



PT RESOURCES HOLDINGS BERHAD

(Registration No.: 201901032139 (1341469-P))

(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023



UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	Note	Individual Quarter		Cumulative Quarter	
		Unaudited	Unaudited	Unaudited	Unaudited
		31.10.2023	31.10.2022	31.10.2023	31.10.2022
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	111,699	125,373	243,342	240,650
Cost of sales		(91,574)	(111,502)	(212,087)	(213,598)
Gross profit		20,125	13,871	31,255	27,052
Other income		7,412	2,413	7,365	3,153
Administrative expenses		(8,089)	(7,291)	(13,551)	(12,904)
Other expenses		(4)	-	(4)	-
Profit from operations		19,444	8,993	25,065	17,301
Finance income		239	124	471	171
Finance costs		(832)	(690)	(1,834)	(1,322)
Profit before tax		18,851	8,427	23,702	16,150
Tax expense	B4	(151)	(84)	(308)	(286)
Profit for the financial period	B11	18,700	8,343	23,394	15,864
<u>Other comprehensive income to be reclassified to profit or loss in subsequent period</u>					
Foreign currency translation difference for foreign operation		18	-	9	-
Total comprehensive income for the financial period		18,718	8,343	23,403	15,864
Profit for the financial period after taxation attributable to:					
Owners of the Company		18,700	8,343	23,394	15,864
		18,700	8,343	23,394	15,864
Total comprehensive income for the financial period after taxation attributable to:					
Owners of the Company		18,718	8,343	23,403	15,864
		18,718	8,343	23,403	15,864
Earnings per share					
Basic/Diluted (sen) ⁽²⁾⁽³⁾	B10	3.50	1.85	4.37	3.73

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023 and the accompanying explanatory notes attached to this unaudited interim financial report.
- (2) Computed based on the profit attributable to the owners of the Company divided by the weighted average number of ordinary shares as referred to in Note B10.
- (3) The diluted earnings per share ("EPS") for the current and cumulative quarters are equivalent to the basic EPS as the Company does not have any dilutive instruments for the financial period ended 31 October 2022 and 31 October 2023.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	Unaudited As at 31.10.2023 RM'000	Audited As at 30.04.2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	28,373	20,316
Right-of-use assets	6,432	5,778
Fixed deposits with licensed banks	18,725	17,627
	53,530	43,721
Current assets		
Inventories	18,593	7,606
Trade receivables	153,201	127,078
Other receivables	2,316	3,317
Tax recoverable	336	334
Fixed deposits with licensed banks	10,683	10,176
Cash and bank balances	46,331	59,653
	231,460	208,164
TOTAL ASSETS	284,990	251,885
EQUITY AND LIABILITIES		
Equity		
Share capital	67,047	67,047
Merger deficit	(13,400)	(13,400)
Foreign currency translation reserve	9	-
Retained earnings	123,479	103,563
	177,135	157,210
Non-controlling interests	6	-
Total equity	177,141	157,210
Non-current liabilities		
Borrowings	8,358	9,358
Lease liabilities	3,301	2,743
Provision for restoration costs	1,904	1,857
Deferred tax liabilities	285	285
	13,848	14,243
Current liabilities		
Trade payables	7,615	6,104
Other payables	16,972	5,593
Borrowings	68,618	68,155
Lease liabilities	628	470
Tax payable	168	110
	94,001	80,432
Total liabilities	107,849	94,675
TOTAL EQUITY AND LIABILITIES	284,990	251,885
Net assets per share attributable to owners of the company (RM) ⁽²⁾	0.33	0.29



UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D) ⁽¹⁾

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023 and the accompanying explanatory notes attached to this unaudited interim financial report.
- (2) Computed based on total equity divided by the number of ordinary shares of 535,020,000 as at 30 April 2023 and 31 October 2023.

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PT RESOURCES HOLDINGS BERHAD

(Registration No.: 201901032139 (1341469-P))



UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

	Attributable to owners of the Company			Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total Equity
	Non-Distributable		Distributable				
	Share capital	Merger deficit	Foreign currency translation reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 May 2022	20,001	(13,400)	-	66,730	73,331	-	73,331
<u>Transaction with owners:-</u>							
Issuance of shares	48,600	-	-	-	48,600	-	48,600
Capitalisation of share issuance expenses	(1,033)	-	-	-	(1,033)	-	(1,033)
Total comprehensive income for the financial period	-	-	-	15,864	15,864	-	15,864
Balance as at 31 October 2022	67,568	(13,400)	-	82,594	136,762	-	136,762

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D) ⁽¹⁾

	Attributable to owners of the Company			Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total Equity
	Share capital	Merger deficit	Foreign currency translation reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 May 2023	67,047	(13,400)	-	103,563	157,210	-	157,210
<u>Transaction with owners:-</u>							
Dividend paid	-	-	-	(3,478)	(3,478)	-	(3,478)
Incorporation of a subsidiary	-	-	-	-	-	6	6
Total comprehensive income for the financial period	-	-	9	23,394	23,403	-	23,403
Balance as at 31 October 2023	67,047	(13,400)	9	123,479	177,135	6	177,141

Note:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023 and the accompanying explanatory notes attached to this unaudited interim financial report.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	Cumulative Quarter	
	Unaudited 31.10.2023 RM'000	Unaudited 31.10.2022 RM'000
Cash flows from operating activities		
Profit before tax	23,702	16,150
Adjustments for:		
Depreciation of property, plant and equipment	1,331	945
Depreciation of right-of-use assets	373	407
Gain on disposal of property, plant and equipment	-	(296)
Interest expense	1,816	1,322
Interest income	(471)	(171)
Property, plant and equipment written off	4	-
Rent concessions	-	(20)
Unrealised gain on foreign exchange	(2,381)	(1,295)
Operating profit before changes in working capital	24,374	17,042
Changes in working capital:		
Inventories	(10,987)	6,197
Receivables	(22,616)	(18,548)
Payables	9,027	(67)
Bankers' acceptance	2,620	249
Invoice financing	(23)	600
Revolving financing	(502)	(1,515)
Cash generated from operations	1,893	3,958
Interest paid	(1,353)	(798)
Interest received	90	-
Tax paid	(252)	(280)
Net cash from operating activities	378	2,880
Cash flows from investing activities		
Interest received	381	-
Acquisition of non-controlling interests	6	-
Purchase of property, plant and equipment	(9,007)	(184)
Proceeds from disposal of property, plant and equipment	-	296
Net cash (used in)/from investing activities	(8,620)	112
Cash flows from financing activities		
Interest paid	(416)	(411)
Interest received	-	171
Repayment of term loans	(1,016)	(875)
Repayment of lease liabilities	(311)	(1,166)
Placement of fixed deposits pledged	(1,098)	(773)
Proceeds from issuance of shares, net	-	47,567
Net cash (used in)/from financing activities	(2,841)	44,513



UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D) ⁽¹⁾

	Cumulative Quarter	
	Unaudited	Unaudited
	31.10.2023	31.10.2022
	RM'000	RM'000
Net (decrease)/increase in cash and cash equivalents	(11,083)	47,505
Cash and cash equivalents at the beginning of the financial period	65,518	43,687
Effect of foreign exchange difference	(116)	(24)
Cash and cash equivalents at the end of the financial period	54,319	91,168

Note:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows and should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023 and the accompanying explanatory notes attached to this unaudited interim financial report.

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A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

A1. Basis of Preparation

This unaudited interim financial report of PT Resources Holdings Berhad (“**Company**”) and its subsidiaries (“**Group**”) is unaudited and has been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“**MFRSs**”) 134: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”).

This unaudited interim financial report should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023 and the accompanying notes attached to this unaudited interim financial report.

A2. Significant Accounting Policies

The accounting policies adopted for this unaudited interim financial report are consistent with those adopted for the Audited Financial Statements for the financial year ended 30 April 2023 except for the adoption of the following amendments/improvements to MFRSs that are mandatory for the Group for the financial period beginning 1 May 2023:

MFRS 17*	Insurance contracts
Amendments to MFRS 17*	Insurance contracts
Amendments to MFRS 17*	Insurance contracts: Initial application of MFRS 17 and MFRS 9: Comparative information
Amendments to MFRS 101	Presentation of financial statements: Disclosure of accounting policies
Amendments to MFRS 108	Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates
Amendments to MFRS 112	Income taxes: Deferred tax related to assets and liabilities arising from a single transaction
Amendments to MFRS 112	Income taxes: International tax reform: Pillar two model rules

The adoption of these amendments/improvements to MFRSs did not have any material impact on this unaudited interim financial report of the Group.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board but are not yet affective for the current financial year:

Amendments to MFRSs effective for the financial period beginning on or after 1 January 2024:

Amendments to MFRS 16	Leases: Lease liability in a sale and leaseback
Amendments to MFRS 101	Presentation of financial statements: Non-current liabilities with covenants
Amendments to MFRS 101	Presentation of financial statements: Classification of liabilities as current or non-current

Amendments to MFRSs effective for the financial period beginning on or after 1 January 2025:

Amendments to MFRS 7	Financial instruments: Disclosures: Supplier finance arrangements
Amendments to MFRS 107	Statement of cash flows: Supplier finance arrangements
Amendments to MFRS 121	The effects of changes in foreign exchange rates: Lack of exchangeability



A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (CONT'D)

A2. Significant Accounting Policies (Cont'd)

Amendments to MFRSs – Effective date deferred indefinitely:

Amendments to MFRS 10 and MFRS Consolidated financial statements and investments in associate and joint ventures – Sale or contribution of assets between an investor and its associate or joint venture

* Not applicable to the Group's operations

The initial application of the above accounting standards, amendments are not expected to have any material financial impact to the financial statements of the Group.

A3. Auditors' Report on Preceding Annual Financial Statements

The Audited Financial Statements of the Group for the financial year ended 30 April 2023 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's performance is subject to seasonal demand, whereby demand is higher prior to the commencement and during festive seasons such as Chinese New Year, Hari Raya, Deepavali and Christmas. In addition, the Group's business in the East Coast region of Peninsular Malaysia is also affected by the monsoon season especially when floods occur.

A5. Items or Incidence of an Unusual Nature

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows of the Group during the current quarter and financial year-to-date ("YTD").

A6. Material Changes in Estimates

There were no changes in estimates that have a material effect on the Group for the current quarter and YTD.

A7. Debt and Equity Securities

There were no other issuance and repayment of debt and equity securities, share buy-backs, share cancellation and resale of treasury shares during the current quarter and YTD.

A8. Dividend Paid

There was no dividend paid for the current quarter and YTD.


A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (CONT'D)
A9. Segmental Reporting
Revenue by business segments

The Group is principally involved in the processing and trading of frozen seafood products, and retail trading of other products. The Group's revenue by business segments for the financial period ended 31 October 2023 is as follows:

Individual Quarter	Processing and trading of frozen seafood products RM'000	Trading of other products RM'000	Elimination RM'000	Total RM'000
Unaudited				
Revenue:				
Revenue from external customers	104,146	7,553	-	111,699
Inter-segment revenue	8,039	1,939	(9,978)	-
	<u>112,185</u>	<u>9,492</u>	<u>(9,978)</u>	<u>111,699</u>

The Group's revenue by business segments for the financial period ended 31 October 2022 is as follows:

Individual Quarter	Processing and trading of frozen seafood products RM'000	Trading of other products RM'000	Eliminations RM'000	Total RM'000
Unaudited				
Revenue:				
Revenue from external customers	117,744	7,629	-	125,373
Inter-segment revenue	6,844	2,965	(9,809)	-
	<u>124,588</u>	<u>10,594</u>	<u>(9,809)</u>	<u>125,373</u>


A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (CONT'D)
A9. Segmental Reporting (Cont'd)
Revenue by business segments (Cont'd)

The Group's segmental revenue by business segments for the financial period ended 31 October 2023 is as follows:

Cumulative Quarter	Processing and trading of frozen seafood products	Trading of other products	Elimination	Total
	RM'000	RM'000	RM'000	RM'000
Unaudited				
Revenue:				
Revenue from external customers	228,784	14,558	-	243,342
Inter-segment revenue	8,719	4,071	(12,790)	-
	237,503	18,629	(12,790)	243,342

The Group's revenue by business segments for the financial period ended 31 October 2022 is as follows:

Cumulative Quarter	Processing and trading of frozen seafood products	Trading of other products	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000
Unaudited				
Revenue:				
Revenue from external customers	223,637	17,013	-	240,650
Inter-segment revenue	20,072	5,521	(25,593)	-
	243,709	22,534	(25,593)	240,650


A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (CONT'D)
A9. Segmental Reporting (Cont'd)
Revenue by geographical location

The Group sells its products locally in Malaysia and internationally. The Group's segmental revenue by geographical location is as follows:

	Individual Quarter		Cumulative Quarter	
	Unaudited 31.10.2023 RM'000	Unaudited 31.10.2022 RM'000	Unaudited 31.10.2023 RM'000	Unaudited 31.10.2022 RM'000
Malaysia	69,592	66,383	126,898	148,476
Overseas				
Saudi Arabia	6,841	4,123	12,376	7,263
China	29,606	54,447	95,262	84,061
Others ⁽¹⁾	5,660	420	8,806	850
	42,107	58,990	116,444	92,174
Total	111,699	125,373	243,342	240,650

Note:

(1) Comprise Indonesia, Thailand, Singapore and the United Arab Emirates.

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A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (CONT'D)

A10. Material Events Subsequent to the End of the Current Quarter

There were no significant events subsequent to the end of the current quarter which will materially affect the earnings of the Group.

A11. Changes in the Composition of the Group

Save as disclosed below, there were no changes in the composition of the Group during the current quarter and YTD:

- (i) On 7 June 2023, the Company incorporated a wholly-owned subsidiary domiciled in the People's Republic of China, Fujian Hongjiasheng International Holdings Co., Ltd which is principally involved in the wholesale of fishery products, wholesale of processed fishery products and other wholesale of food and beverages.

A12. Contingent Assets and Contingent Liabilities

There were no contingent assets and contingent liabilities as at the end of the reporting quarter:

A13. Capital Commitments

Save as disclosed below, there were no capital commitments as at the end of the reporting quarter other than those stated below:

	As at 31.10.2023 RM'000
Approved but not contracted for:	
Setup cost of a processing facility located in Fuzhou City, Fujian Province, China	4,993
	<hr/> 4,993 <hr/>

A14. Related Party Transactions

There were no related party transactions during the current quarter and YTD.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Performance Review

Comparison with the Corresponding Quarter (2QFY2024 vs 2QFY2023)

The Group's revenue decreased by RM13.7 million or 10.9% to RM111.7 million in the 2QFY2024 as compared to 2QFY2023, which was mainly attributable to a decrease in overseas sales by RM16.8 million or 28.6% in the 2QFY2024 as compared to the 2QFY2023, with an overall decrease in sales demand from China by RM24.8 million in the 2QFY2024. However, the decrease was partially offset by the increase in local sales by RM3.2 million or 4.8%.

Despite the decline in the Group's revenue, the Group's gross profit ("GP") increased by RM6.3 million or 45.1% to RM20.1 million in the 2QFY2024. In addition, the Group's GP margin ("GPM") increased by 7.0 percentage points to 18.0% as compared to 11.1% in the 2QFY2023 which was mainly due to the Group's ability to secure its supplies at competitive pricing through bulk purchasing.

The Group's administrative expenses increased by RM0.8 million or 10.9% to RM8.1 million in the 2QFY2024 mainly due to an accrual in staff cost by RM0.7 million in the 2QFY2024.

Following the increase in the Group's GP, the Group's profit before tax ("PBT") for the 2QFY2024 was higher at RM18.9 million as compared to RM8.4 million in the 2QFY2023. The Group's PBT margin also rose by 10.2 percentage points to 16.9% in the 2QFY2024 as compared to the 2QFY2023.

Comparison with the Corresponding Financial Period (YTD FY2024 vs YTD FY2023)

The Group's revenue increased by RM2.7 million or 1.1% to RM243.3 million in the YTD FY2024 as compared to the YTD FY2023 which was mainly attributable by the increase in overseas sales of RM24.3 million, particularly from China, being the greatest contributor. However, the increase in revenue was partially offset by the decrease in local sales of RM21.6 million in view of a lower local demand.

The increase in the Group's revenue translated to an increase in GP by RM4.2 million or 15.5% to RM31.3 million in the YTD FY2024. In addition, the Group's GP margin increased by 1.6 percentage points to 12.8% as compared to 11.2% in the YTD FY2023 which was mainly due to higher average sales price, as well as the Group's ability to secure its supplies at competitive pricing through bulk purchasing.

The Group's administrative expenses increased by RM0.6 million or 5.0% to RM13.6 million in the YTD FY2024 as compared to the YTD FY2023, was mainly due to an accrual in staff cost by RM 0.7 million in the YTD FY2024.

Pursuant to the above, the Group experienced a hike in overall profitability, as reflected in the Group's PBT of RM23.7 million in the YTD FY 2024 as compared to RM16.2 million in the YTD FY2023. The Group's PBT margin also increased by 3% to 9.7% in the YTD FY2024 as compared to the YTD FY2023.



B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Performance Review (Cont'd)

Comparison with the Immediate Preceding Quarter (2QFY2024 vs 1QFY2024)

The Group's revenue decreased by RM19.9 million or 15.2% to RM111.7 million in the 2QFY2024 as compared to the 1QFY2024, which was mainly attributable to a decrease in oversea sales by RM32.2 million, arising from the weaker sales demand from China. The decrease is however partially offset by the increase in local sales by RM12.3 million.

Despite the decline in the Group's revenue in the 2QFY2024, the Group's GP increased by RM8.9 million or 80.8% to RM20.1 million. The Group also recorded a higher GPM of 18.0% in the 2QFY2024, which was 8.5 percentage points higher as compared to the 1QFY2024. This was mainly due to the Group's ability to secure its supplies at competitive pricing through bulk purchasing.

The Group's administrative expenses increased by RM0.8 million or 11.5% to RM8.1 million in the 2QFY2024, which was mainly due to an accrual of staff cost by RM0.7 million as mentioned above.

Pursuant to the above, the Group experienced a hike in the overall profitability, as reflected in the Group's PBT of RM18.9 million in the 2QFY2024 as compared to RM4.9 million in the 1QFY2024. The Group's PBT margin also increased by 13.2 percentage points to 16.9% in the 2QFY2024 as compared to the 1QFY2024.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B2. Group's Prospects

As the global economy is seen to be recovering and followed by the gradual re-opening of China's border, the Group's sales is expected to continue to grow, driven by the supply of food products to existing and new customers in the overseas market, and by leveraging on its new subsidiaries in China and Indonesia to further expand into these 2 large markets. Pursuant thereto, the Group set up a processing facility in Fuzhou City, Fujian Province, China to venture into value-added food product business to expand its product offerings.

The Group is committed to actively identify and evaluate new business opportunities and/or assets to be acquired which can contribute to and improve its financial performance. In the meantime, the Group will continue to monitor the latest developments in the market and will take steps to mitigate any risks to its operations or financial performance.

B3. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current quarter and YTD.

B4. Tax Expense

	Individual Quarter		Cumulative Quarter	
	Unaudited	Unaudited	Unaudited	Unaudited
	31.10.2023	31.10.2022	31.10.2023	31.10.2022
	RM'000	RM'000	RM'000	RM'000
Income tax	151	84	308	286
Effective tax rate (%)	0.8	1.0	1.3	1.8
Statutory tax rate (%)	24.0	24.0	24.0	24.0

The Group's effective tax rates were lower than the statutory tax rate of 24%, which was mainly attributable to the income tax exemption granted by the Malaysian Investment Development Authority to one of the Group's subsidiary, MHC Coldstorage Sdn Bhd ("MHC"), for a period of 10 years commencing from the year of assessment 2018. This has allowed MHC to enjoy 100% income tax exemption for income earned from processing of frozen seafood products during the said period, which is conditional upon MHC operating in the Kuantan Integrated Fish Processing Park Processing Facility.

The lower effective tax rate recorded for the current quarter and YTD was mainly due to the unrealised gain on foreign exchange which is non-taxable.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B5. Status of Corporate Proposals

Save as disclosed below, there are no corporate proposals announced by the Company but not completed as at the date of this unaudited interim financial report:

- (i) On 26 February 2023, the Company had entered into a Memorandum of Understanding (“**MOU**”) with Ocean Exchange (Fujian) Foreign Trade Services Co Ltd (“**Ocean Exchange**”) to establish cooperation between the Company and Ocean Exchange for the joint development of the Malaysian East Coast International Supply Chain Intelligent Park in Fujian province, China (“**the Project**”).

The Project, which is intended to drive the development of food and light industries supply-chain between Malaysia and Fuzhou with the aim of rapidly achieving currency internationalisation between the two countries, will encompass amongst others, integrated cold chain facilities to facilitate cross-border supply of consumer food. In addition, the Project also aims to boost the trade between the Malaysian seafood wholesale market and China through digital transformation.

As at the date of this report, the Board of Directors of the Company (“**Board**”) wishes to inform that there is no material development on the status of the MOU.

B6. Use of Proceeds Raised from Corporate Proposals

The Company had raised gross proceeds of RM48.6 million from its IPO. As at 31 October 2023, the utilisation of the IPO proceeds are as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Intended timeframe for utilisation from the date of listing
Capital expenditure for new cold storage warehouse	17,635	-	17,635	Within 36 months
Working capital	27,175	27,175	-	Within 12 months
Estimated listing expenses	3,790	3,790	-	Within 3 months
Total	48,600	30,965	17,635	

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B7. Borrowings

The details of the Group's borrowings are as follows:

	Unaudited 31.10.2023 RM'000	Audited 30.04.2023 RM'000
Non-current		
<i>Secured</i>		
Term loans	8,358	9,358
	8,358	9,358
Current		
<i>Secured</i>		
Bank overdrafts	2,695	4,311
Term loans	2,181	2,197
Bankers' acceptance	59,308	56,688
Invoice financing	478	501
Revolving financing	3,956	4,458
	68,618	68,155
Total	76,976	77,513

All the borrowings are denominated in Ringgit Malaysia.

B8. Material Litigation

As at the date of this report, the Group is not engaged in any litigation which has a material effect on the financial position or business of the Group.

B9. Dividend

On 27 September 2023, the Company declared an interim single tier dividend of 0.65 sen per ordinary share amounting to RM3.48 million for financial year ending 30 April 2024. The dividend is to be paid on 10 November 2023.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B10. Basic and Diluted EPS

The basic and diluted EPS for the current quarter and YTD are computed as follows:

	Individual Quarter		Cumulative Quarter	
	Unaudited 31.10.2023	Unaudited 31.10.2022	Unaudited 31.10.2023	Unaudited 31.10.2022
Profit attributable to owners of the Company (RM'000)	18,700	8,343	23,394	15,864
Weighted average number of shares ('000)	535,020	449,911	535,020	424,966
Basic/Diluted EPS (sen) ⁽³⁾	3.50 ⁽¹⁾	1.85 ⁽²⁾	4.37 ⁽¹⁾	3.73 ⁽²⁾

Notes:

- (1) Computed based on the profit attributable to the owners of the Company divided by the weighted average number of ordinary shares of 535,020,000 for the individual and cumulative quarters ended 31 October 2023.
- (2) Computed based on the profit attributable to the owners of the Company divided by the weighted average number of ordinary shares of 449,911,305 and 424,965,652 for the individual and cumulative quarters ended 31 October 2022 respectively.
- (3) The diluted EPS for the current and cumulative quarters are equivalent to the basic EPS as the Company does not have any dilutive instruments for the financial period ended 31 October 2022 and 31 October 2023.

B11. Notes to the Condensed Consolidated Statement of Profit and Other Comprehensive Income

Profit for the period was derived after taking into consideration of the following:

	Individual Quarter		Cumulative Quarter	
	Unaudited 31.10.2023 RM'000	Unaudited 31.10.2022 RM'000	Unaudited 31.10.2023 RM'000	Unaudited 31.10.2022 RM'000
Interest income	239	124	471	171
Interest expense	(819)	(690)	(1,816)	(1,322)
Depreciation of property, plant and equipment	(787)	(469)	(1,331)	(945)
Depreciation of right-of-use assets	(213)	(214)	(373)	(407)
Gain on disposal of property, plant and equipment	-	200	-	296
Listing expenses	-	(1,728)	-	(1,748)
Property, plant and equipment written off	(4)	-	(4)	-
Rent concessions	-	20	-	20
Realised gain on foreign exchange	3,243	897	4,977	1,526
Unrealised gain on foreign exchange	4,169	1,266	2,381	1,295