

**PAN MALAYSIA CORPORATION BERHAD**

Registration No: 196301000008 (4920-D)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT  
FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**

(The figures are unaudited)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023**

	QUARTER ENDED		CUMULATIVE 12 MONTHS	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	RM'000	RM'000	RM'000	RM'000
Revenue	56,386	53,843	245,944	106,233
Cost of sales	(31,445)	(29,336)	(130,675)	(66,785)
Gross profit	24,941	24,507	115,269	39,448
Other income	31,996	10,558	43,217	15,843
Selling and distribution expenses	(10,718)	(4,018)	(73,472)	(10,696)
Administration and operating expenses	(22,398)	(22,779)	(50,127)	(38,036)
Net impairment losses on financial assets	(933)	(1,076)	(933)	(1,076)
Other expenses	(2,196)	(1,363)	(2,196)	(1,363)
Finance costs	(1,686)	(855)	(4,694)	(1,114)
Share of losses of an equity accounted joint venture	-	(9)	(5)	(10)
Profit before taxation	19,006	4,965	27,059	2,996
(Tax expense)/income tax credit	(1,968)	52	(2,162)	4
Profit after taxation	17,038	5,017	24,897	3,000
Attributable to:				
Owners of the Company	23,436	4,686	29,741	2,535
Non-controlling interests	(6,398)	331	(4,844)	465
	17,038	5,017	24,897	3,000
Profit/(loss) per share attributable to owners of the Company (Sen):				
Basic/Diluted	3.04	0.61	3.85	0.33

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

**PAN MALAYSIA CORPORATION BERHAD**

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**CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**

	QUARTER ENDED		CUMULATIVE 12 MONTHS	
	30/06/2023 RM'000	30/06/2022 RM'000	30/06/2023	30/06/2022 RM'000
Profit after taxation	17,038	5,017	24,897	3,000
Other comprehensive expenses:				
Net gain/(loss) on fair value changes of equity investments	1,185	(525)	2,237	(2,930)
Foreign currency translation differences for foreign operations	(856)	30	(5,366)	(415)
Surplus on valuation of freehold lands and buildings net of deferred tax liabilities	2,501	-	2,501	-
Total other comprehensive income/(expenses)	2,830	(495)	(628)	(3,345)
Total comprehensive income/(expenses) for the financial period	19,868	4,522	24,269	(345)
Attributable to:				
Owners of the Company	26,266	4,191	29,113	(810)
Non-controlling interests	(6,398)	331	(4,844)	465
Total comprehensive income/(expenses) for the financial period	19,868	4,522	24,269	(345)

The Condensed Consolidated Statements of Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

**PAN MALAYSIA CORPORATION BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2023**

	30/06/2023 RM'000	30/06/2022 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	123,405	104,237
Investment property	1,313	1,128
Investments	120,816	90,430
Investment in a joint venture	135	140
Goodwill on consolidation	29,415	29,415
Trademarks	4,984	4,984
Intangible assets	7,076	6,324
Deferred tax assets	2,938	4,560
	<u>290,082</u>	<u>241,218</u>
<b>Current assets</b>		
Inventories	16,167	15,944
Amount owing by holding company	9,527	4,067
Trade and other receivables	30,436	22,129
Right to recover returned goods	512	539
Current tax assets	1,720	1,618
Other investments	482	6,505
Short-term investments	11,076	13,103
Deposits, bank balances and cash	31,691	38,186
Assets classified as held for sale	17,674	-
	<u>119,285</u>	<u>102,091</u>
<b>TOTAL ASSETS</b>	<u>409,367</u>	<u>343,309</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	221,959	221,959
Treasury shares	(866)	(866)
Reserves	40,781	13,982
	<u>261,874</u>	<u>235,075</u>
<b>Non-Controlling Interests</b>	<u>(2,116)</u>	<u>2,729</u>
<b>Total Equity</b>	<u>259,758</u>	<u>237,804</u>
<b>Non-current liabilities</b>		
Trade and other payables	64	4,001
Term loans	32,057	21,169
Lease liabilities	23,214	12,857
Deferred tax liabilities	1,104	1,014
	<u>56,439</u>	<u>39,041</u>
<b>Current liabilities</b>		
Trade and other payables	74,674	47,595
Deferred income	1,155	-
Refund liabilities	890	957
Lease liabilities	6,179	12,240
Bank overdraft	7,447	3,217
Current tax liabilities	190	36
Term loans	2,635	2,419
	<u>93,170</u>	<u>66,464</u>
<b>Total Liabilities</b>	<u>93,170</u>	<u>66,464</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>409,367</u>	<u>343,309</u>
	<b>RM</b>	<b>RM</b>
Net assets per share attributable to owners of the Company	0.34 *	0.30 *

\* The net assets per share is based on the number of ordinary shares in issue less treasury shares .

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

**PAN MALAYSIA CORPORATION BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**

	Share Capital RM'000	Treasury Shares RM'000	Exchange Translation Reserve RM'000	Fair Value Reserve RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
At 1 July 2022	221,959	(866)	(2,039)	(5,214)	-	21,235	235,075	2,729	237,804
Other comprehensive (expenses)/income:									
Fair value changes of equity investments	-	-	-	2,237	-	-	2,237	-	2,237
Foreign currency translation differences for foreign operations	-	-	(5,366)	-	-	-	(5,366)	-	(5,366)
Revaluation of land	-	-	-	-	2,501	-	2,501	-	2,501
Profit for the financial period	-	-	-	-	-	29,741	29,741	(4,844)	24,897
Total comprehensive (expenses)/income for the financial period	-	-	(5,366)	2,237	2,501	29,741	29,113	(4,844)	24,269
Dividend paid	-	-	-	-	-	(2,315)	(2,315)	-	(2,315)
At 30 June 2023	<u>221,959</u>	<u>(866)</u>	<u>(7,405)</u>	<u>(2,977)</u>	<u>2,501</u>	<u>48,661</u>	<u>261,873</u>	<u>(2,115)</u>	<u>259,758</u>
At 1 July 2021	221,959	(30,484)	(1,624)	(2,284)	-	43,656	231,223	-	231,223
Other comprehensive (expenses)/income:									
Fair value changes of equity investments	-	-	-	(2,930)	-	-	(2,930)	-	(2,930)
Foreign currency translation differences for foreign operations	-	-	(781)	-	-	-	(781)	-	(781)
Dissolution of a subsidiary	-	-	366	-	-	-	366	-	366
Profit for the financial period	-	-	-	-	-	2,535	2,535	465	3,000
Total comprehensive (expenses)/income for the financial period	-	-	(415)	(2,930)	-	2,535	(810)	465	(345)
Dividend paid	-	-	-	-	-	(3,542)	(3,542)	-	(3,542)
Effect of acquisition of A & W (Malaysia) Sdn Bhd	-	29,618	-	-	-	(21,414)	8,204	2,264	10,468
At 30 June 2022	<u>221,959</u>	<u>(866)</u>	<u>(2,039)</u>	<u>(5,214)</u>	<u>-</u>	<u>21,235</u>	<u>235,075</u>	<u>2,729</u>	<u>237,804</u>

The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**

	<b>CUMULATIVE 12 MONTHS</b>	
	<b>30/06/2023</b>	<b>30/06/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Operating Activities</b>		
Profit before taxation	27,059	2,996
Net adjustment	3,558	(150)
Operating profit before working capital changes	30,617	2,846
Net change in working capital	13,909	(3,333)
Cash from/(used in) operations	44,526	(487)
Dividend received	373	360
Interest paid	(3,881)	(1,114)
Interest received	723	663
Tax refunded	-	9
Net tax paid	(206)	(172)
Net cash from/(used in) operating activities	41,535	(741)
<b>Investing Activities</b>		
Net acquisition of a subsidiary company - A&W	-	(6,214)
Purchase of property, plant and equipment	(49,355)	(7,216)
Redemption/(purchase) of short-term investments	6,174	(5,000)
Purchase of other investments	(221)	(8,261)
Increased of fixed deposits with tenure more than 3 months	(1,822)	(487)
Increased in pledged deposits with licensed banks	-	(1,620)
Proceed from disposal of asset classified as held for sale	-	2,173
Utilisation of restricted fund	-	21,569
Advances to ultimate holding company	(5,211)	(4,067)
Withdrawal/(placement) of deposit	1,148	(33)
Net cash generated (used in)/from investing activities	(49,287)	(9,156)
<b>Financing Activities</b>		
Dividend paid	(2,315)	(3,542)
Repayment of lease liabilities	(12,936)	(5,634)
Drawdown of bank borrowing	13,768	6,339
Repayment of bank borrowing	(2,664)	(563)
Net cash generated used in financing activities	(4,147)	(3,400)
Net decrease in cash and cash equivalents	(11,899)	(13,297)
Cash and cash equivalents at beginning of financial period		
As previously reported	31,445	45,808
Effects of exchange rate changes	(5,523)	(1,066)
As restated	25,922	44,742
Cash and cash equivalents at end of financial period	14,023	31,445

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**

**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING**

**A1. Basis of Preparation**

The condensed consolidated financial statements ("Condensed Report") has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting*, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of the Companies Act 2016 in Malaysia. The Condensed Report, other than for financial instruments had been prepared under the historical cost convention. Certain financial instruments are carried at fair value in accordance with MFRS 9 *Financial Instruments*.

The Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022. The explanatory notes attached to the Condensed Report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2022.

**A2. Significant Accounting Policies**

The accounting standards adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 30 June 2022, except for the following:

<b>(a) MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment- Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022

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

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 (MASB) but are not yet effective for the current financial year:

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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**A2. Significant Accounting Policies (continued)**

(b) Revaluation of land and building (property, plant and equipment)

The Group re-assessed its accounting policy for property, plant and equipment with respect to measurement of certain classes of property, plant and equipment after initial recognition. The Group has previously measured all property, plant and equipment using the cost model whereby, after initial recognition of the asset classified as property, plant and equipment, the asset was carried at cost less accumulated depreciation and accumulated impairment losses.

During the financial year ended 30 June 2023, the Group elected to change the method of accounting for land and building classified as property, plant and equipment, as the Group believes that the revaluation model more effectively demonstrates the carrying value of the land and building. In addition, the activity in the property markets in which these assets are located provides observable market data on which reliable fair value estimates can be derived.

After initial recognition, the Group uses the revaluation model, whereby land and building will be measured at fair value at the date of the revaluation less any subsequent accumulated impairment losses. The Group applied the revaluation model prospectively.

The impacts due to recognition of land and buildings in property, plant and equipment at revaluation model is as detailed below:

	<b>Property, plant and equipment RM'000</b>
<b>Carrying amount as at 1 July 2022 *</b>	104,237
Revaluation recognised due to change in accounting policy of land and buildings from cost model to revaluation model	<u>551</u>
<b>Revalued amount as at 1 July 2022</b>	<u><b>104,788</b></u>

\* The Group changed the accounting policy with respect to measurement of land and building during the financial year ended 30 June 2023, therefore the fair value of the land and building was not measured at 1 July 2021 and 30 June 2022.

**A3. Seasonal or Cyclical Factors**

The Group's Food and Fast Food division are affected by seasonal factors.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 June 2023.

**A5. Changes In Estimates**

There were no changes in estimates of amounts reported in prior financial year, which may have a material effect in the financial period ended 30 June 2023.

**A6. Debt and Equity Securities**

As at 30 June 2023, the number of treasury shares held is 1,847,300 ordinary shares.

There were no issuances, repurchases and repayments of debt and equity securities, share buy-backs and share cancellations during the financial period ended 30 June 2023.

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**A7. Dividend Paid**

**CURRENT YEAR TO DATE**  
**RM'000**

Interim single tier dividend of RM0.003 per ordinary share in respect of financial year ending 30 June 2023, paid on 23 December 2022

2,314

**A8. Operating Segments**

Cumulative 12 months ended 30 June 2023

	Fast Food Chain RM'000	Food RM'000	Investment Holding RM'000	Total RM'000
REVENUE				
- External revenue	186,887	59,057	-	245,944
RESULTS				
Segment results	(3,096)	(953)	35,802	31,753
Finance cost	(4,605)	(89)	-	(4,694)
Profit/ (Loss) before tax	<u>(7,701)</u>	<u>(1,042)</u>	<u>35,802</u>	<u>27,059</u>
Segment assets	<u>152,898</u>	<u>93,081</u>	<u>158,730</u>	404,709
Unallocated assets				4,658
				<u>409,367</u>

Cumulative 12 months ended 30 June 2022

	Fast Food Chain RM'000	Food RM'000	Investment Holding RM'000	Total RM'000
REVENUE				
- External revenue	54,835	51,398	-	106,233
RESULTS				
Segment results	1,985	(5,491)	7,616	4,110
Finance cost	(1,036)	(78)	-	(1,114)
Profit/ (Loss) before tax	<u>949</u>	<u>(5,569)</u>	<u>7,616</u>	<u>2,996</u>
Segment assets	<u>110,230</u>	<u>103,091</u>	<u>123,810</u>	337,131
Unallocated assets				6,178
				<u>343,309</u>



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**A9. Events Subsequent to the End of the Financial Period**

There were no material events subsequent to the financial period ended 30 June 2023 that have not been reflected in the interim financial statements for the said period as at the date of this report except for the corporate proposals described in Note B6.

**A10. Changes in the Composition of the Group**

- (i) On 8 July 2022, A & W (Malaysia) Sdn. Bhd, a 51%-owned subsidiary of Pan Malaysia Corporation Berhad ("PMC") incorporated a new subsidiary namely A & W (East) Sdn Bhd ("A & W East"). The total issued and paid up capital is RM100 divided into 100 ordinary shares of RM1 each. The principal activity of A & W East is to operate a chain of restaurants in East Malaysia.
- (ii) On 11 January 2023, PMC announced that Danau Gelombang Sdn Bhd ("DGSB") a dormant indirect wholly-owned subsidiary of PMC, obtained approval from its shareholders to commence members' voluntary winding up pursuant to Section 439(1) (b) of the Companies Act 2016 ("Winding-Up"). The Winding-Up of DGSB will not have any material financial or operational effect on the Group for the current financial year ended 30 June 2023.

**A11. Contingent Liabilities**

There were no material contingent liabilities as at the date of this report.

**A12. Capital Commitments**

As at 30 June 2023, the Group has capital commitment in respect of a subscription of interest as a limited partner of Genesis Alternative Ventures I L.P. as follows (with Ringgit Malaysia equivalent):

	<b>USD'000</b>	<b>RM'000</b>
Capital committed to invest	2,000	9,330
Capital invested	1,468	6,848
Balance of commitment	<u>532</u>	<u>2,482</u>

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**B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS**

**B1. Review of Performance of the Company and its Principal Subsidiaries**

	QUARTER ENDED			CUMULATIVE 12 MONTHS		
	30/6/2023	30/6/2022	CHANGES	30/6/2023	30/6/2022	CHANGES
	(Q4 FY23)	(Q4 FY22)	%	(FY23)	(FY22)	%
	RM'000	RM'000		RM'000	RM'000	
<b>Revenue</b>						
Fast Food Chain	45,920	42,213	8.8	186,887	54,835	240.8
Food	10,466	11,630	(10.0)	59,057	51,398	14.9
	<b>56,386</b>	<b>53,843</b>	<b>4.7</b>	<b>245,944</b>	<b>106,233</b>	<b>131.5</b>
<b>Profit/(Loss) before tax ("PBT")/("LBT")</b>						
Fast Food Chain	(11,055)	676	(1,735.4)	(7,701)	949	(911.5)
Food	40	(3,235)	101.2	(1,042)	(5,569)	81.3
Investment holding	30,021	7,524	299.0	35,802	7,616	370.1
	<b>19,006</b>	<b>4,965</b>	<b>282.8</b>	<b>27,059</b>	<b>2,996</b>	<b>803.2</b>

**Q4 FY23 vs Q4 FY22**

The Group experienced a 4.7% growth in revenue, reaching RM56.4 million, during the current quarter as compared to the same period in the previous year. This increase was primarily driven by the expansion of the Fast Food Chain segment, with the number of outlets growing from 74 to 92. However, the Food segment faced challenges with lower revenue due to slower market demand in certain export markets.

Despite the overall revenue growth, the Fast Food segment incurred a LBT of RM11.1 million, in contrast to a PBT of RM0.7 million in the same quarter of the previous year. This loss was attributed to higher operational costs resulting from the establishment of new outlets, coupled with increased labour and raw material costs. However, it should be noted that the Group achieved a one-off foreign exchange gain and fair value gain in an overseas investment, leading to a PBT of RM19.0 million, compared to a PBT of RM5.0 million in the previous year's corresponding quarter.

**FY23 vs FY22**

The Group's revenue for FY23 reached RM246.0 million, showing a substantial increase of RM139.7 million compared to RM106.2 million in FY22. This increase was primarily due to the acquisition of A&W Malaysia whereby the total revenue recorded was for 12 months as compared to only 4 months in the previous year.

Nevertheless, the Fast Food Chain segment recorded LBT of RM7.7 million as compared to the PBT of RM0.9 million in the previous year. This loss was attributed to increased operating costs resulting from the establishment of new outlets, rising labour expenses, and higher raw material costs. However, the positive impact of a foreign exchange gain and fair value gain in an overseas investment totaling RM27.5 million contributed to a significant overall PBT of RM27.1 million for the Group.

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**B2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

	<b>QUARTER ENDED</b>		
	<b>30/6/2023</b>	<b>31/3/2023</b>	<b>CHANGES</b>
	<b>(Q4 FY23)</b>	<b>(Q3 FY23)</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>Revenue</b>			
Fast Food Chain	45,920	41,493	10.7
Food	10,466	15,063	(30.5)
<b>Total</b>	<b>56,386</b>	<b>56,556</b>	<b>(0.3)</b>
<b>Profit/(Loss) before tax ("PBT")/("LBT")</b>			
Fast Food Chain	(11,055)	(4,120)	(168.3)
Food	40	(478)	108.4
Investment holding	30,021	2,068	1,351.7
<b>Total</b>	<b>19,006</b>	<b>(2,530)</b>	<b>851.2</b>

The Group's revenue for the current quarter decreased by 0.3% to RM56.4 million, which was largely attributed to the seasonality of sales in the preceding quarter.

The Group reported a PBT of RM19.0 million, primarily attributed to a foreign exchange gain and fair value gain in an overseas investment totaling RM27.5 million.

**B3. Prospects for the Financial Year Ending 30 June 2024**

Despite a moderate economic growth for the country, the Group's Fast Food Chain segment continues to grow both in sales and outlet counts. The growth in Sabah looks promising with outlets showing strong sales uptake. The Group expects to continue at the same pace of expansion in the next 12 months with more focus on developing the 'Drive-Through' outlets. Against rising costs of raw materials and wages, the Group plans to further innovate to improve customer experience by enhancing the menu, introducing 'Self-order Kiosks' and further rolling out the 'A&W Ordering App'.

On the other hand, the overall outlook for the Food segment is currently presenting some challenges particularly in certain export markets. Notwithstanding the aforesaid, the Group is in the process of completing the proposed disposal of 85% equity interest in Network Foods International Limited.

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**B4. Profit Before Tax**

Included in the profit before tax are the following items:

	QUARTER ENDED			CUMULATIVE 12 MONTHS		
	30/6/2023 RM'000	30/6/2022 RM'000	CHANGES %	30/6/2023 RM'000	30/6/2022 RM'000	CHANGES %
Depreciation	(5,646)	(6,060)	6.8	(20,425)	(8,981)	(127.4)
Finance income:						
- Deposits with banks	185	112	65.2	381	462	(17.5)
- Related party	58	6	866.7	233	233	-
- Holding company	145	67	116.4	331	67	100.0
- Other investment	326	43	658.1	326	238	100.0
Finance cost	(1,686)	(855)	97.2	(4,694)	(1,114)	(321.4)
Fair value gain/(loss) :						
- short term investments	(101)	510	-	3,293	1,408	-
- investments in unquoted preference share	22,497	1,854	(1,113.4)	22,497	1,854	(1,113.4)
- other investment in limited partnership		334	100.0	313	334	6.3
Gain on disposal of unquoted investments	165	-	100.0	165	-	100.0
Gain/(loss) on disposal of property, plant and equipment	(76)	1,869	104.1	(76)	1,869	104.1
Gain/(Loss) on foreign exchange						
- Realised	16	106	84.9	(523)	84	722.6
- Unrealised	8,178	6,432	(27.1)	11,230	6,896	62.8
Inventories written back/(written down)	167	(79)	311.4	-	(382)	(100.0)
Inventories written off	1,172	-	-	1,172	-	-
Impairment loss on goodwill on consolidation	-	(1,310)	100.0	-	(1,310)	(100.0)
Impairment on property, plant and equipment	1,950	-	100.0	1,950	-	100.0

**B5. Tax Expense**

Taxation comprises:

	QUARTER ENDED			CUMULATIVE 12 MONTHS		
	30/6/2023 RM'000	30/6/2022 RM'000	CHANGES %	30/6/2023 RM'000	30/6/2022 RM'000	CHANGES %
Current tax expense	(47)	(16)	(193.8)	(222)	(65)	(241.5)
Deferred tax	(1,921)	68	2,925.0	(1,921)	68	2,925.0
Over/ (under) provision in respect of prior year	-	-	-	(19)	1	100.0
	(1,968)	52	3,884.6	(2,162)	4	54,150.0

The current tax charge for the financial period ended 30 June 2023 is higher than the statutory rate of tax applicable mainly due to losses incurred by certain subsidiaries where no group relief are available.

**PAN MALAYSIA CORPORATION BERHAD**  
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**(Incorporated in Malaysia)**

**B6. Status of Corporate Proposals**

(a) On 7 November 2022, PMC entered into Sale and Purchase Agreement with Amazing Blitz Sdn Bhd for the disposal of the leasehold land held under H.S.(D) 324738, Pt[-], Mukim Damansara, Daerah Petaling, Negeri Selangor measuring approximately 24,295.208 square meters and the buildings erected thereon together with the fixtures and fittings for a total disposal consideration of RM41,000,000.

On 6 February 2023, the Vendor and Purchaser mutually agreed to extend the completion period for a further period of 9 months commencing from the expiry of the current completion period on 6 February 2023 until 5 November 2023 free of interest. The Vendor is required to relocate or remove a gas station located in the property which belongs to Gas Malaysia under a Gas Supply Agreement between Gas Malaysia Energy and Services Sdn Bhd and the Vendor. The relocation or removal of gas station is expected to be completed within the Extended Completion Period.

(b) On 1 August 2023, PMC had entered into a conditional share sale agreement with Wah Kong Corporation Sdn Bhd for the disposal of 85% equity interest in Network Foods International Ltd ("NFIL") and its subsidiaries excluding Network Foods (Hong Kong) Ltd for a disposal consideration of RM24,220,929 to be satisfied entirely in cash and it is pending completion.

**B7. Trade Receivables**

(a) The credit term of trade receivables range from 30 to 120 days.

(b) The ageing of trade receivables as at the end of the financial period was:

	<b>30/6/2023</b>	<b>30/6/2022</b>	<b>CHANGES</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Not past due	8,190	7,658	6.9
Past due 1-30 days	613	342	79.2
Past due 31-60 days	340	87	290.8
Past due 61-120 days	89	38	134.2
Past due more than 120 days	71	718	(90.1)
Provision for impairment	(141)	(764)	(100.0)
	<u>9,162</u>	<u>8,079</u>	<u>13.4</u>

**B8. Group Borrowings**

The Group's borrowings (denominated in Ringgit Malaysia) as at the end of the reporting period were as follows:

	<b>30/6/2023</b>	<b>30/6/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current liabilities</b>		
Lease liabilities	23,214	12,857
Term loan	32,057	21,169
	<u>55,271</u>	<u>34,026</u>
<b>Current liabilities</b>		
Lease liabilities	6,179	12,240
Bank overdraft	7,447	3,217
Term loan	2,635	2,419
	<u>16,261</u>	<u>17,876</u>
Grand Total	<u><b>71,532</b></u>	<u><b>51,902</b></u>

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**B9. Derivative Financial Instruments**

There were no derivative financial instruments at the date of this report.

**B10. Fair Value Changes of Financial Liabilities**

As at 30 June 2023, the Group did not have any financial liabilities measured at fair value through profit or loss.

**B11. Material Litigations**

There were no material litigations not provided for as at the date of this report.

**B12. Dividend**

On 30 November 2022, the Board declared an interim single-tier dividend of RM0.003 per ordinary share amounting to RM2,314,529.10 in respect of the financial year ending 30 June 2023. The dividend was paid on 23 December 2022 to shareholders whose names appeared in the record of depositors on 15 December 2022.

**B13. Earnings Per Share**

(i) The basic earnings per share is calculated by dividing the profit attributable to owners of the Company with the weighted average number of shares in issue during the financial period as follows:

	<u>QUARTER ENDED</u>		<u>CUMULATIVE 12</u>	
	<u>30/6/2023</u>	<u>30/6/2022</u>	<u>30/6/2023</u>	<u>30/6/2022</u>
Profit for the financial period attributable to owners of the Company (RM'000)	23,436	4,686	29,741	2,535
Weighted average number of ordinary shares in issue (Net of 1,847,300 treasury shares) ('000)	771,510	771,510	771,510	771,510
Earnings per share (sen)	<u>3.04</u>	<u>0.61</u>	<u>3.85</u>	<u>0.33</u>

(ii) Diluted earnings per share is not disclosed as there is no dilutive potential ordinary shares.

**B14. Auditors' Report**

The auditors' report on the audited financial statements for the financial year ended 30 June 2022 was unmodified.

**By order of the Board**  
**PAN MALAYSIA CORPORATION BERHAD**

**LEE CHIK SIONG**  
**WONG SHUK FUEN**  
**Joint Company Secretaries**

**Date: 24 August 2023**