



PT RESOURCES HOLDINGS BERHAD

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

(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 APRIL 2024



UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 APRIL 2024

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

	Note	Individual Quarter		Cumulative Quarter	
		Unaudited 30.04.2024	Unaudited 30.04.2023	Unaudited 30.04.2024	Audited 30.04.2023
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	146,465	146,512	554,845	502,605
Cost of sales		(116,661)	(125,761)	(470,432)	(439,531)
Gross profit		29,804	20,751	84,413	63,074
Other income		2,713	5,052	8,972	786
Administration expenses		(15,658)	(5,453)	(35,141)	(23,478)
Other expenses		(11)	(54)	(25)	(54)
Profit from operations		16,848	20,296	58,219	40,328
Finance income		176	32	880	475
Finance costs		(2,583)	(1,117)	(6,086)	(3,335)
Profit before tax		14,441	19,211	53,013	37,468
Tax expense	B4	630	(210)	9	(635)
Profit for the financial period/year	B11	15,071	19,001	53,022	36,833
<u>Other comprehensive income that may be reclassified subsequently to profit or loss</u>					
Foreign currency translation differences		78	-	85	-
Total comprehensive income for the financial period/year		15,149	19,001	53,107	36,833
Profit for the financial period/year attributable to:					
Owners of the Company		15,072	19,001	53,023	36,833
Non-controlling interests		(1)	-	(1)	-
		15,071	19,001	53,022	36,833
Total comprehensive income for the financial period/year attributable to:					
Owners of the Company		15,150	19,001	53,108	36,833
Non-controlling interests		(1)	-	(1)	-
		15,149	19,001	53,107	36,833
Earnings per share					
Basic/Diluted (sen) ⁽²⁾⁽³⁾	B10	2.82	3.55	9.91	7.65

Notes:

- (1) 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 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 year ended 30 April 2023 and 30 April 2024.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 APRIL 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	Unaudited As at 30.04.2024 RM'000	Audited As at 30.04.2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	39,624	20,316
Right-of-use assets	9,273	5,778
Fixed deposits with licensed banks	24,974	17,627
	73,871	43,721
Current assets		
Inventories	17,666	7,606
Trade receivables	127,507	127,078
Other receivables	64,439	3,317
Tax recoverable	816	334
Fixed deposits with licensed banks	10,583	10,176
Cash and bank balances	51,245	59,653
	272,256	208,164
TOTAL ASSETS	346,127	251,885
EQUITY AND LIABILITIES		
Equity		
Share capital	67,047	67,047
Merger deficit	(13,400)	(13,400)
Foreign currency translation reserve	85	-
Retained earnings	149,631	103,563
	203,363	157,210
Non-controlling interests	299	-
Total equity	203,662	157,210
Non-current liabilities		
Borrowings	7,114	9,358
Lease liabilities	5,823	2,743
Provision for restoration costs	1,950	1,857
Deferred tax liabilities	40	285
	14,927	14,243
Current liabilities		
Trade payables	4,592	6,104
Other payables	14,681	5,593
Borrowings	107,017	68,155
Lease liabilities	1,068	470
Tax payable	180	110
	127,538	80,432
Total liabilities	142,465	94,675
TOTAL EQUITY AND LIABILITIES	346,127	251,885
Net assets per share attributable to owners of the company (RM) ⁽²⁾	0.38	0.29



UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 APRIL 2024
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 30 April 2024.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 APRIL 2024

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>Transactions with owners:</u>							
Issuance of shares	48,600	-	-	-	48,600	-	48,600
Capitalisation of share issuance expenses	(1,554)	-	-	-	(1,554)	-	(1,554)
Total comprehensive income for the financial year	-	-	-	36,833	36,833	-	36,833
Balance as at 30 April 2023	67,047	(13,400)	-	103,563	157,210	-	157,210

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 APRIL 2024

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
Incorporation of subsidiaries	-	-	-	-	-	300	300
Total comprehensive income for the financial year	-	-	85	53,023	53,108	(1)	53,107
<u>Transaction with owners:</u>							
Dividend paid	-	-	-	(6,955)	(6,955)	-	(6,955)
Balance as at 30 April 2024	67,047	(13,400)	85	149,631	203,363	299	203,662

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 FOURTH QUARTER ENDED 30 APRIL 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	Cumulative Quarter	
	Unaudited 30.04.2024 RM'000	Audited 30.04.2023 RM'000
Cash flows from operating activities		
Profit before tax	53,013	37,468
Adjustments for:		
Bad debts written off	-	633
Depreciation of property, plant and equipment	2,954	1,985
Depreciation of right-of-use assets	952	689
Gain on disposal of property, plant and equipment	-	(296)
Gain on early termination on leases	(1)	-
Interest expense	5,705	2,941
Interest income	(880)	(475)
Property, plant and equipment written off	25	54
Rent concessions	-	(20)
Unrealised loss/(gain) on foreign exchange	362	(410)
Operating profit before changes in working capital	62,130	42,569
Changes in working capital:		
Inventories	(10,060)	4,017
Receivables	(61,724)	(86,043)
Payables	1,077	(1,265)
Bankers' acceptance	9,729	30,008
Invoice financing	26,823	(10)
Revolving financing	1,738	35
Cash generated from/(used in) operations	29,713	(10,689)
Interest paid	(4,791)	(1,862)
Interest received	189	259
Tax paid	(681)	(524)
Tax refund	33	-
Net cash from/(used in) operating activities	24,463	(12,816)
Cash flows from investing activities		
Interest received	691	216
Proceeds from issuance of shares in subsidiaries to non-controlling interests	300	-
Purchase of property, plant and equipment	(15,788)	(738)
Proceeds from disposal of property, plant and equipment	-	296
Net cash used in investing activities	(14,797)	(226)
Cash flows from financing activities		
Dividend paid	(6,955)	-
Interest paid	(821)	(854)
Repayment of term loans	(2,135)	(1,881)
Repayment of lease liabilities	(770)	(1,409)
Placement of fixed deposits pledged	(7,347)	(7,767)
Proceeds from issuance of shares, net	-	47,046
Net cash (used in)/from financing activities	(18,028)	35,135



UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 APRIL 2024
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D) ⁽¹⁾

	Cumulative Quarter	
	Unaudited 30.04.2024 RM'000	Unaudited 30.04.2023 RM'000
Net (decrease)/increase in cash and cash equivalents	(8,362)	22,093
Cash and cash equivalents at the beginning of the financial year	65,518	43,687
Effect of foreign exchange difference	(102)	(262)
Cash and cash equivalents at the end of the financial year	57,054	65,517

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 Standard (“**MFRS**”) 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 Change to Adoption of New Standards/Amendments/Improvements to MFRSs

At the beginning of the current financial year, the Group adopted new standards/amendments/improvements to MFRSs which are mandatory for the current financial periods.

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

Amendments to MFRS 101 - Presentation of financial statements: Disclosure of accounting policies

The amendments change the requirements in MFRS 101 with regard to disclosure of accounting policies. The amendments replace all instances of the term ‘significant’ with ‘material’. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in MFRS 101 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Malaysian Accounting Standards Board has also developed guidance and examples to explain and demonstrate the application of the ‘four step materiality process’ described in MFRS Practice Statement 2.

The amendments have had an impact on the Group’s disclosures of accounting policies but not on the measurement, recognition or presentation of any items in the Group’s financial statements.

Standards Issued But Not Yet Effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group’s financial statements are disclosed below. The Group intend to adopt these new and amended standards and interpretations, if applicable, when they become effective.

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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 MFRS 107 and MFRS 7	Statement of cash flows and Financial instruments Disclosures: Supplier finance arrangements

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

Amendments to MFRS 121	The effects of changes in foreign exchange rates: Lack of exchangeability
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Amendments to MFRSs – Effective date deferred indefinitely:

Amendments to MFRS 10 and MFRS 128*	Consolidated financial statements and investments in associate and joint ventures – Sale or contribution of assets between an investor and its associate or joint venture
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* Not applicable to the Group's operations

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

- (i) On 27 September 2023, the Company declared a first interim single tier dividend of 0.65 sen per ordinary share amounting to RM3.48 million for the financial year ending 30 April 2024. The dividend was paid on 10 November 2023.



- (ii) On 27 March 2024, the Company declared a second interim single tier dividend of 0.65 sen per ordinary share amounting to RM3.48 million for the financial year ending 30 April 2024. The dividend was paid on 16 May 2024.

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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 4th quarter of the financial year ended 30 April 2024 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	138,945	7,520	-	146,465
Inter-segment revenue	1,509	2,122	(3,631)	-
	<u>140,454</u>	<u>9,642</u>	<u>(3,631)</u>	<u>146,465</u>

The Group's revenue by business segments for the 4th quarter of the financial year ended 30 April 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	139,413	7,099	-	146,512
Inter-segment revenue	699	2,551	(3,250)	-
	<u>140,112</u>	<u>9,650</u>	<u>(3,250)</u>	<u>146,512</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 year ended 30 April 2024 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	525,628	29,217	-	554,845
Inter-segment revenue	14,964	8,015	(22,979)	-
	540,592	37,232	(22,979)	554,845

The Group's revenue by business segments for the financial year ended 30 April 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
Audited Revenue:				
Revenue from external customers	471,873	30,732	-	502,605
Inter-segment revenue	21,486	10,572	(32,058)	-
	493,359	41,304	(32,058)	502,605


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 30.04.2024 RM'000	Unaudited 30.04.2023 RM'000	Unaudited 30.04.2024 RM'000	Audited 30.04.2023 RM'000
Malaysia	76,041	54,846	277,881	260,814
Overseas				
Saudi Arabia	7,464	1,608	29,882	10,373
China	61,379	89,496	235,442	229,805
Others ⁽¹⁾	1,581	562	11,640	1,613
	70,424	91,666	276,964	241,791
Total	146,465	146,512	554,845	502,605

Note:

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



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 namely 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 30.04.2024 RM'000
Approved but not contracted for:	
Setup of new cold storage warehouse in Kuantan, Pahang	20,037
	<hr/> 20,037 <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 (CONT'D)

B1. Performance Review

Comparison with the Corresponding Quarter (4QFY2024 vs 4QFY2023)

The Group's revenue of RM146.47 million in the 4QFY2024 approximates the revenue achieved in the 4QFY2023 of RM146.51 million.

Notwithstanding the above, the Group recorded an increase in gross profit ("GP") by RM9.05 million or 43.63% to RM29.80 million in the 4QFY2024 as compared to the 4QFY2023. In addition, the Group's GP margin ("GPM") rose by 6.19 percentage points to 20.35% in the 4QFY2024 as compared to 14.16% in the 4QFY2023. The increase in GP and GPM was mainly due to the following:

- (i) higher sales of high value products which generally have a slightly higher GP margin; and
- (ii) the Group's ability to secure its supplies at competitive pricing through amongst others, bulk purchasing.

The Group's administrative expenses increased by RM10.21 million or 187.14% to RM15.66 million in the 4QFY2024, which was mainly due to the following:

- (i) an increase in selling and distribution expenses by RM7.27 million mainly as a result of higher freight costs due to amongst others, rising global shipping rates; and
- (ii) an unrealised loss on foreign currency exchange of RM1.64 million as a result of the strengthening RM against USD in the 4QFY2024.

Pursuant to the above, the Group experienced a decline in overall profitability, as reflected in the Group's profit before tax ("PBT") of RM14.44 million in the 4QFY2024 as compared to RM19.21 million in the 4QFY2023. The Group's PBT margin also decreased by 3.25 percentage points to 9.86% as compared to the 4QFY2023.

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

The Group's revenue increased by RM52.24 million or 10.39% to RM554.85 million in the YTD FY2024 as compared to the YTD FY2023, which was mainly attributable to an increase in foreign and local sales of RM35.17 million and RM17.07 million respectively as a result of amongst others, the Group securing new customers in the foreign and local markets.

The increase in the Group's revenue translated to an increase in GP by RM21.34 million or 33.83% to RM84.41 million in the YTD FY2024. In addition, the Group's GP margin increased by 2.66 percentage points to 15.21% as compared to 12.55% in the YTD FY2023, which was mainly due to higher sales of high value products which generally have a slightly higher GP margin.

The Group's administrative expenses increased by RM11.66 million or 49.68% to RM35.12 million in the YTD FY2024 as compared to the YTD FY2023, which was mainly due to higher selling and distribution expenses incurred of RM8.93 million following an increase in freight costs as mentioned above.

Pursuant to the above and the recognition of a foreign exchange gain of RM8.58 million, the Group experienced an increase in overall profitability, as reflected in the Group's PBT of RM53.01 million in the YTD FY2024 as compared to RM37.47 million in the YTD FY2023. The Group's PBT margin also increased by 2.10 percentage points to 9.56% in the YTD FY2024 as compared to the YTD FY2023.



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

B1. Performance Review (Cont'd)

Comparison with the Immediate Preceding Quarter (4QFY2024 vs 3QFY2024)

The Group's revenue decreased by RM18.57 million or 11.25% to RM146.47 million in the 4QFY2024 as compared to the 3QFY2024, which was mainly attributable to a decrease in overseas demand by RM19.67 million or 34.06% in the 4QFY2024 as compared to the 3QFY2024, primarily as a result of higher demand from the China customers in the 3QFY2024 due to the Chinese New Year festive season.

Despite the decrease in the Group's revenue, GP had increased by RM6.45 million or 27.62% to RM29.80 million in the 4QFY2024 as compared to the 3QFY2024. In addition, the Group's GPM rose by 6.20 percentage points to 20.35% in the 4QFY2024 as compared to 14.15% in the 3QFY2024. This was mainly due to higher sales of high value products which generally have a slightly higher GP margin.

The Group's administrative expenses increased by RM7.35 million or 88.38% to RM15.64 million in the 4QFY2024, which was mainly due to higher selling and distributions expense incurred of RM5.58 million following an increase in freight costs as mentioned above.

Pursuant to the higher administrative expenses, the Group experienced a slight decline in overall profitability, as reflected in the Group's PBT of RM14.46 million in the 4QFY2024 as compared to RM14.87 million in the 3QFY2024. Notwithstanding, the Group's PBT margin increased by 0.86 percentage points to 9.87% as compared to the 3QFY2024 following the higher GPM achieved in the 4QFY2024.

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

B2. Group's Prospects

The macro environment is expected to be challenging due to the world economic slowdown aggravated by the on-going Red Sea crisis. As such, the Group will remain vigilant and adapt to market shifts and wider geopolitical/economic movement.

As part of its strategy to enhance the visibility of its brand locally and thereby improve its local sales as well as being part of its environmental, social, and governance (ESG) initiatives, the Group has sponsored its retail customers on an Islamic pilgrimage (Umrah) to Mecca.

On the international front, the Group has been actively participating in international seafood exhibitions in Dubai, Singapore and Thailand to increase market awareness of its products and thereby, improve its export sales.

Underpinning the above is the Group's efforts to process and sell a wider varietal of seafood products, especially seafood products which can command a higher margin, as evident in the increase in the Group's GPM in the 4QFY2024. In addition, the Group has/will introduce the following to expand its product range:

- (i) dried seafood products which the Group has secured orders; and
- (ii) complementary value-added food products which is also expected to improve demand for its seafood products.

With these efforts, the Group is optimistic on the long-term growth of the demand for its products. In the meantime, the Group is also committed to actively identify and evaluate new business opportunities and/or assets to be acquired which can contribute to and improve its 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 30.04.2024 RM'000	Unaudited 30.04.2023 RM'000	Unaudited 30.04.2024 RM'000	Audited 30.04.2023 RM'000
Income tax	(630)	210	(9)	635
Effective tax rate (%)	(4.4)	1.1	0.0	1.7
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 (MIDA) to MHC Coldstorage Sdn Bhd ("MHC"), a wholly-owned subsidiary of the Company, for a period of 10 years commencing from the year of assessment 2018. This has allowed MHC to enjoy 100% income tax exemption for its 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 over provision of income tax in the prior quarters and financial year.



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 30 April 2024, 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	8,691	8,944	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	39,656	8,944	

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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 30.04.2024 RM'000	Audited 30.04.2023 RM'000
Non-current		
<i>Secured</i>		
Term loans	7,114	9,358
	<u>7,114</u>	<u>9,358</u>
Current		
<i>Secured</i>		
Bank overdrafts	4,774	4,311
Term loans	2,306	2,197
Bankers' acceptance	66,417	56,688
Invoice financing	27,324	501
Revolving financing	6,196	4,458
	<u>107,017</u>	<u>68,155</u>
Total	<u>114,131</u>	<u>77,513</u>

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

Save as disclosed below, no dividend was declared or recommended for payment by the Board for the current quarter:

- (ii) On 27 March 2024, the Company declared a second 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 was paid on 16 May 2024.

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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 30.04.2024	Unaudited 30.04.2023	Unaudited 30.04.2024	Audited 30.04.2023
Profit attributable to owners of the Company (RM'000)	15,072	19,001	53,023	36,833
Weighted average number of shares ('000)	535,020	535,020	535,020	481,390
Basic/Diluted EPS (sen) ⁽³⁾	2.82 ⁽¹⁾	3.55 ⁽²⁾	9.91 ⁽¹⁾	7.65 ⁽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 30 April 2024.
- (2) 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 and 481,389,863 for the individual and cumulative quarters ended 30 April 2023 respectively.

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 year ended 30 April 2023 and 30 April 2024.

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

Profit for the financial period/year was derived after taking into consideration the following:

	Individual Quarter		Cumulative Quarter	
	Unaudited 30.04.2024 RM'000	Unaudited 30.04.2023 RM'000	Unaudited 30.04.2024 RM'000	Audited 30.04.2023 RM'000
Interest income	176	32	880	475
Interest expense	(2,505)	(723)	(5,705)	(2,941)
Bad debts written off	-	(633)	-	(633)
Depreciation of property, plant and equipment	(824)	(513)	(2,954)	(1,985)
Depreciation of right-of-use assets	(352)	(145)	(952)	(689)
Gain on disposal of property, plant and equipment	-	-	-	296
Gain on early termination on leases	-	-	1	-
Listing expenses	-	-	-	(1,261)
Property, plant and equipment written off	(11)	(54)	(25)	(54)
Rent concessions	-	-	-	20
Realised gain/(loss) on foreign exchange	2,699	(1,570)	8,937	(340)
Unrealised (loss)/gain on foreign exchange	(1,641)	5,010	(362)	410