



CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

HALF YEARLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY CARLO RINO GROUP BERHAD ("CRG" OR THE "COMPANY"). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

This Half Yearly Report is dated 30 August 2024

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2024 ⁽¹⁾

| | Individual 6 months ended | | Cumulative 12 months ended | |
|---|---------------------------|----------------------|----------------------------|----------------------|
| | 30.06.2024 RM'000 | 30.06.2023 RM'000 | 30.06.2024 RM'000 | 30.06.2023 RM'000 |
| Revenue | 55,308 | 56,389 | 104,845 | 113,534 |
| Cost of sales | (20,564) | (21,016) | (38,983) | (43,470) |
| Gross profit | 34,744 | 35,373 | 65,862 | 70,064 |
| Other operating income | 1,082 | 2,394 | 1,740 | 3,392 |
| Net loss on impairment of financial assets | (5) | (210) | (31) | (228) |
| Selling and distribution expenses | (12,456) | (12,493) | (24,540) | (24,612) |
| General and administrative expenses | (7,834) | (7,718) | (15,902) | (15,508) |
| Profit from operations | 15,531 | 17,346 | 27,129 | 33,108 |
| Finance costs | (449) | (376) | (859) | (749) |
| Share of loss of an associate, net | - | - | - | (909) |
| Profit before taxation | 15,082 | 16,970 | 26,270 | 31,450 |
| Taxation | (3,837) | (3,854) | (6,965) | (7,597) |
| Profit after taxation | 11,245 | 13,116 | 19,305 | 23,853 |
| Other comprehensive income, net of tax | | | | |
| Items that have reclassified profit or loss | | | | |
| Foreign currency translation on derecognition of foreign subsidiaries | 187 | - | 249 | - |
| Items that may be reclassified subsequently to profit or loss | | | | |
| Foreign currency translations | 1 | 2 | - | 1 |
| Items that will not be reclassified to profit or loss in subsequent period | | | | |
| Fair value adjustment on other investment | - | (4,766) | - | 911 |
| Realisation of revaluation reserve on disposal of investment property | - | (806) | - | (806) |
| Total other comprehensive income/(loss), net of tax | 188 | (5,570) | 249 | 106 |
| Total comprehensive income | 11,433 | 7,546 | 19,554 | 23,959 |
| Profit attributable to owner of the parent | 11,245 | 13,116 | 19,305 | 23,853 |
| Total comprehensive income attributable to owner of the parent | 11,433 | 7,546 | 19,554 | 23,959 |
| Earnings per share attributable to owner of the parent (Sen) | | | | |
| - Basic | 1.40 | 1.63 | 2.40 | 2.96 |

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Audited Financial Statement of the Group for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

[The remainder of this page is intentionally left blank]

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024 ⁽¹⁾

| | Unaudited as at 30.06.2024 RM'000 | Audited as at 30.06.2023 RM'000 |
|--------------------------------------|---|---------------------------------------|
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 41,270 | 40,368 |
| Right-of-use assets | 19,871 | 15,342 |
| Other investment | 4,767 | 4,767 |
| Deferred tax assets | 1,147 | 1,281 |
| Total non-current assets | 67,055 | 61,758 |
| CURRENT ASSETS | | |
| Inventories | 14,648 | 14,520 |
| Trade and other receivables | 12,192 | 8,800 |
| Current tax assets | 149 | 155 |
| Cash and bank balances | 46,963 | 60,864 |
| Short term funds | 9,091 | 2,936 |
| Total current assets | 83,043 | 87,275 |
| TOTAL ASSETS | 150,098 | 149,033 |
| EQUITY | | |
| Share capital | 68,000 | 68,000 |
| Reserves | 43,678 | 32,180 |
| Total equity | 111,678 | 100,180 |
| NON-CURRENT LIABILITIES | | |
| Borrowings | 6,638 | 18,598 |
| Lease liabilities | 15,920 | 11,929 |
| Deferred tax liabilities | 7 | 9 |
| Provision for restoration costs | 1,361 | 1,135 |
| Total non-current liabilities | 23,926 | 31,671 |
| CURRENT LIABILITIES | | |
| Trade and other payables | 6,017 | 8,987 |
| Borrowings | 857 | 1,103 |
| Lease liabilities | 5,905 | 5,452 |
| Provision for restoration costs | 121 | 342 |
| Current tax liabilities | 1,594 | 1,298 |
| Total current liabilities | 14,494 | 17,182 |
| Total liabilities | 38,420 | 48,853 |
| TOTAL EQUITY AND LIABILITIES | 150,098 | 149,033 |
| Net assets per share (RM) | 0.1386 | 0.1243 |

Note:

⁽¹⁾ The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024⁽¹⁾

| | ← Non-distributable → | | | | Distributable retained earnings | Total equity |
|---|-----------------------|------------------------------|---------------------|--------------------|---------------------------------|----------------|
| | Share capital | Exchange translation reserve | Revaluation reserve | Fair value reserve | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | | |
| As at 1 July 2023 | 68,000 | (249) | - | 911 | 31,518 | 100,180 |
| Profit for the financial year | - | - | - | - | 19,305 | 19,305 |
| Reclassified to profit or loss on derecognition of foreign subsidiaries | - | 249 | - | - | - | 249 |
| Total comprehensive income for the financial year | - | 249 | - | - | 19,305 | 19,554 |
| Transaction with owner | | | | | | |
| Dividends paid | - | - | - | - | (8,056) | (8,056) |
| Transaction with owner | - | - | - | - | (8,056) | (8,056) |
| As at 30 June 2024 | 68,000 | - | - | 911 | 42,767 | 111,678 |

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024⁽¹⁾
(Cont'd)

| | ← Non-distributable → | | | | Distributable retained earnings | Total equity |
|---|-----------------------|------------------------------|---------------------|--------------------|---------------------------------|----------------|
| | Share capital | Exchange translation reserve | Revaluation reserve | Fair value reserve | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | | |
| As at 1 July 2022 | 68,000 | (250) | 806 | - | 21,764 | 90,320 |
| Profit for the financial year | - | - | - | - | 23,853 | 23,853 |
| Foreign currency translation, net of tax | - | 1 | - | - | - | 1 |
| Fair value adjustment on other investment | - | - | - | 911 | - | 911 |
| Realisation of revaluation reserve on disposal of investment property | - | - | (806) | - | - | (806) |
| Total comprehensive income for the financial year | - | 1 | (806) | 911 | 23,853 | 23,959 |
| Transaction with owner | | | | | | |
| Dividends paid | - | - | - | - | (14,099) | (14,099) |
| Transaction with owner | - | - | - | - | (14,099) | (14,099) |
| As at 30 June 2023 | 68,000 | (249) | - | 911 | 31,518 | 100,180 |

Note:

⁽¹⁾ The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 ⁽¹⁾

| | 12 months ended 30.06.2024 RM'000 | 12 months ended 30.06.2023 RM'000 |
|---|--|--|
| Cash flows from operating activities | | |
| Profit before tax | 26,270 | 31,450 |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 2,682 | 2,208 |
| Depreciation of right-of-use assets | 6,698 | 6,314 |
| Fair value gain on short term funds | (46) | (113) |
| Gain on dilution of equity interest in an associate | - | (580) |
| Gain on disposal of: | | |
| - investment property | - | (1,856) |
| - property, plant and equipment, net | (5) | (4) |
| Gain on reassessment and modification of leases | (30) | - |
| Impairment losses on: | | |
| - property, plant and equipment | 276 | - |
| - right of use assets | 202 | - |
| - trade and other receivables | 32 | 241 |
| Interest expenses | 838 | 642 |
| Interest income | (1,154) | (717) |
| Other receivable written off | - | 1 |
| Property, plant and equipment written off | 97 | 3 |
| Lease concession | - | (39) |
| Loss on derecognition of foreign subsidiaries | 249 | - |
| Reversal of impairment losses on: | | |
| - right-of-use assets | (409) | - |
| - trade receivables | - | (13) |
| Share of loss of an associate, net of tax | - | 909 |
| Unrealised loss/(gain) on foreign exchange, net | 3 | (17) |
| Unwinding of discount on provision for restoration costs | 21 | 107 |
| Operating profit before changes in working capital | 35,724 | 38,536 |
| Changes in working capital: | | |
| Inventories | (128) | (3,400) |
| Trade and other receivables | (3,424) | 10,590 |
| Trade and other payables | (3,286) | (2,209) |
| Cash generated from operations | 28,886 | 43,517 |
| Tax paid | (6,531) | (8,456) |
| Net cash from operating activities | 22,355 | 35,061 |

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 ⁽¹⁾ (cont'd)

| | 12 months ended 30.06.2024 RM'000 | 12 months ended 30.06.2023 RM'000 |
|---|---|---|
| Cash flows from investing activities | | |
| Interest received | 1,154 | 717 |
| (Placement)/Withdrawal of short term funds, net | (6,108) | 2,991 |
| Proceeds from disposal of investment property | - | 5,800 |
| Proceeds from disposal of property, plant and equipment | 5 | 5 |
| Purchase of property, plant and equipment | (3,641) | (18,323) |
| Net cash used in investing activities | (8,590) | (8,810) |
| Cash flows from financing activities | | |
| Interest paid | (2) | (5) |
| Dividends paid | (8,056) | (14,099) |
| Payments of lease liabilities | (7,377) | (6,690) |
| Repayments of term loans | (12,229) | (3,480) |
| Drawdowns of term loans | - | 11,550 |
| Net cash used in financing activities | (27,664) | (12,724) |
| Net change in cash and cash equivalents | (13,899) | 13,527 |
| Effects of exchange rate changes on cash and cash equivalents | (2) | 16 |
| Cash and cash equivalents at beginning of financial year | 60,864 | 47,321 |
| Cash and cash equivalents at end of financial year | 46,963 | 60,864 |

Note:

⁽¹⁾ The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SECOND HALF-YEAR ENDED 30 JUNE 2024**A1. Basis of Preparation**

The interim financial statements of CRG and its group of companies (the “Group”) are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting. This is the interim financial report on the consolidated results for the second half-year ended 30 June 2024 announced by the Company in compliance with the LEAP Market Listing Requirements of Bursa Securities.

This report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 30 June 2023. The explanatory notes attached to this report provide an explanation of events and transactions that are significant to the understanding of changes in the financial position and performance of the Group since the financial year ended 30 June 2023.

A2. Accounting Policies

The significant accounting policies adopted by the Group in this report are consistent with those adopted in the Audited Financial Statements of the Group for the financial year ended 30 June 2023 except for the adoption of the following new accounting standards and amendments and interpretation:-

A2.1 Adoption of MFRS and amendments effective for financial year beginning on or after 1 January 2023

| Title | Effective Date |
|--|---------------------------------------|
| <i>MFRS 17 Insurance Contracts</i> | 1 January 2023 |
| <i>Amendments to MFRS 17 Initial Application of MFRS 17 and MFRS 9 - Comparative Information)</i> | 1 January 2023 |
| <i>Amendments to MFRS 101 Disclosure of Accounting Policies</i> | 1 January 2023 |
| <i>Amendments to MFRS 108 Definition of Accounting Estimates</i> | 1 January 2023 |
| <i>Amendments to MFRS 112 Deferred tax related to Assets and Liabilities arising from a Single Transaction</i> | 1 January 2023 |
| <i>Amendments to MFRS 112 International Tax Reform – Pillar Two Model Rules</i> | Refer paragraph 98M of MFRS 112 |

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group and of the Company.

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

A2. Accounting Policies (cont'd)***A2.2 MFRS and Amendments effective for financial year beginning on or after 1 January 2024***

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board but have not been early adopted by the Group and the Company:

| Title | Effective Date |
|---|-----------------------|
| <i>Amendments to MFRS 107 and MFRS 7 Supplier Finance Arrangements</i> | 1 January 2024 |
| <i>Amendments to MFRS 16 Lease Liability in a Sale and Leaseback</i> | 1 January 2024 |
| <i>Amendments to MFRS 101 Classification of Liabilities as Current or Non-current</i> | 1 January 2024 |
| <i>Amendments to MFRS 101 Non-current Liabilities with Covenants</i> | 1 January 2024 |
| <i>Amendments to MFRS 121 Lack of Exchangeability</i> | 1 January 2025 |
| <i>Amendments to MFRS 18 Presentation and Disclosure in Financial Statements</i> | 1 January 2027 |
| <i>Amendments to MFRS 19 Subsidiaries without Public Accountability: Disclosures</i> | 1 January 2027 |
| <i>Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | Deferred |

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

A3. Seasonal or Cyclical Factors

The Group's business operations are generally dependent on the Malaysia economy, government initiatives and consumer confidence, as well as major festive seasons.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items as a result of their nature, size or incidence that had affected this interim financial report for the current financial period under review.

A5. Material Changes in Accounting Estimates

There were no material changes in accounting estimates in the current financial period under review.

A6. Debt and Equity Securities

There were no other issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current financial period under review.

A7. Segmental Performance

| | 2HFY24 | | | 2HFY23 | | |
|--|---------------------|--|-----------------|---------------------|--|-----------------|
| | Retailing RM'000 | Investment and management services RM'000 | Total RM'000 | Retailing RM'000 | Investment and management services RM'000 | Total RM'000 |
| Revenue | | | | | | |
| Total revenue | 77,276 | 10,110 | 87,386 | 77,332 | 13,419 | 90,751 |
| Inter-segment revenue | (21,968) | (10,110) | (32,078) | (20,943) | (13,419) | (34,362) |
| Revenue from external customers | 55,308 | - | 55,308 | 56,389 | - | 56,389 |
| Interest income | 414 | 184 | 598 | 262 | 151 | 413 |
| Interest expenses | (433) | (16) | (449) | (323) | (53) | (376) |
| Net interest (expenses)/income | (19) | 168 | 149 | (61) | 98 | 37 |
| Results | | | | | | |
| Segment profit before tax | 14,339 | 743 | 15,082 | 15,219 | 1,751 | 16,970 |
| Share of profit of an associate | - | - | - | - | - | - |
| Profit before tax | 14,339 | 743 | 15,082 | 15,219 | 1,751 | 16,970 |
| Tax expense | 3,615 | 222 | 3,837 | 3,752 | 102 | 3,854 |
| Segment assets | 85,004 | 63,799 | 148,803 | 73,020 | 74,577 | 147,597 |
| Segment liabilities | 25,980 | 10,839 | 36,819 | 22,713 | 24,833 | 47,546 |

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

A8. Related party transactions

| Transacting related parties | Nature of transactions | 12 months ended 30.6.2024 RM'000 |
|---|---|---|
| Bonia International Holdings Pte Ltd (" BIH ") | Trademarks royalties paid to BIH based on percentage of transacted sales for the trademarks rights granted | 175 |
| Pasti Anggun Sdn. Bhd. (" PASB ") | Rental fees paid and payable to PASB for tenancy of the Company's head office located at 2 nd Floor, Ikon Connaught, Lot 160, Jalan Cerdas, Taman Connaught, 56000 Kuala Lumpur in accordance with the tenancy agreement entered into between PASB and CRV Sdn Bhd (a wholly-owned subsidiary) | 625 |
| Total | | 800 |

A9. Qualification of Preceding Annual Financial Statements

The Company's preceding Audited Financial Statements for the financial year ended 30 June 2023 did not contain any qualification.

A10. Material Events Subsequent to the End of the Financial Period

Save as disclosed below, there are no other material events subsequent to the end of the current financial period under review:

- (a) On 15 July 2024, the Company announced that the exit offer price has been adjusted from RM0.220 to RM0.215 per Offer Share (as defined hereunder) after taking into consideration the interim single tier dividend of 0.5 sen per ordinary share of the Company ("**CRG Share**") in respect of the financial year ending 30 June 2025 with entitlement date on 24 July 2024 and paid by the Company on 7 August 2024;
- (b) On 31 July 2024, the Company announced that all the resolutions set forth in the Notice of Extraordinary General Meeting dated 9 July 2024 in relation to the adoption of a new constitution of the Company and proposed issuance and allotment of new CRG Shares to Independent Non-Executive Directors of the Company were duly passed by way of poll at the extraordinary general meeting of the Company held on the same day;
- (c) On 31 July 2024, the Company announced that the Ministry of Investment, Trade and Industry ("**MITI**") had, vide its letter dated 31 July 2024, agreed with the scheme for the proposed initial public offering of the Company which will result in an enlarged share capital of 977,517,100 CRG Shares and the Company has complied with the Bumiputera Equity Requirement for Public Listed Companies whereby 122,189,700 CRG Shares, which representing 12.50% of the Company's enlarged issued share capital to be allocated to Bumiputera investors approved by MITI;
- (d) On 12 August 2024, the Company announced that Bursa Malaysia Securities Berhad ("**Bursa Securities**") had, vide its letter dated 12 August 2024, approved the proposed transfer of listing and quotation for the entire enlarged issued share capital comprising 977,517,100 CRG Shares to the ACE Market of Bursa Securities ("**Transfer**");
- (e) On 16 August 2024, the Company announced that the Securities Commission Malaysia had, vide its letter dated 13 August 2024, approved the resultant equity structure of the Company under the equity requirement for public listed companies pursuant to the Transfer;

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

- (f) On 22 August 2024, the Company announced that Bursa Securities had, vide its letter dated 22 August 2024, approved the application for the proposed withdrawal of the Company's listing from the Official List of the LEAP Market of Bursa Securities pursuant to Rule 8.06 of the LEAP Market Listing Requirements of Bursa Securities (“**Withdrawal of Listing**”); and
- (g) On 22 August 2024, the Company announced that it had received a notice of unconditional voluntary take-over offer from Dato’ Sri Chiang Fong Yee, Chiang Sang Sem and Freeway Team Sdn Bhd (collectively, “**Joint Offerors**”), through TA Securities Holdings Berhad, to acquire all the remaining ordinary shares in CRG (excluding treasury shares) not already held by the Joint Offerors (“**Offer Shares**”) for a cash consideration of RM0.215 per Offer Share to facilitate the Transfer and the Withdrawal of Listing (“**Notice**”). The Notice was despatched to the shareholders of the Company on 28 August 2024.

A11. Changes in Composition of the Group

Save as disclosed in item C5, there were no changes in the composition of the Group for the current financial period.

A12. Contingent Liabilities

Save as disclosed below, as at 30 June 2024, the Company is unaware of other contingent liabilities:

| | As at 30 June 2024 |
|--|---------------------------|
| | RM'000 |
| Corporate guarantee to financial institutions for banking facilities granted to and utilised by subsidiaries | 161 |
| Corporate guarantees to landlords for tenancy agreements entered into by a subsidiary | 683 |
| Total | ----- 844 ===== |

A13. Capital Commitments

The total capital commitments of the Group as at 30 June 2024 are as follows:

| | As at 30 June 2024 |
|---------------------------------|---------------------------|
| | RM'000 |
| Authorised and contractual for: | |
| - Property, plant and equipment | 389 ===== |

A14. Valuation of property, plant and equipment and investment property

There were no changes or amendments to the valuation of property, plant and equipment and investment property from the Group's previous financial statements.

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Performance Review

2HFY24 vs 2HFY23

For the current financial period under review, the Group reported a revenue of RM55.31 million as compared to a revenue of RM56.39 million reported in the preceding year corresponding period, representing a marginal decline of 1.92% or RM1.08 million. The Group's profit before tax ("PBT") for current period under review reduced by 11.13% or RM1.89 million, as compared to RM16.97 million reported in the preceding year corresponding period. Such drop in PBT was primarily due to the absence of a gain on the disposal of an investment property, which amounted to RM1.86 million in 2HFY23.

2HFY24 vs 1HFY24

| | Current period | Immediate preceding period |
|--------------|-----------------------|-----------------------------------|
| | 30.06.2024 | 31.12.2023 |
| | RM'000 | RM'000 |
| Revenue | 55,308 | 49,537 |
| Gross profit | 34,744 | 31,118 |
| PBT | 15,082 | 11,188 |

The Group reported 11.65% or RM5.77 million increase in revenue for the current financial period under review as compared to the revenue reported in the immediate preceding period. The improvement in revenue was mainly attributed to the following:

- (i) an increase in revenue during festive seasons; and
- (ii) sales contribution from newly opened boutiques/outlet located at The Exchange TRX, Silverlakes Village Outlet and IOI Mall Puchong in current financial period under review.

In line with the higher revenue, the Group recorded a 34.76% increase in PBT, amounting to RM3.89 million.

B2. Prospects

The retail sector continues to face challenges due to economic uncertainty, primarily driven by inflationary pressures. Rising costs have affected both consumer sentiment and spending patterns, leading to a cautious approach to retail purchases. However, the government's recent announcement regarding an increase in civil servants' salaries is expected to positively impact the economy. Higher salaries are likely to translate into increase in disposable income and improve the purchasing power. This boost in disposable income typically results in higher consumer spending, which is a key driver for retail sector growth.

In response to the current market dynamics, the Group remains committed to leveraging on digital market platforms to enhance its online presence. The Group aims to expand its reach and effectively promote its product range. This strategy is designed to attract a broader customer base and drive sales, even amidst economic uncertainty.

The Group is optimistic about maintaining its business momentum. The anticipated increase in consumer spending, driven by higher civil servants' salaries, combined with the Group's proactive business strategies, allows the Group to navigate and thrive amidst the current challenges. By staying aligned with its business strategies and adapting to evolving market conditions, the Group believes it will continue to capture growth opportunities in the retail sector.

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

B3. Profit Forecast, Profit Guarantee and Internal Targets

No revenue or profit estimate, forecast, projection or internal targets has been issued by the Group previously in any public document.

[The remainder of this page is intentionally left blank]

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

C. OTHER INFORMATION**C1. Status of Corporate Proposals**

Save as disclosed below, there were no other corporate proposals announced by the Company but pending completion as at the date of this report:

- (a) Transfer and Withdrawal of Listing – as detailed in the Company’s Circular to Shareholders dated 6 December 2023; and
- (b) Proposed issuance and allotment of new CRG Shares to Independent Non-Executive Directors of the Company – as detailed in the Company’s Circular to Shareholders dated 9 July 2024.

C2. Borrowings

As at the reporting date, the Group’s borrowings (all denominated in RM) are as follows:

| | 12 months ended 30.06.2024 RM’000 | 12 months ended 30.06.2023 RM’000 |
|---------------------------------------|--|--|
| <u>Current liabilities</u> | | |
| <u>Secured</u> | | |
| Term loan | 857 | 1,103 |
| | <u>857</u> | <u>1,103</u> |
| <u>Non-current liabilities</u> | | |
| <u>Secured</u> | | |
| Term loan | 6,638 | 18,598 |
| | <u>6,638</u> | <u>18,598</u> |
| Total | <u><u>7,495</u></u> | <u><u>19,701</u></u> |

C3. Material Litigation

There are no material litigations involving the Group as at the date of this report.

C4. Earnings Per Share

| | Individual 6 months ended | | Cumulative 12 months ended | |
|---|----------------------------------|-------------------|-----------------------------------|-------------------|
| | 30.06.2024 | 30.06.2023 | 30.06.2024 | 30.06.2023 |
| | RM’000 | RM’000 | RM’000 | RM’000 |
| Profit attributable to owner of the Company | 11,245 | 13,116 | 19,305 | 23,853 |
| Weighted average number of ordinary shares (’000) | 805,651 | 805,651 | 805,651 | 805,651 |
| Basic earnings per ordinary share (Sen) | 1.40 | 1.63 | 2.40 | 2.96 |

CARLO RINO GROUP BERHAD

Registration No. 200901037127 (880257-A)

C5. Changes in the Composition of the Group

Save for the completion of member's voluntary winding up of PT CRI Mitra Sejati (then a wholly-owned subsidiary of the Company) as confirmed by the relevant Ministry of Law and Human Rights, Indonesia, on 10 January 2024, there are no other changes in the composition of the Group during the current financial period under review.

C6. Dividend

On 15 July 2024, a single tier interim dividend of RM0.005 per ordinary share amounted to approximately RM4.03 million was declared for financial year ending 2025, and payment was made on 7 August 2024.

[The remainder of this page is intentionally left blank]