

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2024

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2024

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Period
	30/06/2024 RM'000	30/06/2023 RM'000	30/06/2024 RM'000	30/06/2023 RM'000
Revenue	265,909	263,227	1,205,222	1,014,281
Cost of sales	(164,831)	(175,008)	(743,952)	(767,332)
Gross profit	101,078	88,219	461,270	246,949
Operating expenses	(41,576)	(37,410)	(172,152)	(151,668)
Other operating income	672	1,736	7,033	3,846
Operating profit	60,174	52,545	296,151	99,127
Interest income	473	457	1,693	1,537
Finance costs	(3,581)	(6,514)	(18,468)	(27,076)
Profit before taxation	57,066	46,488	279,376	73,588
Taxation	(14,580)	(5,894)	(68,437)	(13,554)
Profit for the period attributable to owners of the Company	42,486	40,594	210,939	60,034

Earnings per ordinary share (sen):-

(a) Basic	6.49	8.02	36.02	11.91
(b) Diluted	N/A	5.64	N/A	8.40

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 2023.

HUME CEMENT INDUSTRIES BERHAD (198001008443 (62227-X))
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED
 30 JUNE 2024

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**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2024 (cont'd)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- To-Date	Preceding Year Corresponding Period
	30/06/2024 RM'000	30/06/2023 RM'000	30/06/2024 RM'000	30/06/2023 RM'000
Profit for the period	42,486	40,594	210,939	60,034
Foreign currency translation differences for foreign operations	-	22	(351)	29
Cash flow hedge	(85)	(363)	(590)	609
Total comprehensive income for the period	42,401	40,253	209,998	60,672

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 2023.



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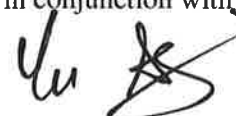
HUME CEMENT INDUSTRIES BERHAD (198001008443 (62227-X))
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 30 JUNE 2024

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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024

	As At End of Current Quarter 30/06/2024 RM'000	As At End of Preceding Financial Year 30/06/2023 RM'000
ASSETS		
Property, plant and equipment	700,637	740,637
Right-of-use assets	38,331	35,786
Investment property	5,679	5,933
Deferred tax assets	2,483	4,143
Tax credit receivables	144,703	144,703
Total non-current assets	891,833	931,202
Inventories	126,532	127,156
Trade and other receivables	94,225	76,219
Current tax assets	1	4
Cash and cash equivalents	108,305	51,660
	329,063	255,039
Assets classified as held for sale	1,216	-
Total current assets	330,279	255,039
TOTAL ASSETS	1,222,112	1,186,241
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	651,567	500,989
Reserves	(66,704)	(196,776)
RCULS – equity portion	-	124,620
TOTAL EQUITY	584,863	428,833
LIABILITIES		
Borrowings	177,315	89,637
Lease liabilities	3,205	52
Deferred tax liabilities	86,670	22,313
Deferred income	71,064	78,222
Employee benefits	264	250
Other payable	579	579
Total non-current liabilities	339,097	191,053
Borrowings	124,601	422,665
Lease liabilities	965	239
RCULS – liability portion	-	6,660
Deferred income	7,158	7,158
Trade and other payables	160,379	125,453
Contract liabilities	3,794	3,730
Tax payable	1,255	450
Total current liabilities	298,152	566,355
TOTAL LIABILITIES	637,249	757,408
TOTAL EQUITY AND LIABILITIES	1,222,112	1,186,241
Net assets per share attributable to owners of the Company	0.81	0.84

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2023.



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The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2024

	/-----Attributable to owners of the Company-----/							
	/-----Non-distributable-----/							
	Share capital	Redeemable convertible unsecured loan stocks ("RCULS") – equity portion	Hedging reserve	Exchange fluctuation reserve	Reserve for own share	Executive share scheme ("ESS") reserve	Accumulated losses	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current year-to-date ended 30 June 2024								
At 1 July 2023	500,989	124,620	622	351	(125)	22	(197,646)	428,833
Profit for the period	-	-	-	-	-	-	210,939	210,939
Other comprehensive expense								
- Foreign currency translation difference	-	-	-	(351)	-	-	-	(351)
- Cash flow hedge	-	-	(590)	-	-	-	-	(590)
Total comprehensive (expense)/income for the period	-	-	(590)	(351)	-	-	210,939	209,998
<i>Contribution by and distribution to owners of the Company</i>								
- Conversion of RCULS	150,578	(124,620)	-	-	-	-	(23,999)	1,959
- Share-based payments	-	-	-	-	-	564	-	564
- Own share acquired	-	-	-	-	(583)	-	-	(583)
- Dividend paid to owners of the Company	-	-	-	-	-	-	(55,908)	(55,908)
Total transactions with owners of the Company	150,578	(124,620)	-	-	(583)	564	(79,907)	(53,968)
At 30 June 2024	651,567	-	32	-	(708)	586	(66,614)	584,863

The current year-to-date dividend received by the Executive Share Scheme Trusts ("ESS Trusts") amounted RM20,000 (FY 2023: Nil) for the Group is eliminated against the dividend payment of the Company upon consolidation of the ESS Trusts.


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The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2024 (cont'd)

	/-----Attributable to owners of the Company-----/							
	/-----Non-distributable-----/							
	Share capital	Redeemable convertible unsecured loan stocks ("RCULS") – equity portion	Hedging reserve	Exchange fluctuation reserve	Reserve for own share	Executive share scheme ("ESS") reserve	Accumulated losses	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Preceding year corresponding period ended 30 June 2023								
At 1 July 2022	496,267	128,527	13	322	(50)	68	(257,128)	368,019
Profit for the period	-	-	-	-	-	-	60,034	60,034
Other comprehensive income								
- Foreign currency translation difference	-	-	-	29	-	-	-	29
- Cash flow hedge	-	-	609	-	-	-	-	609
Total comprehensive income for the period	-	-	609	29	-	-	60,034	60,672
<i>Contribution by and distribution to owners of the Company</i>								
- Conversion of RCULS	4,722	(3,907)	-	-	-	-	(588)	227
- Share-based payments	-	-	-	-	-	40	-	40
- Own share acquired	-	-	-	-	(125)	-	-	(125)
- Shares vested under ESS	-	-	-	-	50	(86)	36	-
Total transactions with owners of the Company	4,722	(3,907)	-	-	(75)	(46)	(552)	142
At 30 June 2023	500,989	124,620	622	351	(125)	22	(197,646)	428,833

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 2023.

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HUME CEMENT INDUSTRIES BERHAD (198001008443 (62227-X))
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED
 30 JUNE 2024

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED
 30 JUNE 2024**

	Current Year-To-Date 30/06/2024 RM'000	Preceding Year Corresponding Period 30/06/2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	279,376	73,588
Adjustments for:-		
Depreciation and amortisation	69,989	68,100
Non-cash items	2,737	(69)
Dividend income	-	(45)
Net financing costs	16,775	25,539
Operating profit before changes in working capital	368,877	167,113
Changes in working capital		
Net change in current assets	(22,077)	36,937
Net change in current liabilities	34,731	(62,406)
Taxation paid	(1,612)	(1,205)
Net financing costs paid	(16,457)	(24,526)
Dividend received	-	45
Employee benefits paid	-	(17)
Net cash generated from operating activities	363,462	115,941
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(33,155)	(19,322)
Proceeds from disposal of property, plant and equipment	112	222
Net cash used in investing activities	(33,043)	(19,100)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	980,514	1,339,527
Repayments of borrowings	(1,190,393)	(1,439,967)
RCULS coupon payment	(5,467)	(7,758)
Payment of lease liabilities	(1,586)	(1,161)
Dividend paid to owners of the Company	(55,908)	-
Purchase of trust shares	(583)	(125)
Net cash used in financing activities	(273,423)	(109,484)
NET CHANGE IN CASH AND CASH EQUIVALENTS	56,996	(12,643)
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	51,660	64,274
EFFECT ON FOREIGN EXCHANGE	(351)	29
CASH & CASH EQUIVALENTS AT END OF PERIOD	108,305	51,660

Cash and cash equivalents included in the consolidated statements of cash flows comprise the following statements of financial position amounts:

	30/06/2024 RM'000	30/06/2023 RM'000
Deposits, cash and bank balances	108,305	51,660

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 30 June 2023.

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The figures have not been audited

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2023. This interim financial report also complies with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board.

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2023 except for the adoption of MFRSs, amendments and interpretations that are effective for annual period beginning on or after 1 January 2023 which are applicable to the Group. The initial adoption of these applicable MFRSs, amendments and interpretations do not have any material impact on the financial statements of the Group.

2. Qualification of audit report of the preceding annual financial statements

The audit report for the preceding annual financial statements was not qualified.

3. Seasonality or cyclicity of interim operations

The operations of the Group generally follow the performance of the construction industry.

4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence

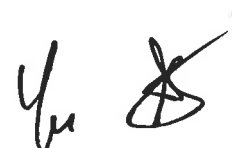
There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter under review and financial year-to-date.

5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no changes in estimates of amounts reported in prior financial years.

6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

- (a) For the quarter under review, the issued share capital of the Company has been increased from 628,099,835 ordinary shares to 725,484,731 ordinary shares by the issuance and allotment of 97,384,896 new ordinary shares arising from the conversion of RM68,169,515 nominal value of redeemable convertible unsecured loan stocks (“RCULS”), which included the mandatory conversion of all outstanding RCULS upon maturity of which RM68,052,360 nominal value of RCULS were automatically converted into 97,217,534 new ordinary shares of the Company, at the conversion price of RM0.70 for every 1 new ordinary share in the Company.



The figures have not been audited

6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities (cont'd)

For the financial year-to-date, the issued share capital for the Company has been increased from 510,372,782 ordinary shares to 725,484,731 ordinary shares by the issuance and allotment of 215,111,949 new ordinary shares arising from the conversion of RM150,578,464 nominal value of RCULS, which included the mandatory conversion of all outstanding RCULS upon maturity of which RM68,052,360 nominal value of RCULS were automatically converted into 97,217,534 new ordinary shares of the Company, at the conversion price of RM0.70 for every 1 new ordinary share in the Company. As at 30 June 2024, there were no outstanding RCULS.

(b) During the quarter under review and financial year-to-date, 227,200 ordinary shares in the Company were purchased by the Executive Share Scheme (“ESS”) Trust of a subsidiary.

As at 30 June 2024, the total number of ordinary shares in the Company held by the ESS Trust was 323,000 ordinary shares.

(c) The Company had fully redeemed the RM100.0 million unrated medium term notes (“MTN”) issued on 18 December 2020 represents the inaugural issuance under the Company’s unrated MTN programme of RM500.0 million in nominal value.

There were no share buy-back, shares cancellation, resale of treasury shares or repayment of equity securities during the quarter under review and financial year-to-date.

7. Dividend paid

The Company has paid the following dividends during the current financial year-to-date:-

	Current Year-To-date RM’000
First interim single tier dividend of 2.0 sen per share, paid on 20 December 2023	12,399
Second interim single tier dividend of 6.0 sen per share, paid on 27 June 2024	43,529
	<u>55,928</u>

8. Operating segments

The Group’s segmental report for the financial year-to-date is as follows: -

	Construction materials RM’000
Reportable segment profits	<u>295,506</u>
Included in the measure of segment profits are:	
Revenue from external customers	1,202,908
Depreciation and amortisation	<u>(69,725)</u>

The figures have not been audited

8. **Operating segments (cont'd)**

The Group's segmental report for the financial year-to-date is as follows: -

Reconciliation of reportable segment profits to Consolidated Profit Before Taxation ("PBT")

	RM'000	
Reportable segment	295,506	
Non-reportable segments	645	
Interest income	1,693	
Finance costs	(18,468)	
Consolidated PBT	<u>279,376</u>	

	External revenue	Depreciation and amortisation
	RM'000	RM'000
Reportable segment	1,202,908	69,725
Non-reportable segment	2,314	264
Total	<u>1,205,222</u>	<u>69,989</u>

9. **Material events not reflected in the financial statements**

There are no material subsequent events to be disclosed as at the date of this report.

10. **Changes in the composition of the Group**

There were no changes in the composition of the Group during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

11. **Review of performance**

For the quarter under review, the Group recorded revenue of RM265.9 million and profit before taxation ("PBT") of RM57.1 million as compared with revenue and PBT of RM263.2 million and RM46.5 million for the corresponding quarter of the preceding financial year ended 30 June 2023 ("FY 2023"). The increase in revenue and PBT as compared to the corresponding quarter of FY 2023 were mainly due to lower input cost and production cost driven by improved manufacturing efficiency.

For the financial year-to-date, the Group recorded revenue of RM1,205.2 million and PBT of RM279.4 million as compared with revenue and PBT of RM1,014.3 million and RM73.6 million respectively for the corresponding period of FY 2023. The improved revenue and PBT were mainly due to higher sales volume coupled with lower input costs.



The figures have not been audited

12. **Material changes in profit before taxation (“PBT”) against the immediate preceding quarter**

	Current Quarter 30/06/2024 RM'000	Immediate Preceding Quarter 31/03/2024 RM'000
Revenue	265,909	310,400
Profit before taxation	57,066	79,588

The Group recorded PBT of RM57.1 million for the quarter under review as compared with PBT of RM79.6 million for the immediate preceding quarter, mainly due to lower sales volume as a result of seasonality impact.

13. **Prospects**

The Board foresees the construction sector in Malaysia to maintain its momentum, with potential growth from major infrastructure projects in the pipeline. The Group is committed to further enhancing operational excellence by optimising production efficiency and establishing a streamlined logistics network. This strategic approach will empower the Group to continuously deliver value and proactively adapt to the evolving needs of its customers. The Board expects the Group to achieve a satisfactory result for the current financial year.

14. **Profit forecast/profit guaranteed**

This note is not applicable.

15. **Profit before taxation**

	Current Year Quarter 30/06/2024 RM'000	Current Year To-Date 30/06/2024 RM'000
Profit before taxation is arrived at after charging/(crediting): -		
Depreciation and amortisation	17,821	69,989
Provision for slow moving inventories	1,664	4,695
Gain on foreign exchange	(171)	(1,899)
Reversal of impairment on trade receivables	-	(234)
Gain on disposal of property, plant & equipment	(11)	(112)



The figures have not been audited

16. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- To-Date	Preceding Year Corresponding Period
	30/06/2024 RM'000	30/06/2023 RM'000	30/06/2024 RM'000	30/06/2023 RM'000
Current taxation				
- current year	1,272	582	2,403	1,551
- prior year	17	4	17	(2)
	1,289	586	2,420	1,549
Deferred taxation				
- current year	13,536	5,441	66,262	12,138
- prior year	(245)	(133)	(245)	(133)
	13,291	5,308	66,017	12,005
	14,580	5,894	68,437	13,554

The Group's effective tax rate for the quarter under review is higher than statutory tax rate mainly due to certain expenses are not allowed as tax deductions.

17. Corporate proposals

There were no corporate proposals announced but not completed as at the date of this report other than as mentioned below:

The Company announced that Hume Concrete Sdn Bhd ("HCCT"), a wholly-owned subsidiary of the Company, had on 14 February 2024, entered into a conditional sale and purchase agreement with Skygate Technology (KL) Sdn Bhd ("Skygate KL") for the proposed disposal by HCCT to Skygate KL of a parcel of land together with the buildings thereon and all fixtures, fittings and other things thereon located in Prai Industrial Estate, Pulau Pinang for a cash consideration of RM39,800,000 ("Proposed Disposal").

Accordingly, the property of the Proposed Disposal has been reclassified as asset held for sale on the Condensed Consolidated Statement of Financial Position as at 31 December 2023.

Barring any unforeseen circumstances, the Proposed Disposal is expected to be completed in the second half of year 2024.

18. Group's borrowings and debt securities

Particulars of the Group's borrowings and debt securities as at 30 June 2024 are as follows: -

	RM'000
Borrowings:	
Unsecured short-term borrowings	124,601
Unsecured long-term borrowings	177,315
	<u>301,916</u>

The figures have not been audited

19. **Changes in material litigation**

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

20. **Dividend**

- (a) The Board does not recommend any final dividend for the financial year ended 30 June 2024 (FY 2023: Nil).
- (b) For the financial year-to-date, a total single tier dividend of 8 sen per share (FY 2023: Nil) has been declared and paid.

21. **Earnings Per Ordinary Share**

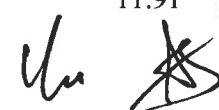
- (a) Basic earnings per ordinary share

The basic earnings per ordinary share for the quarter under review is calculated by dividing the Group's profit attributable to owners of the Company of RM42,486,000 (4th quarter FY 2023: RM40,594,000) by the weighted average number of ordinary shares during the quarter of 654,781,633 (4th quarter FY 2023: 505,919,905).

The basic earnings per ordinary share for the financial year-to-date is calculated by dividing the Group's profit attributable to owners of the Company of RM210,939,000 (4th quarter FY2023: RM60,034,000) by the weighted average number of ordinary shares during the period of 585,479,225 (4th quarter FY 2023: 504,214,386).

Weighted average number of ordinary shares

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- To-Date	Preceding Year Corresponding Period
	30/06/2024 '000	30/06/2023 '000	30/06/2024 '000	30/06/2023 '000
Issued ordinary shares at beginning of period	628,100	503,946	510,373	503,628
ESS Trust shares held at beginning of period	(96)	-	(96)	(67)
Effect of ESS Trust shares purchased	(57)		(57)	(8)
Effect of ESS Trust shares vested	-	(8)	-	28
Effect of conversion of RCULS	26,835	1,982	75,259	633
Weighted average number of ordinary shares (basic)	654,782	505,920	585,479	504,214
Basic earnings per ordinary share (sen)	6.49	8.02	36.02	11.91



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21. **Earnings Per Ordinary Share (cont'd)**

(b) Diluted earnings per share

The calculation of diluted earnings per ordinary share for the quarter under review, financial year-to-date and preceding year corresponding quarter period was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows: -

Profit attributable to ordinary shareholders (diluted)

	Individual Quarter	Cumulative Quarter
	Preceding Year Corresponding Quarter	Preceding Year Corresponding Period
	30/06/2023 RM'000	30/06/2023 RM'000
Profit attributable to ordinary shareholders (basic)	40,594	60,034
Interest expense on RCULS, net of tax	77	412
Profit attributable to ordinary shareholders (diluted)	40,671	60,446
	'000	'000
Weighted average number of ordinary shares as at 30 June (basic)	505,920	504,214
Effect of conversion of RCULS	215,112	215,112
Weighted average number of ordinary shares as at 30 June (diluted)	721,032	719,326
Diluted earnings per ordinary share (sen)	5.64	8.40

The Group's diluted earnings per ordinary share for current quarter under review and current financial year-to-date approximates its basic earnings per ordinary share.

The figures have not been audited

22. Derivatives

The Group uses forward foreign exchange contracts to manage its exposure to various financial risks.

Forward foreign exchange contracts

The Group has entered into a number of forward foreign exchange contracts by a subsidiary to hedge the cash flow risk in relation to the variations of cash flows arising from future forecasted transactions.

The forward foreign exchange contracts are stated at fair value using observable market prices in active markets, including recent market transactions and valuation techniques that include discounted cash flow models and option pricing models, as appropriate.

As at 30 June 2024, the contract amount, fair value and maturity tenor of the forward foreign exchange contracts were as follows:

	Contract amount	Fair Value Assets / (Liabilities)
	RM'000	RM'000
Less than 1 year	46,732	32

Derivatives (which are classified as financial assets/liabilities) categorised as fair value through profit or loss are subsequently measured at their fair values with the gains/(losses) recognised in profit or loss.

There is no change to the type of derivative financial contracts entered into, cash requirements of the derivatives, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the previous financial year ended 30 June 2023.

23. Gains/losses arising from fair value changes of financial liabilities

Other than derivatives which are classified as financial liabilities, when they are at fair value loss position, the Group does not re-measure its financial liabilities at fair value after the initial recognition.

By Order of the Board
Hume Cement Industries Berhad

Wong Wei Fong
Zoe Lim Hoon Hwa
Company Secretaries

Kuala Lumpur
22 August 2024

