | | Attributable to Owners of the Company RM'000 | Non- Controlling Interests RM'000 | Total Equity RM'000 |
|---|--|-----------------------------|--|-------------------------------|---|--|------------------------|
| | Share Capital RM'000 | Merger Deficit RM'000 | Foreign Exchange Translation Reserve RM'000 | Retained Profits RM'000 | | | |
| Balance at 1 April 2023 | 54,413 | (27,760) | 661 | 76,112 | 103,426 | 652 | 104,078 |
| Profit after taxation for the financial year | - | - | - | 32,551 | 32,551 | 335 | 32,886 |
| Other comprehensive income for the financial year: | | | | | | | |
| - Foreign currency translation differences | - | - | 197 | - | 197 | - | 197 |
| Total comprehensive income for the financial year | - | - | 197 | 32,551 | 32,748 | 335 | 33,083 |
| Distribution to owners of the Company: | | | | | | | |
| - Dividend | - | - | - | (8,397) | (8,397) | (245) | (8,642) |
| Balance at 31 March 2024 (Unaudited) | 54,413 | (27,760) | 858 | 100,266 | 127,777 | 742 | 128,519 |

SDS GROUP BERHAD

Company No: 201701026951 (1241117-T)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024 (CONT'D)**

| | <---- Non-distributable ----> | | | <u>Distributable</u> | | Non-Controlling Interests RM'000 | Total Equity RM'000 |
|--|-------------------------------|--------------------------|--|----------------------------|---|-------------------------------------|------------------------|
| | Share Capital RM'000 | Merger Deficit RM'000 | Foreign Exchange Translation Reserve RM'000 | Retained Profits RM'000 | Attributable to Owners of the Company RM'000 | | |
| Balance at 1 April 2022 | 53,111 | (27,760) | 516 | 55,660 | 81,527 | 344 | 81,871 |
| Profit after taxation for the financial year | - | - | - | 24,529 | 24,529 | 308 | 24,837 |
| Other comprehensive income for the financial year: | | | | | | | |
| - Foreign currency translation differences | - | - | 145 | - | 145 | - | 145 |
| Total comprehensive income for the financial year | - | - | 145 | 24,529 | 24,674 | 308 | 24,982 |
| Contribution by and distribution to owners of the Company: | | | | | | | |
| - Issuance of shares | 1,447 | - | - | - | 1,447 | - | 1,447 |
| - Dividend | - | - | - | (4,077) | (4,077) | - | (4,077) |
| Total transactions with owners | 1,447 | - | - | (4,077) | (2,630) | - | (2,630) |
| Listing expenses | (145) | - | - | - | (145) | - | (145) |
| Balance at 31 March 2023 (Audited) | 54,413 | (27,760) | 661 | 76,112 | 103,426 | 652 | 104,078 |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to these interim financial statements.

SDS GROUP BERHAD**Company No: 201701026951 (1241117-T)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024**

| | 12 months ended Unaudited 31 March 2024 RM'000 | 12 months ended Audited 31 March 2023 RM'000 |
|---|---|---|
| Cash flows from operating activities | | |
| Profit before taxation | 43,290 | 32,767 |
| Adjustments for: | | |
| Bad debts written off | 1 | - |
| Deposit written off | 291 | - |
| Depreciation of property, plant and equipment | 12,127 | 9,780 |
| Depreciation of right-of-use assets | 5,670 | 5,443 |
| Impairment losses on trade receivables | 81 | - |
| Interest expenses | 872 | 885 |
| Inventories written down | 83 | - |
| Property, plant and equipment written off | 161 | 292 |
| Unrealised loss on foreign exchange | 6 | 22 |
| Gain on disposal of property, plant and equipment | (191) | (43) |
| Gain on disposal of short-term investment | (311) | (203) |
| Gain on lease termination | (24) | (161) |
| Interest income | (432) | (345) |
| Operating profit before working capital changes | 61,624 | 48,437 |
| Increase in inventories | (1,341) | (697) |
| Increase in trade and other receivables | (2,042) | (1,819) |
| Increase in trade and other payables | 2,034 | 5,292 |
| Increase in contract liabilities | 231 | 286 |
| Cash from operations | 60,506 | 51,499 |
| Income tax paid | (7,722) | (4,936) |
| Income tax refund | 624 | 129 |
| Net cash from operating activities | 53,408 | 46,692 |
| Cash flows for investing activities | | |
| Deposit paid for future purchase of property, plant and equipment | (293) | (4,315) |
| Interest received | 432 | 345 |
| Placement of short-term investment | (18,000) | (17,000) |
| Proceeds from disposal of property, plant and equipment | | |
| - current financial year | 172 | 45 |
| - previous financial year | 12 | - |
| Purchase of property, plant and equipment: | | |
| - current financial year | (34,003) | (14,545) |
| - previous financial year | (1,915) | (559) |
| Withdrawal of short-term investment | 18,311 | 17,203 |
| Net cash for investing activities | (35,284) | (18,826) |

SDS GROUP BERHAD**Company No: 201701026951 (1241117-T)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024 (CONT'D)**

| | 12 months ended Unaudited 31 March 2024 RM'000 | 12 months ended Audited 31 March 2023 RM'000 |
|---|---|---|
| Cash flows for financing activities | | |
| Dividend paid | (8,642) | (4,077) |
| Drawdown of term loans | 600 | 1,400 |
| Interest paid | (872) | (885) |
| Payment of listing expenses | - | (145) |
| Proceeds from issuance of shares | - | 1,447 |
| Repayment of lease liabilities | (6,015) | (5,970) |
| Repayment of term loans | (952) | (12,368) |
| Net cash for financing activities | (15,881) | (20,598) |
| Net increase in cash and bank balances | 2,243 | 7,268 |
| Effect of foreign exchange translation | 213 | 133 |
| Cash and bank balances at beginning of the financial year | 27,519 | 20,118 |
| Cash and bank balances at end of the financial year | 29,975 | 27,519 |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to these interim financial statements.

SDS GROUP BERHAD**Company No: 201701026951 (1241117-T)**

(Incorporated in Malaysia)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024**

Part A: Explanatory Notes Pursuant to MFRS 134**1. Basis of Preparation**

The condensed consolidated interim financial statements (“Condensed Report”) of SDS Group Berhad (“SDS” or “the Company”) and its subsidiaries (“the Group”) 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 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023 and the accompanying notes attached to this Condensed Report.

2. Significant Accounting Policies

The accounting policies adopted in the preparation of this Condensed Report are consistent with those adopted in the preparation of the Group’s audited financial statement for the financial year ended 31 March 2023, except for the following:

1) New applicable accounting standards adopted during the financial year

| MFRS (including the consequential amendments) | Effective date |
|--|-----------------------|
| 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 |

The adoption of the above accounting standards (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

2) New applicable accounting standards issued but not yet effective

At the date of authorisation for issue of this Condensed Report, the new accounting standards, which were in issue but not yet effective and have not been early adopted by the Group are as follow:-

| MFRS (including the consequential amendments) | Effective date |
|---|-----------------------|
| Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred |
| 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 Arrangements | 1 January 2024 |
| Amendments to MFRS 121: Lack of Exchangeability | 1 January 2025 |

SDS GROUP BERHAD

Company No: 201701026951 (1241117-T)

(Incorporated in Malaysia)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024 (CONT'D)**

Part A: Explanatory Notes Pursuant to MFRS 134 (Cont'd)

3. Auditors' Report on Preceding Annual Audited Financial Statements

The audited financial statements of the Group for the financial year ended 31 March 2023 was not subject to any qualification.

4. Seasonal or Cyclical Factors

The Group generally experience higher sales during festive seasons and special occasions such as Chinese New Year, Mid-Autumn Festival, Mother's Day and Father's Day. The Group is also affected by the Muslim fasting month, where the sales of bakery, confectionery and other food and beverage ("F&B") products are typically lower than those registered outside the fasting month.

5. Material Unusual Items

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

6. Material Changes in Estimates

There were no material changes in the estimates that have a material effect to the Group in the current financial quarter under review and financial year.

7. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter and financial year.

8. Dividend Paid

A second interim single tier dividend of 0.75 sen per ordinary share amounting to RM3,072,231 in respect of financial year ended 31 March 2023, was declared and paid on 26 May 2023 and 3 July 2023 respectively.

A first interim single tier dividend of 0.35 sen per ordinary share amounting to RM1,433,708 in respect of financial year ended 31 March 2024 was declared and paid on 29 August 2023 and 29 September 2023 respectively.

A second interim single tier dividend of 0.60 sen per ordinary share amounting to RM2,457,785 in respect of financial year ended 31 March 2024 was declared and paid on 24 November 2023 and 26 December 2023 respectively.

A third interim single tier dividend of 0.35 sen per ordinary share amounting to RM1,433,708 in respect of financial year ended 31 March 2024 was declared and paid on 23 February 2024 and 25 March 2024 respectively.

SDS GROUP BERHAD

Company No: 201701026951 (1241117-T)

(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 MARCH 2024 (CONT'D)

Part A: Explanatory Notes Pursuant to MFRS 134 (Cont'd)

9. Segment Information

The Group's segment information for the current financial period/ year ended 31 March 2024 is as follows:

Analysis of revenue by business segments

| | Individual Quarter 3 months ended | | Cumulative Quarter 12 months ended | |
|-------------------|--------------------------------------|--------------------------------------|---------------------------------------|------------------------------------|
| | Unaudited 31 March 2024 RM'000 | Unaudited 31 March 2023 RM'000 | Unaudited 31 March 2024 RM'000 | Audited 31 March 2023 RM'000 |
| Retail segment | 32,274 | 26,948 | 122,600 | 105,174 |
| Wholesale segment | 49,921 | 46,759 | 201,463 | 178,493 |
| | 82,195 | 73,707 | 324,063 | 283,667 |

10. Significant Related Party Transactions

| | Individual Quarter 3 months ended | | Cumulative Quarter 12 months ended | |
|--|--------------------------------------|--------------------------------------|---------------------------------------|------------------------------------|
| | Unaudited 31 March 2024 RM'000 | Unaudited 31 March 2023 RM'000 | Unaudited 31 March 2024 RM'000 | Audited 31 March 2023 RM'000 |
| Rental of premises received /receivable | - | - | - | 5 |
| Rental of premises paid /payable | - | - | 3 | - |
| Repayment of lease liabilities | 144 | 130 | 554 | 506 |

11. Capital Commitments

| | Unaudited 31 March 2024 RM'000 | Audited 31 March 2023 RM'000 |
|---|--------------------------------------|------------------------------------|
| Purchase of property, plant and equipment | 795 | 4,531 |

SDS GROUP BERHAD

Company No: 201701026951 (1241117-T)

(Incorporated in Malaysia)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024 (CONT'D)**

Part A: Explanatory Notes Pursuant to MFRS 134 (Cont'd)

12. Contingent Assets and Liabilities

There are no material contingent liabilities and contingent assets to be disclosed at the end of the financial year.

13. Changes in Composition of the Group

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

14. Significant Events after the Reporting Period

There were no significant events subsequent to the end of the current financial quarter under review that have not been reflected in this Condensed Report.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

SDS GROUP BERHAD**Company No: 201701026951 (1241117-T)**

(Incorporated in Malaysia)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024 (CONT'D)**

Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad**15. Review of Performance**

The Group recorded revenue and profit before tax of RM82.20 million (2023: RM73.71 million) and RM10.63 million (2023: RM6.08 million) respectively for the current financial quarter ended 31 March 2024. For the cumulative financial quarter ended 31 March 2024, the Group recorded revenue and profit before tax of RM324.06 million (2023: RM283.67 million) and RM43.29 million (2023: RM32.77 million) respectively.

The Group's revenue was principally derived from the wholesale segment accounting for approximately 60.73% and 62.17% of the total revenue for current and cumulative financial quarter ended 31 March 2024 respectively.

16. Comparison with Immediate Preceding Quarter's Results

The Group's revenue for the current financial quarter ended 31 March 2024 decreased by RM3.55 million (or 4.14%) from RM85.75 million to RM82.20 million as compared with the immediate preceding financial quarter.

Profit before taxation for the current financial quarter under review decreased by RM2.76 million (or 20.61%) to RM10.63 million as compared to RM13.39 million in the immediate preceding financial quarter.

The decrease in revenue and profit before tax was primarily due to lower revenue during the fasting month, which began in March 2024. The decreased was partially offset by the sales of Chinese New Year products in the current financial quarter.

17. Commentary on Prospects

The Group expects the outlook of the bakery products and cafeterias in Malaysia to be cautiously optimistic albeit global economic uncertainty and inflationary pressure. The Group will continue to expand its business presence for both the wholesale and retail segments while being cautious on its operational costs.

18. Profit Forecast

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

SDS GROUP BERHAD**Company No: 201701026951 (1241117-T)**

(Incorporated in Malaysia)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024 (CONT'D)****Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad
(Cont'd)****19. Income Tax Expense**

| | Individual Quarter 3 months ended | | Cumulative Quarter 12 months ended | |
|--------------|--------------------------------------|--------------------------------------|---------------------------------------|------------------------------------|
| | Unaudited 31 March 2024 RM'000 | Unaudited 31 March 2023 RM'000 | Unaudited 31 March 2024 RM'000 | Audited 31 March 2023 RM'000 |
| Income tax | 1,944 | 1,000 | 8,333 | 5,918 |
| Deferred tax | 664 | 525 | 2,071 | 2,012 |
| | 2,608 | 1,525 | 10,404 | 7,930 |

Notes:

- (1) Domestic income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current period/ year. The taxation of other jurisdiction is calculated at the rate prevailing in the respective jurisdiction.
- (2) Income tax expense is recognised based on management's best estimate.

20. Status of Corporate Proposals

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

21. Borrowings and Debt Securities

The Group's borrowings were as follows:

| | Unaudited 31 March 2024 RM'000 | Audited 31 March 2023 RM'000 |
|--------------------------------|--------------------------------------|------------------------------------|
| Secured: | | |
| Current liabilities | | |
| Lease liabilities | 5,588 | 4,684 |
| Term loans | 577 | 603 |
| | 6,165 | 5,287 |
| Non-current liabilities | | |
| Lease liabilities | 9,995 | 7,391 |
| Term loans | 3,461 | 3,787 |
| | 13,456 | 11,178 |
| Total Borrowings | 19,621 | 16,465 |

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024 (CONT'D)**

**Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad
(Cont'd)**

22. Material Litigation

There was no material litigation against the Group as at the end of the current financial quarter under review.

23. Dividend

The Board of Directors had declared a second interim single tier dividend of 0.75 sen per ordinary share amounting to RM3,072,231 in respect of financial year ended 31 March 2023 on 26 May 2023, which had been paid on 3 July 2023.

The Board of Directors had declared a first interim single tier dividend of 0.35 sen per ordinary share amounting to RM1,433,708 in respect of financial year ended 31 March 2024 on 29 August 2023, which had been paid on 29 September 2023.

The Board of Directors had declared a second interim single tier dividend of 0.60 sen per ordinary share amounting to RM2,457,785 in respect of financial year ended 31 March 2024 on 24 November 2023, which had been paid on 26 December 2023.

The Board of Directors had declared a third interim single tier dividend of 0.35 sen per ordinary share amounting to RM1,433,708 in respect of financial year ended 31 March 2024 on 23 February 2024, which had been paid on 25 March 2024.

On 24 May 2024, the Board of Directors has declared a fourth interim single tier dividend of 0.35 sen per ordinary share amounting to RM1,433,708 in respect of financial year ended 31 March 2024, to be paid on 24 June 2024. The entitlement date is 11 June 2024.

24. Earnings per Share ("EPS")

| | Individual Quarter 3 months ended | | Cumulative Quarter 12 months ended | |
|--|--|------------------------------------|---|----------------------------------|
| | Unaudited 31 March 2024 | Unaudited 31 March 2023 | Unaudited 31 March 2024 | Audited 31 March 2023 |
| Profit after taxation attributable to owners of the Company (RM'000) | 7,917 | 4,501 | 32,551 | 24,529 |
| Weighted average number of ordinary shares in issue ('000) | 409,631 | 409,631 | 409,631 | 408,494 |
| Basic EPS (sen) ⁽¹⁾ | 1.94 | 1.10 | 7.95 | 6.00 |
| Diluted EPS (sen) ⁽²⁾ | 1.94 | 1.10 | 7.95 | 6.00 |

SDS GROUP BERHAD**Company No: 201701026951 (1241117-T)**

(Incorporated in Malaysia)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024 (CONT'D)****Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad
(Cont'd)****24. Earnings per Share (“EPS”) (Cont'd)****Notes:**

- (1) Basic EPS is calculated by dividing the profit after tax attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period/ year under review.
- (2) The diluted EPS is equal to the basic EPS as the Company does not have any convertible options as at the end of the reporting period/ year.

25. Profit before Taxation

Included in profit for the financial period/ year are as follows:

| | Individual Quarter 3 months ended | | Cumulative Quarter 12 months ended | |
|---|---|---|---|---------------------------------------|
| | Unaudited 31 March 2024 RM'000 | Unaudited 31 March 2023 RM'000 | Unaudited 31 March 2024 RM'000 | Audited 31 March 2023 RM'000 |
| Bad debts written off | 1 | - | 1 | - |
| Deposit written off | - | - | 291 | - |
| Depreciation of property, plant and equipment | 3,246 | 2,682 | 12,127 | 9,780 |
| Depreciation of right-of-use assets | 1,468 | 1,223 | 5,670 | 5,443 |
| Impairment loss on trade receivables | - | - | 81 | - |
| Interest expenses | 225 | 168 | 872 | 885 |
| Inventories written down | (11) | - | 83 | - |
| Loss/(Gain) on foreign exchange: | | | | |
| - Realised | 58 | (13) | 145 | 97 |
| - Unrealised | 22 | 30 | 6 | 22 |
| Property, plant and equipment written off | 2 | 290 | 161 | 292 |
| Gain on disposal of property, plant and equipment | (86) | (11) | (191) | (43) |
| Gain on disposal of short-term investment | (311) | (187) | (311) | (203) |
| Gain on lease termination | (7) | - | (24) | (161) |
| Interest income | (130) | (97) | (432) | (345) |
| Lease income | - | - | - | (5) |
| Reversal of impairment loss on trade receivables | - | (5) | - | (5) |

26. Authorised for Issue

The Condensed Report was authorised for issue by the Board in accordance with a resolution of the Directors on 24 May 2024.