

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED 30 JUNE 2024**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	YEAR	YEAR	YEAR	YEAR
	QUARTER	QUARTER	TO DATE	TO DATE
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM '000	RM '000	RM '000	RM '000
Revenue	70,059	56,860	122,625	111,313
Interest income	381	422	894	915
Operating expenses	(66,637)	(59,749)	(122,047)	(120,034)
Other income	1,888	2,475	3,828	5,622
Finance costs	(854)	(625)	(1,639)	(1,200)
Share of associate's loss	(59)	(1,582)	(163)	(1,971)
Share of joint venture's loss	(78)	(39)	(125)	(72)
Profit/(Loss) before tax (Note 18)	4,700	(2,238)	3,373	(5,427)
Tax expense	(1,749)	(286)	(2,204)	(659)
Profit/(Loss) for the period	2,951	(2,524)	1,169	(6,086)
Profit/(Loss) for the period attributable to:				
Owners of the Company	2,947	(2,523)	1,186	(6,072)
Non-controlling interests	4	(1)	(17)	(14)
	2,951	(2,524)	1,169	(6,086)
Earnings/(Loss) per share (sen):				
(a) Basic	1.04	(0.90)	0.42	(2.16)
(b) Diluted	1.04	(0.90)	0.42	(2.16)

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

GUH HOLDINGS BERHAD (Registration No. 196101000062 (4104-W))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2024**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	YEAR	YEAR	YEAR	YEAR
	QUARTER	QUARTER	TO DATE	TO DATE
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM '000	RM '000	RM '000	RM '000
Profit/(Loss) for the period	2,951	(2,524)	1,169	(6,086)
Other comprehensive income:				
Item that will not be reclassified to profit or loss:				
- Remeasurement of defined benefit liability	-	147	-	765
Item that may be reclassified subsequently to profit or loss:				
- Currency translation differences for foreign operations	(191)	(603)	111	284
- Share of associate's other comprehensive income	(156)	442	(272)	551
Total other comprehensive income for the period	(347)	(14)	(161)	1,600
Comprehensive income for the period	2,604	(2,538)	1,008	(4,486)
Comprehensive income for the period attributable to:				
Owners of the Company	2,600	(2,537)	1,025	(4,472)
Non-controlling interests	4	(1)	(17)	(14)
	2,604	(2,538)	1,008	(4,486)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

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

	AS AT 30/06/2024 RM '000	AS AT 31/12/2023 RM '000
Non-Current Assets		
Property, Plant and Equipment	101,511	104,103
Investment Properties	38,458	38,940
Right-of-use Assets	24,070	24,483
Goodwill	1,381	1,392
Investment in Associate	10,104	10,538
Investment in Joint Venture	20,681	20,806
Other Investments	2,794	3,064
Inventories	181,093	174,019
Prepayments	1,143	1,227
Deferred Tax Assets	1,206	1,062
	<hr/>	<hr/>
	382,441	379,634
Current Assets		
Inventories	90,349	89,741
Biological Assets	110	134
Contract Costs	991	1,171
Contract Assets	8,574	6,059
Receivables	36,479	35,039
Derivatives	-	152
Prepayments	1,672	609
Current Tax Assets	2,365	2,857
Cash and Cash Equivalents	90,693	80,707
	<hr/>	<hr/>
	231,233	216,469
Current Liabilities		
Contract Liabilities	2,847	5,096
Derivatives	107	-
Payables	52,158	42,537
Loans and Borrowings	4,636	14,756
Lease Liabilities	219	353
Financial Guarantee Contracts	4,507	4,507
Current Tax Liabilities	3,520	1,578
	<hr/>	<hr/>
	67,994	68,827
Net Current Assets	<hr/>	<hr/>
	163,239	147,642
Non-Current Liabilities		
Deferred Tax Liabilities	7,657	8,288
Loans and Borrowings	57,159	42,439
Lease Liabilities	849	627
Retirement Benefits	6,913	6,585
Deferred Income on Government Grants	3,144	671
	<hr/>	<hr/>
	75,722	58,610
Net Assets	<hr/>	<hr/>
	469,958	468,666
Equity		
Share Capital	279,914	279,596
Reserves	189,931	188,947
	<hr/>	<hr/>
Equity Attributable to Owners of the Company	469,845	468,543
Non-controlling Interests	113	123
	<hr/>	<hr/>
Total Equity	469,958	468,666
Net Assets per Share Attributable to Owners of the Company (RM)	<hr/>	<hr/>
	1.67	1.67

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

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

	<u>Non-Distributable</u>				<u>Distributable</u>		Equity attributable to owners of the Company RM '000	Non-controlling interests RM '000	Total equity RM '000
	Share capital RM '000	Treasury shares RM '000	Employees' share grant scheme reserve RM '000	Capital reserve * RM '000	Currency translation reserve RM '000	Retained profits RM '000			
At 01/01/2024	279,596	-	511	13,960	39,844	134,632	468,543	123	468,666
Prior year adjustment	-	-	-	-	-	(16)	(16)	7	(9)
Currency translation differences for foreign operations	-	-	-	-	111	-	111	-	111
Share of associate's other comprehensive income	-	-	-	-	(272)	-	(272)	-	(272)
Total other comprehensive income for the period	-	-	-	-	(161)	-	(161)	-	(161)
Profit for the period	-	-	-	-	-	1,186	1,186	(17)	1,169
Comprehensive income for the period	-	-	-	-	(161)	1,186	1,025	(17)	1,008
Share-based payments	-	-	293	-	-	-	293	-	293
Issue of shares pursuant to Share Grant Plan	318	-	(318)	-	-	-	-	-	-
Total transactions with owners	318	-	(25)	-	-	-	293	-	293
At 30/06/2024	279,914	-	486	13,960	39,683	135,802	469,845	113	469,958
At 01/01/2023	279,084	(148)	991	13,960	38,615	150,054	482,556	(25)	482,531
Acquisition of subsidiary	-	-	-	-	-	-	-	336	336
Currency translation differences for foreign operations	-	-	-	-	284	-	284	-	284
Share of associate's other comprehensive income	-	-	-	-	551	-	551	-	551
Remeasurement of defined benefit liability	-	-	-	-	-	765	765	-	765
Total other comprehensive income for the period	-	-	-	-	835	765	1,600	-	1,600
Loss for the period	-	-	-	-	-	(6,072)	(6,072)	(14)	(6,086)
Comprehensive income for the period	-	-	-	-	835	(5,307)	(4,472)	(14)	(4,486)
Resale of treasury shares	-	148	-	-	-	(86)	62	-	62
Share-based payments	-	-	129	-	-	-	129	-	129
Issue of shares pursuant to Share Grant Plan	512	-	(512)	-	-	-	-	-	-
Total transactions with owners	512	148	(383)	-	-	(86)	191	-	191
At 30/06/2023	279,596	-	608	13,960	39,450	144,661	478,275	297	478,572

* This represents the cumulative amount transferred from the retained profits of a subsidiary under the statutory requirements of the People's Republic of China.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

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

	CURRENT YEAR TO DATE 30/06/2024 RM '000	CURRENT YEAR TO DATE 30/06/2023 RM '000
Cash flows from operating activities		
Profit/(Loss) before tax	3,373	(5,427)
Adjustments for:		
Amortisation of deferred income	(652)	(143)
Depreciation	8,197	7,763
Dividend income	(30)	(38)
Fair value changes in biological assets	24	69
Fair value gains on financial instruments	(1,222)	(1,597)
Interest expense	1,639	1,200
Interest income	(894)	(915)
Inventories written down	169	149
(Gain)/Loss on disposal of property, plant and equipment	(195)	120
Gain on derecognition of right-of-use assets	(4)	-
Provision for retirement benefits	328	(1,787)
Property, plant and equipment written off	-	10
Reversal of inventories written down	(369)	(5,493)
Share of associate's loss	163	1,971
Share of joint venture's loss	125	72
Share-based payments	293	129
Unrealised gain on foreign exchange	(465)	(2,425)
Operating profit/(loss) before working capital changes	10,480	(6,342)
Changes in:		
Contract costs	180	205
Contract assets	(2,515)	3,423
Derivatives	152	9
Inventories	(7,482)	10,962
Receivables	(947)	(9,098)
Prepayments	(980)	(5,696)
Contract liabilities	(2,249)	(506)
Payables	9,448	4,014
Cash generated from/(absorbed by) operations	6,087	(3,029)
Tax paid	(504)	(2,541)
Tax refunded	1	7
	(503)	(2,534)
Net cash from/(used in) operating activities	5,584	(5,563)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(4,430)	(5,396)
Acquisition of subsidiary, net of cash acquired	-	(1,089)
Additions of investment properties	(1)	-
Additions of other investments	(1,560)	-
Dividend received	30	38
Government grants received	3,125	857
Interest and fund distributions received	908	937
Proceeds from disposal of other investments	3,144	4,256
Proceeds from disposal of property, plant and equipment	370	108
Subscription for shares in associate	-	(1,084)
Net cash from/(used in) investing activities	1,586	(1,373)
Cash flows from financing activities		
Drawdown of term loans	14,300	2,555
Decrease in short-term loans and borrowings (net)	(7,633)	(1,748)
Interest paid	(1,613)	(1,212)
Payment of lease liabilities	(188)	(136)
Resale of treasury shares	-	62
Repayment of term loans	(2,652)	(1,224)
Net cash from/(used in) financing activities	2,214	(1,703)
Currency translation differences	601	1,303
Net increase/(decrease) in cash and cash equivalents	9,985	(7,336)
Cash and cash equivalents brought forward	80,687	90,309
Cash and cash equivalents carried forward	90,672	82,973
Note:		
Cash and cash equivalents	90,693	82,993
Term deposits pledged as security	(21)	(20)
	90,672	82,973

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2024**

1. Basis of Preparation

The interim financial report has been prepared in accordance with requirements of MFRS 134: "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023.

The same accounting policies and methods of computation are followed in the interim financial report as compared with the annual financial statements for the year ended 31 December 2023 except for the adoption of the following MFRS:

	Effective for annual periods beginning on or after
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

The adoption of the above MFRS did not have any significant impacts on the financial statements of the Group.

2. Audit Report

The preceding annual financial statements of the Group were reported on without any qualification.

3. Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current year quarter and period ended 30 June 2024.

5. Changes in Estimates

There were no changes in the estimates that have a material effect in the current year quarter and period ended 30 June 2024.

6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current year quarter and period ended 30 June 2024 other than the following:

Share Grant Plan

On 2 January 2024, the Company announced the award of shares in the Company under the Restricted Stock Units (RSU) and Performance Stock Units (PSU) of the Company's Share Grant Plan (SGP). A total of 11,597,702 SGP Grants were offered to the selected eligible executive directors and employees of GUH and its subsidiary companies (excluding subsidiaries that are dormant), of which 1,388,946 SGP Grants were offered to the executive director of GUH.

On 1 April 2024, the Company announced that it has granted and vested 707,671 new ordinary shares to the eligible persons upon satisfaction of the vesting conditions pursuant to Company's Share Grant Plan (SGP) and is administered in accordance with its by-laws by the SGP committee at the weighted average fair value of RM0.45 per share.

7. Dividend Paid

No dividend was paid during the current year quarter and period ended 30 June 2024.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2024

8. **Segmental Reporting**

Analysis by activity	Electronic	Properties		Utilities	eVehicle	Unallocated Non-Operating Segments RM '000	Group RM '000
	Manufacture of Printed Circuit Boards RM '000	Property Development RM '000	Cultivation of Oil Palm RM '000	Water and Wastewater Treatment RM '000	Sale of Electric Vehicles RM '000		
Revenue							
Total revenue	92,356	25,180	416	8,248	702	4,901	131,803
Intersegment revenue	(16)	-	-	(6,092)	-	(3,070)	(9,178)
External revenue	92,340	25,180	416	2,156	702	1,831	122,625
Results							
Segment results	(1,098)	7,776	(335)	(613)	(575)	(749)	4,406
Interest income	613	40	-	92	44	105	894
Interest expense	(697)	(402)	-	(2)	(5)	(533)	(1,639)
Share of associate's loss	-	-	-	-	-	(163)	(163)
Share of joint venture's loss	-	-	-	-	-	(125)	(125)
(Loss)/Profit before tax	(1,182)	7,414	(335)	(523)	(536)	(1,465)	3,373
Tax income/(expense)	107	(2,041)	-	-	-	(270)	(2,204)
(Loss)/Profit for the period	(1,075)	5,373	(335)	(523)	(536)	(1,735)	1,169
Assets							
Segment assets	202,180	288,762	18,037	15,690	6,844	47,805	579,318
Investment in associate	-	-	-	-	-	10,104	10,104
Investment in joint venture	-	-	-	-	-	20,681	20,681
Income tax assets	2,058	1,447	28	16	22	-	3,571
Total assets	204,238	290,209	18,065	15,706	6,866	78,590	613,674
Liabilities							
Segment liabilities	32,493	18,829	50	3,981	282	14,041	69,676
Loans and borrowings	17,701	24,311	-	-	91	19,692	61,795
Lease liabilities	-	345	-	91	128	504	1,068
Income tax liabilities	8,210	2,000	-	-	6	961	11,177
Total liabilities	58,404	45,485	50	4,072	507	35,198	143,716

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2024**

9. Subsequent Material Events

There were no material events subsequent to the end of the reporting period that have not been reflected in the financial statements.

10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the period ended 30 June 2024.

11. Contingent Liabilities or Contingent Assets

The Group has no contingent liabilities and contingent assets as at the end of the current year quarter or last annual reporting date.

12. Significant Related Party Transactions

Significant transactions with related parties during the period ended 30 June 2024 are as follows:

	30/06/2024 RM '000
Purchase of goods from other related parties (a)	6,414
Acquisition of property, plant and equipment from other related party (a)	77
Receiving of services from other related party (a)	194
Rental charged by other related party (a)	57
Rental charged to other related party (a)	91
Sale of goods to other related party (a)	1,350

(a) Being companies in which certain directors have substantial financial interests

13. Review of the Performance

Operating Segment	Current Year Quarter 30/06/2024 RM '000	Preceding Year Quarter 30/06/2023 RM '000	Changes RM '000	Current Year To Date 30/06/2024 RM '000	Preceding Year To Date 30/06/2023 RM '000	Changes RM '000
Revenue						
Electronic						
- Manufacture of printed circuit boards	47,758	47,818	(60)	92,340	94,860	(2,520)
Properties						
- Property development	18,952	6,383	12,569	25,180	11,583	13,597
- Cultivation of oil palm	186	124	62	416	490	(74)
Utilities						
- Water and wastewater treatment	2,034	1,420	614	2,156	2,094	62
Sale of electric vehicles	213	218	(5)	702	496	206
Unallocated non-operating segments	916	897	19	1,831	1,790	41
Total	70,059	56,860	13,199	122,625	111,313	11,312
Profit/(Loss) before tax						
Electronic						
- Manufacture of printed circuit boards	(1,377)	(289)	(1,088)	(1,182)	(3,419)	2,237
Properties						
- Property development	6,535	1,428	5,107	7,414	2,130	5,284
- Cultivation of oil palm	(191)	(293)	102	(335)	(353)	18
Utilities						
- Water and wastewater treatment	167	359	(192)	(523)	(544)	21
Sale of electric vehicles	(368)	(307)	(61)	(536)	(445)	(91)
Unallocated non-operating segments	(66)	(3,136)	3,070	(1,465)	(2,796)	1,331
Total	4,700	(2,238)	6,938	3,373	(5,427)	8,800

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2024**

13. **Review of the Performance (cont'd)**

a) Current Year Quarter vs Preceding Year Quarter

The Group recorded a profit before tax of RM 4.7 million for the current year quarter ended 30 June 2024 compared to a loss before tax of RM 2.2 million for the preceding year quarter mainly due to higher contribution from Property Division, higher gain on fair value adjustment of other investments and gain on derecognition of other investments coupled with lower share of associate's loss.

Detailed analysis of the performance of the Group's operating segments for the current year quarter ended 30 June 2024 compared to the preceding year quarter is as follows:

i) **Manufacture of printed circuit boards**

The loss before tax increased to RM 1.4 million from RM 0.3 million mainly due to lower revenue coupled with less favourable movement in forex exchange rates in the current quarter.

ii) **Property development**

The profit before tax increased to RM 6.5 million from RM 1.4 million in tandem with higher property units sold.

iii) **Cultivation of oil palm**

The loss before tax decreased to RM 0.2 million from RM 0.3 million in line with higher FFB output and CPO prices.

iv) **Water and wastewater treatment**

The profit before tax decreased to RM 0.2 million from RM 0.4 million mainly due to higher administrative expenses.

v) **Sale of electric vehicles**

The loss before tax increased to RM 0.4 million from RM 0.3 million mainly due to higher administrative expenses.

vi) **Unallocated non-operating segments**

The loss before tax decreased to RM 0.07 million from RM 3.1 million mainly due to higher gain on fair value adjustment of other investments and gain on derecognition of other investments coupled with lower share of associate's loss.

b) Current Year To Date vs Preceding Year To Date

The Group recorded a profit before tax of RM 3.4 million for the period ended 30 June 2024 compared to a loss before tax of RM 5.4 million for the preceding year to date mainly due to higher contribution from Electronic and Property Divisions.

Detailed analysis of the performance of the Group's operating segments for the period ended 30 June 2024 compared to the preceding year to date is as follows:

i) **Manufacture of printed circuit boards**

The loss before tax decreased to RM 1.2 million from RM 3.4 million mainly due to higher contribution from Malaysia operation as a result of favourable sales mix and higher amortisation of deferred income following the government grants received.

ii) **Property development**

The profit before tax increased to RM 7.4 million from RM 2.1 million in tandem with higher property units sold.

iii) **Cultivation of oil palm**

The loss before tax was almost the same at RM 0.3 million.

iv) **Water and wastewater treatment**

The loss before tax was almost the same at RM 0.5 million.

v) **Sale of electric vehicles**

The loss before tax increased to RM 0.5 million from RM 0.4 million mainly due to higher administrative expenses.

vi) **Unallocated non-operating segments**

The loss before tax decreased to RM 1.5 million from RM 2.8 million mainly due to lower share of associate's loss partly offset by lower gain on derecognition of other investments.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2024**

14. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

	Current Year Quarter 30/06/2024	Immediate Preceding Quarter 31/03/2024	Changes
	RM'000	RM'000	RM'000
Revenue	70,059	52,566	17,493
Profit/(Loss) Before Tax	4,700	(1,327)	6,027

The Group recorded a profit before tax of RM 4.7 million in contrast to a loss before tax of RM 1.3 million for the immediate preceding quarter mainly due to higher profit contribution from Property Division.

15. Prospects for 2024

The global demands for our electronic products are challenging, hence, we foresee Year 2024 will be a challenging year for the Electronic Division.

The Property Division will be launching new products in second half of 2024.

The Utilities Division foresees 2024 will be a challenging year, as the market conditions remains competitive.

The Group foresees that 2024 will be a challenging year for the Electronic and Utilities Divisions.

16. Variance from Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document.

17. Revenue

The revenue is disaggregated by major products or services as follows:

Current Year Quarter 30/06/2024							
Segment	Electronic	Properties		Utilities	eVehicle	Other Income	Group
Major products / Services	Manufacture of Printed Circuit Boards RM '000	Property Development RM '000	Cultivation of Oil Palm RM '000	Water and Wastewater Treatment RM '000	Sale of Electric Vehicles RM '000	RM '000	RM '000
<u>Timing of revenue recognition</u>							
Services transferred over time	-	8,186	-	2,034	-	-	10,220
Products transferred at a point in time	47,758	10,766	186	-	213	-	58,923
Income not within the scope of MFRS 15	-	-	-	-	-	916	916
	47,758	18,952	186	2,034	213	916	70,059

Current Year To Date 30/06/2024							
Segment	Electronic	Properties		Utilities	eVehicle	Other Income	Group
Major products / Services	Manufacture of Printed Circuit Boards RM '000	Property Development RM '000	Cultivation of Oil Palm RM '000	Water and Wastewater Treatment RM '000	Sale of Electric Vehicles RM '000	RM '000	RM '000
<u>Timing of revenue recognition</u>							
Services transferred over time	-	13,022	-	2,156	-	-	15,178
Products transferred at a point in time	92,340	12,158	416	-	702	-	105,616
Income not within the scope of MFRS 15	-	-	-	-	-	1,831	1,831
	92,340	25,180	416	2,156	702	1,831	122,625

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2024**

18. Profit/(Loss) Before Tax

	Current Year Quarter 30/06/2024 RM'000	Current Year To Date 30/06/2024 RM'000
Profit/(Loss) before tax is arrived at after charging:		
- Interest expense	854	1,639
- Depreciation	4,101	8,197
- Inventories written down	-	169
- Loss on foreign exchange - unrealised	50	-
- Fair value changes in biological assets	17	24
and crediting:		
- Amortisation of deferred income	100	652
- Interest income	381	894
- Dividend income	15	30
- Gain on disposal of property, plant and equipment	183	195
- Gain on foreign exchange - realised	12	207
- Gain on foreign exchange - unrealised	-	465
- Fair value gains on financial instruments	1,188	1,222
- Reversal of inventories written down	115	369

19. Taxation

Taxation comprises:

	Current Year Quarter 30/06/2024 RM '000	Current Year To Date 30/06/2024 RM '000
Income tax	(2,318)	(2,979)
Deferred tax	569	775
	<u>(1,749)</u>	<u>(2,204)</u>

The Group's effective tax rates differ from the statutory tax rate mainly because:

- (i) certain income and expenses which are not taxable and allowable;
- (ii) utilisation of reinvestment allowances by certain subsidiary; and
- (iii) differential tax rates for certain subsidiaries.

20. Status of Corporate Proposals

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

21. Group Borrowings and Debt Securities

The details of the Group borrowings and debt securities are as follows:

	As at 30/06/2024 RM'000	As at 30/06/2023 RM'000
Secured		
Short-term loans	2,545	2,133
Long-term loans	36,149	30,223
Revolving credit	5,400	1,000
Unsecured		
Long-term loans	15,610	-
Revolving credit	-	11,000
Trust receipts	2,091	8,192
	<u>61,795</u>	<u>52,548</u>
Disclosed as:-		
- Current liabilities	4,636	22,325
- Non-current liabilities	57,159	30,223
	<u>61,795</u>	<u>52,548</u>

The effective interest rates of loans and borrowings as at 30 June 2024 ranged from 3.50% to 6.68% (30 June 2023 : 3.50% to 6.60%) per annum.

Currency exposure profile of group borrowings and debt securities were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Malaysia Ringgit	44,094	-	44,094
United States Dollar	-	17,701	17,701
	<u>44,094</u>	<u>17,701</u>	<u>61,795</u>

Compared to the period ended 30 June 2023, the Group's borrowings increased to RM 61.8 million from RM 52.5 million mainly due to increase in term loans for working capital purposes which were partly offset by repayment of revolving credits and foreign currency trust receipts.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2024**

22. Financial Instruments

a) Derivatives

The Group has entered into forward exchange contracts to hedge its foreign currency payables and borrowings from exposure to the fluctuations in foreign exchange rates.

The details of forward exchange contracts as at 30 June 2024 are as follows:

Forward Exchange Contracts	Contract Value (RM'000)	Fair Value (RM'000)
US Dollar - Less than 1 year	9,337	107

The Group is not exposed to any significant credit, market and liquidity risks in respect of the above forward exchange contracts. In addition, there were no changes to the Group's financial risk management objective, its related policies and processes in the current year quarter and period ended 30 June 2024.

b) Gains/(Losses) arising from Fair Value Changes of Financial Liabilities

There were no gains/(losses) arising from fair value changes of financial liabilities for the current year quarter and period ended 30 June 2024.

c) Fair Value

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The inputs to valuation techniques used to measure fair value are categorised into the following levels of fair value hierarchy:

- i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- iii) Level 3 - unobservable inputs for the asset or liability.

The fair value measurement of financial instruments at the end of the reporting period are as follows:

i) Other investments

	30/06/2024 RM '000
Shares quoted in Malaysia - at fair value	2,794

The fair values of quoted investments are directly measured using their unadjusted closing prices at 30 June 2024 in active markets (i.e. Level 1).

ii) Other financial assets and financial liabilities

The carrying amounts of receivables, cash and cash equivalents, payables and loans and borrowings which are short-term in nature or repayable on demand are reasonable approximations of fair values. The fair values of long-term loans and borrowings are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2).

There were no transfers between Level 1 and Level 2 during the period ended 30 June 2024.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2024**

23. **Material Litigation**

There was no material litigation against the Group for the current year quarter ended 30 June 2024.

24. **Proposed Dividend**

No dividend has been proposed or declared for the current year quarter ended 30 June 2024.

25. **Earnings Per Share**

	Current Year Quarter 30/06/2024	Current Year To Date 30/06/2024
Profit for the period attributable to owners of the Company (RM '000)	2,947	1,186
Number of shares in issue as at 1 January ('000)	281,360	281,360
Effect of shares issued pursuant to Share Grant Plan ("SGP") ('000)	708	354
Weighted average number of shares for computing basic earnings per share ('000)	<u>282,068</u>	<u>281,714</u>
Basic earnings per share (sen)	<u>1.04</u>	<u>0.42</u>

The diluted earnings per share equals the basic earnings per share due to the anti-dilutive effect of the shares under SGP and warrants which have been ignored in calculating the diluted earnings per share.

26. **Authorisation for Issue**

The Board of Directors authorised the issue of this unaudited interim financial report on 26 August 2024.