

CHIN WELL HOLDINGS BERHAD
(371551-T)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023 - UNAUDITED

	Unaudited	Audited
	As at	As at
	30.09.23	30.06.23
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	134,834	136,960
Investment properties	67,141	67,164
Right of use assets	2,013	588
	<u>203,988</u>	<u>204,712</u>
Current assets		
Inventories	255,896	291,732
Trade and other receivables	80,812	59,609
Current tax assets	7,179	7,838
Other investment	48,100	67,154
Cash and bank balances	156,357	129,830
	<u>548,344</u>	<u>556,163</u>
TOTAL ASSETS	752,332	760,875
EQUITY AND LIABILITIES		
Share capital	177,929	177,929
Reserves	496,480	502,439
	<u>674,409</u>	<u>680,368</u>
Non-controlling interest	1,961	1,980
Total equity	<u>676,370</u>	<u>682,348</u>
Non-current liabilities		
Lease liabilities	1,722	466
Deferred tax liabilities	8,985	8,985
	<u>10,707</u>	<u>9,451</u>
Current liabilities		
Trade and other payables	58,219	59,916
Contract Liabilities	1,176	1,505
Dividend payable	2,034	
Borrowings	3,165	5,427
Lease liabilities	296	124
Provision for Tax	365	2,104
	<u>65,255</u>	<u>69,076</u>
Total liabilities	<u>75,962</u>	<u>78,527</u>
TOTAL EQUITY AND LIABILITIES	752,332	760,875
Net assets per share (RM)	2.35	2.38

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2023. The accompanying notes are an integral part of these interim financial statements.

CHIN WELL HOLDINGS BERHAD
(371551-T)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2023 - UNAUDITED

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30.09.23 RM'000	30.09.22 RM'000	30.09.23 RM'000	30.09.22 RM'000
Revenue	83,798	159,179	83,798	159,179
Cost of sales	<u>(76,768)</u>	<u>(121,212)</u>	<u>(76,768)</u>	<u>(121,212)</u>
Gross profit	7,030	37,967	7,030	37,967
Other income	2,071	3,155	2,071	3,155
Administrative expenses	(4,972)	(4,339)	(4,972)	(4,339)
Selling and distribution expenses	<u>(1,282)</u>	<u>(2,546)</u>	<u>(1,282)</u>	<u>(2,546)</u>
Operating profit	2,847	34,237	2,847	34,237
Finance costs	(11)	(135)	(11)	(135)
Finance income	<u>530</u>	<u>126</u>	<u>530</u>	<u>126</u>
Profit before tax	3,366	34,228	3,366	34,228
Tax expense	<u>(790)</u>	<u>(8,355)</u>	<u>(790)</u>	<u>(8,355)</u>
Profit for the financial period/year	2,576	25,873	2,576	25,873
Other comprehensive income/(loss), net of tax				
Item that will be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	<u>(6,520)</u>	<u>6,189</u>	<u>(6,520)</u>	<u>6,189</u>
Total comprehensive income for the financial period/year	(3,944)	32,062	(3,944)	32,062
Profit attributable to:				
Owners of the parent	2,595	25,894	2,595	25,894
Non-controlling interest	<u>(19)</u>	<u>(21)</u>	<u>(19)</u>	<u>(21)</u>
	<u>2,576</u>	<u>25,873</u>	<u>2,576</u>	<u>25,873</u>
Total comprehensive income attributable to:				
Owners of the parent	(3,925)	32,083	(3,925)	32,083
Non-controlling interest	<u>(19)</u>	<u>(21)</u>	<u>(19)</u>	<u>(21)</u>
	<u>(3,944)</u>	<u>32,062</u>	<u>(3,944)</u>	<u>32,062</u>
Earnings per share attributable to owners of the Company (sen)				
- Basic/Diluted	<u>0.91</u>	<u>9.04</u>	<u>0.91</u>	<u>9.04</u>

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2023. The accompanying notes are an integral part of these interim financial statements.

CHIN WELL HOLDINGS BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2023 - UNAUDITED

	----- Non-distributable -----				Distributable		Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000 Note (1)	Treasury Shares RM'000	Foreign Translation Reserve RM'000	Retained Profits RM'000	Total RM'000		
At 1 July 2023	177,929	-	(18,884)	23,744	497,579	680,368	1,980	682,348
Foreign exchange differences on translation	-	-	-	(6,520)	-	(6,520)	-	(6,520)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-
Profit for the financial year	-	-	-	-	2,595	2,595	(19)	2,576
Total comprehensive income for the financial year	-	-	-	(6,520)	2,595	(3,925)	(19)	(3,944)
Transactions with owners:								
Purchase of treasury shares	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	(2,034)	(2,034)	-	(2,034)
Total transactions with owners	-	-	-	-	(2,034)	(2,034)	-	(2,034)
At 30 September 2023	<u>177,929</u>	<u>-</u>	<u>(18,884)</u>	<u>17,224</u>	<u>498,140</u>	<u>674,409</u>	<u>1,961</u>	<u>676,370</u>
At 1 July 2022	177,929	-	(18,880)	11,342	494,785	665,176	2,052	667,228
Foreign exchange differences on translation	-	-	-	6,189	-	6,189	-	6,189
Profit for the financial year	-	-	-	-	25,894	25,894	(21)	25,873
Total comprehensive income for the financial year	-	-	-	6,189	25,894	32,083	(21)	32,062
Transaction with owners:								
Purchase of treasury shares	-	-	(2)	-	-	(2)	-	(2)
Dividends	-	-	-	-	(22,918)	(22,918)	-	(22,918)
Total transactions with owners	-	-	(2)	-	(22,918)	(22,920)	-	(22,920)
At 30 September 2022	<u>177,929</u>	<u>-</u>	<u>(18,882)</u>	<u>17,531</u>	<u>497,761</u>	<u>674,339</u>	<u>2,031</u>	<u>676,370</u>

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2023. The accompanying notes are an integral part of these interim financial statements.

CHIN WELL HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2023 - UNAUDITED

	30.09.23	30.09.22
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	3,366	34,228
Adjustments for:		
Depreciation	2,974	3,514
Gain on disposal of property, plant and equipment	-	(90)
Impairment loss reverse on receivables	(158)	(23)
Interest expense	11	135
Interest income	(530)	(126)
Fair value (gain)/loss on short term fund investments	256	-
Unrealised gain on foreign exchange	(254)	(929)
Operating profit before working capital changes	5,666	36,709
(Increase)/Decrease in inventories	32,717	34,521
(Increase)/Decrease in receivables	(23,134)	25,724
Increase/(Decrease) in payables	2,173	(8,584)
Increase in contract liabilities	(329)	(1,263)
Cash from operation	17,093	87,107
Interest received	(11)	(135)
Income tax paid	(1,050)	(15,414)
Net cash from operating activities	16,032	71,558
Cash flows from investing activities		
Interest received	530	126
Cashflow from acquisition of equity interest in subsidiaries	-	10
Withdrawal/(Placement) of other investment	19,054	-
Purchase of property, plant and equipment	(2,099)	(1,482)
Net cash from/(used in) investing activities	17,484	(1,346)
Cash flows from financing activities		
Net change in borrowings	(2,262)	(17,972)
Payment of principal portion of lease liabilities	-	(67)
Purchase of treasury shares	-	(2)
Net cash used in financing activities	(2,262)	(18,041)
Net increase in cash and bank balances	31,255	52,171
Effect of changes in exchange rate on cash and bank balances	(4,728)	2,206
Cash and bank balances at beginning	129,830	127,451
Cash and bank balances at end	156,357	181,828

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements for the financial year ended 30 June 2023. The accompanying notes are an integral part of these interim financial statements.

CHIN WELL HOLDINGS BERHAD
(371551-T)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Part A - Explanatory Notes Pursuant To MFRS 134

A1. Basis of Preparation

The condensed consolidated interim financial statements ("Report") have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The audited financial statements of the Group for the financial year ended 30 June 2023 were prepared in accordance with MFRS. The significant accounting policies adopted in preparing this Report are consistent with those of the audited financial statements for the financial year ended 30 June 2023.

A2. Significant Accounting Policies

A2.1 Adoption of MFRS and amendments to MFRS

The following MFRS and amendments to MFRS have come into effect during the current financial period:

MFRS 17 Insurance Contracts and Amendments to MFRS 17 : Initial application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
Amendments to MFRS 112 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112 Income Taxes: International Tax Reform - Pillar Two Model Rules

Initial application for the above amendments/improvements to MFRSs did not have any material impact to the financial statements of the Group and of the Company upon adoption.

A2.2 Standards issued but not yet effective

At the date of authorisation of this Report, the following standards were issued but not yet effective and have not been early applied by the Group:

Effective for annual periods beginning on or after 1 January 2024

Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback
Amendments to MFRS 101 Presentation of Financial Statements: Non-Current Liabilities with Covenants
Amendments to MFRS 101 Presentation of Financial Statements: Classification of noncurrent liabilities as current or non-current
Amendments to MFRS 7 Financial Instruments: Disclosures and MFRS 107 Statement of Cash Flows - Supplier Finance Arrangements

Effective for annual period beginning on or after 1 January 2025

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

Effective date yet to be confirmed

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standards is not expected to have any material impact to the financial statements of the Group and of the Company upon adoption.

A3. Audit Report of Preceding Annual Financial Statements

The auditors' report of the Group's most recent annual audited financial statements for the financial year ended 30 June 2023 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The business of the Group was not affected by seasonal or cyclical factors. Factors such as world economic growth might have implication on the Group's revenue.

A5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

A6. Changes in Estimates

There were no changes in estimates of amounts reported in the prior financial year that have a material effect in the current financial period under review.

A7. Debt and Equity Securities

There was no issuance, cancellation, repurchases, resale and repayment of debt and equity securities during the current financial period under review.

	Treasury shares	
	No. of Shares	RM
Repurchase of own shares during the current period to date	-	-
Repurchase of own shares as of 30.09.2023	13,081,800	18,883,923

A8. Dividend Paid

There was no dividend paid in the previous corresponding period and the current reporting period.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A9. Segment Information

Segment information is presented in respect of the Group's business segments. Inter-segment pricing is determined based on negotiated basis.

(i) Analysis by business segments

	Fastener Products RM'000	Wire Products RM'000	Investment Holding RM'000	Elimination/ Adjustment RM'000	Group RM'000
3 months ended 30 September 2023					
Revenue					
External revenue	63,927	19,871	-	-	83,798
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>63,927</u>	<u>19,871</u>	<u>-</u>	<u>-</u>	<u>83,798</u>
Results					
Segment profit	5,574	234	13	-	5,821
Finance costs	(6)	(5)			(11)
Interest income	247	162	121		530
Depreciation	(2,304)	(670)	-	-	(2,974)
Profit before tax	<u>3,511</u>	<u>(279)</u>	<u>134</u>	<u>-</u>	<u>3,366</u>
Segment assets	<u>546,628</u>	<u>116,836</u>	<u>88,868</u>	<u>-</u>	<u>752,332</u>
Segment liabilities	<u>31,594</u>	<u>9,447</u>	<u>34,921</u>	<u>-</u>	<u>75,962</u>

	Fastener Products RM'000	Wire Products RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
3 months ended 30 September 2022					
Revenue					
External revenue	127,683	31,496	-	-	159,179
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>127,683</u>	<u>31,496</u>	<u>-</u>	<u>-</u>	<u>159,179</u>
Results					
Segment profit	35,051	2,508	192	-	37,751
Finance costs	(118)	(17)		-	(135)
Interest income	46	45	35	-	126
Depreciation	(2,602)	(912)	-	-	(3,514)
Profit before tax	<u>32,377</u>	<u>1,624</u>	<u>227</u>	<u>-</u>	<u>34,228</u>
Segment assets	<u>596,850</u>	<u>114,825</u>	<u>86,542</u>	<u>-</u>	<u>798,217</u>
Segment liabilities	<u>58,107</u>	<u>8,023</u>	<u>55,717</u>	<u>-</u>	<u>121,847</u>

(ii) Analysis by geographical segments

	Revenue 3 months		Non-current Assets*	
	ended 30.09.23 RM'000	ended 30.09.22 RM'000	as at 30.09.23 RM'000	as at 30.09.22 RM'000
Malaysia	25,759	41,375	152,975	152,753
Vietnam	476	156	51,013	55,532
Other Asian countries	6,109	6,137	-	-
European countries	27,478	64,938	-	-
North America	23,858	45,463	-	-
Others	118	1,110	-	-
	<u>83,798</u>	<u>159,179</u>	<u>203,988</u>	<u>208,285</u>

* Non-current assets information presented excludes financial assets.

A10. Valuations of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 30 June 2023.

A11. Event Subsequent to the End of the Reporting Period

There were no other material events subsequent to the end of current reporting quarter ended 30 June 2023 that have not been reflected in this interim financial reports.

A12. Contingencies

There were no contingent assets or contingent liabilities since the end of the last annual reporting period.

A13. Changes in Group's Composition

There were no changes in the composition of the Group during the financial period under review.

A14. Capital Commitments

The Group has no major capital commitments as at the end of the reporting period except the followings:

Approved and contracted for:	RM'000
- Property, plant and equipment	<u>3,196</u>

Part B - Explanatory Notes Pursuant To Appendix 9B Of The Listing Requirements Of Bursa Malaysia Securities Berhad

B1. Performance Analysis of all Operating Segments

Comparison with the corresponding quarter and financial year to date in the previous financial year

	Individual Quarter		Changes		Cumulative Quarter		Changes	
	3 months ended		RM'000	%	3 months ended		RM'000	%
	30.09.23	30.09.22			30.09.23	30.09.22		
	RM'000	RM'000			RM'000	RM'000		
Revenue - Business Segments								
-- Fasteners Products	63,927	127,683	(63,756)	-49.9%	63,927	127,683	(63,756)	-49.9%
-- Wire Products	19,871	31,496	(11,625)	-36.9%	19,871	31,496	(11,625)	-36.9%
	<u>83,798</u>	<u>159,179</u>	<u>(75,381)</u>	<u>-47.4%</u>	<u>83,798</u>	<u>159,179</u>	<u>(75,381)</u>	<u>-47.4%</u>
Profit/(Loss) before interest & tax								
-- Fasteners Products	3,517	32,495	(28,978)	-89.2%	3,517	32,495	(28,978)	-89.2%
-- Wire Products	(274)	1,641	(1,915)	-116.7%	(274)	1,641	(1,915)	-116.7%
-- Investment Holding	134	227	(93)	-41.0%	134	227	(93)	-41.0%
	<u>3,377</u>	<u>34,363</u>	<u>(30,986)</u>	<u>-90.2%</u>	<u>3,377</u>	<u>34,363</u>	<u>(30,986)</u>	<u>-90.2%</u>
Profit/(Loss) before tax								
-- Fasteners Products	3,511	32,377	(28,866)	-89.2%	3,511	32,377	(28,866)	-89.2%
-- Wire Products	(279)	1,624	(1,903)	-117.2%	(279)	1,624	(1,903)	-117.2%
-- Investment Holding	134	227	(93)	-41.0%	134	227	(93)	-41.0%
	<u>3,366</u>	<u>34,228</u>	<u>(30,862)</u>	<u>-90.2%</u>	<u>3,366</u>	<u>34,228</u>	<u>(30,862)</u>	<u>-90.2%</u>
Profit/(Loss) after tax attributable to ordinary equity holders of the parent								
-- Fasteners Products	2,750	24,418	(21,668)	-88.7%	2,750	24,418	(21,668)	-88.7%
-- Wire Products	(279)	1,234	(1,513)	-122.6%	(279)	1,234	(1,513)	-122.6%
-- Investment Holding	124	242	(118)	-48.8%	124	242	(118)	-48.8%
	<u>2,595</u>	<u>25,894</u>	<u>(23,299)</u>	<u>-90.0%</u>	<u>2,595</u>	<u>25,894</u>	<u>(23,299)</u>	<u>-90.0%</u>

Overall Review of Group' Financial Performance

During the current reporting year, the Group achieved a total revenue and total profit before tax of RM83.80 million and RM3.37 million respectively. Total revenue of the Group declined by 47.4% in the current period to date. The profit before tax of the Group reduced accordingly to RM3.37 million as compared to RM 34.23 million in the corresponding period in the preceding year reflecting the lower revenue generated.

The equity attributable to the owners of the Company decreased to RM674.41 million as at 30.09.2023 as compared to RM680.37 million as at 30.6.2023 after recognition of the profit after tax and declaration of dividend of RM 2.60 million and RM2.03 million respectively. In addition the equity of the Group decreased by RM 6.52 million arising from the foreign exchange loss from translation of its foreign subsidiary accounts in the current reporting period.

The cash generated from operating activities is lower by RM55.53 million in the current reporting quarter due to lower revenue generated coupled with higher deposit paid for purchase of raw materials. As at the closing date, the Group has placed RM48.10 million in money market fund to earn higher interest and the bank balance of the Group stood at RM156.36 million which was an increase by RM26.53 million as compared to the last financial year.

Individual

Fasteners Products

The revenue of the Fasteners Products Division declined by 49.9% to RM63.93 million in the current reporting quarter as compared to the preceding year corresponding period. The division registered a profit before tax of RM3.51 million in the current reporting quarter as compared to RM32.38 million in the preceding year corresponding period. The result of the division in the current reporting quarter reflected the overall reduction of demand for our products globally and with the drop in average selling price the profit margin of the division was reduced.

Wire Products

The revenue of the Wire division in the current reporting quarter is 36.9% lower as compared to RM31.50 million recorded in the corresponding quarter preceding year. The drop in revenue resulted in the Wire division reporting a loss before tax of RM0.28 million in the current reporting quarter. The performance of the division was adversely affected by the weak global economic sentiment.

B2. Variation of Results Against Preceding Quarter

	3 months ended 30.09.23 RM'000	3 months ended 30.06.23 RM'000	Changes	
			RM'000	%
Revenue - Business Segments				
-- Fasteners Products	63,927	77,276	(13,349)	-17.27%
-- Wire Products	19,871	18,334	1,537	8.38%
	<u>83,798</u>	<u>95,610</u>	(11,812)	-12.35%
Profit/(Loss) before interest & tax				
-- Fasteners Products	3,517	6,644	(3,127)	-47.07%
-- Wire Products	(274)	(332)	58	-17.47%
-- Investment Holding	134	5	129	2580.00%
	<u>3,377</u>	<u>6,317</u>	(2,940)	-46.54%
Profit/(Loss) before tax				
-- Fasteners Products	3,511	6,572	(3,061)	-46.58%
-- Wire Products	(279)	(352)	73	-20.74%
-- Investment Holding	134	5	129	2580.00%
	<u>3,366</u>	<u>6,225</u>	(2,859)	-45.93%
Profit/(Loss) after tax attributable to ordinary equity holders of the parent				
-- Fasteners Products	2,750	5,218	(2,468)	-47.30%
-- Wire Products	(279)	(62)	(217)	-350.00%
-- Investment Holding	124	(81)	205	253.09%
	<u>2,595</u>	<u>5,075</u>	(2,480)	-48.87%

The Group recorded a total revenue of RM83.80 million and profit before tax of RM3.37 million for the current quarter under review.

Fasteners Products

The demand from the US market reduced in the current reporting quarter which led to lower revenue recorded in the fasteners division. The revenue of the division dropped by 17.27% as compared to RM77.28 million in the immediate preceding quarter. As a result the profit before tax of the division declined accordingly to RM3.52million in the current quarter.

Wire Products

The Wire Products Division's revenue increased marginally to RM19.87 million in the current reporting quarter representing an increase of 8.38% as compared to the RM18.33 million in the immediate preceding quarter. The loss before tax of the division reduced by 20.74% to RM0.28 million in the current quarter in line with its higher sales recorded.

B3. Prospects of the remaining quarters of the current financial Year

The market outlook for the Group in the remaining quarters are expected to continue to be uncertain . The outbreak of the Israel-Hamas war, on-going Ukraine-Russia war, the tension between US-China relations and impending recession in major markets had adversely affected the global economic sentiment which had dampened the global demand for fasteners product. The performance of the Group is much dependent on the outcome of these external factors which are beyond its control. Nevertheless, the Group expects the major construction projects in Malaysia will restart soon which will result in deliveries to customers in the related industry.

The fasteners division will continue to bring positive contribution to the Group's performance through the increase of its distribution network in the European and US markets. The Wire Product division with the expansion in production from new product lines such as welded fencing, gabion and poultry mesh is expected to enhance the division's result in the long term with its high value added margin.

In addition to the existing core business, from time to time, the Group will explore other new business ventures which will potentially benefit the growth of the Group.

Barring any unforeseen circumstances, the Group is resilient and cautiously optimistic of a satisfactory performance in the current financial year.

B4. Profit Forecast

There was no profit forecast made in any public document.

B5. Profit For The Period

Included in profit or loss for the current quarter and financial year to to date are as follows:

	Current quarter RM'000	Current Year To date RM'000
Depreciation	2,974	2,974
Impairment loss charge on receivables	(158)	(158)
Interest expense	11	11
Interest income	(530)	(530)
Unrealised loss/(gain) on foreign exchange	(254)	(254)
Realised gain on foreign exchange	1,746	1,746
Rental income	(234)	(234)

Other than the above items, there were no gain or loss on disposal of quoted or unquoted investments or properties, write off of inventories as well as other exceptional items.

B6. Tax Expense

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	30.09.23	30.09.22	30.09.23	30.09.22
	RM'000	RM'000	RM'000	RM'000
- Current tax	(790)	(8,355)	(790)	(8,355)
- Deferred tax liabilities	-	-	-	-
	<u>(790)</u>	<u>(8,355)</u>	<u>(790)</u>	<u>(8,355)</u>

The Group's effective tax rate for the current financial year is slightly lower than the statutory tax rate mainly due to lower tax rate in Vietnam while some of the subsidiaries in Malaysia are recording loss in the current quarter thus not taxable.

B7. Status of Corporate Proposals

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

B8. Borrowings and Debt Securities

The Group's borrowings :

As as 30.09.2023	Denominated in USD RM'000	Denominated in RM RM'000	Total RM'000
Secured:			
Short term			
Bankers acceptance	-	-	-
Overdraft	-	-	-
Onshore foreign currency loans	-	-	-
Short term loans	3,165	-	3,165
	<u>3,165</u>	<u>-</u>	<u>3,165</u>
As as 30.09.2022			
Secured:			
Bankers acceptance	-	-	-
Overdraft	-	-	-
Onshore foreign currency loans	8,126	-	8,126
Short term loans	11,690	-	11,690
	<u>19,816</u>	<u>-</u>	<u>19,816</u>

a. The Group had substantially settled its bank borrowings therefore, lower interest expenses is recorded in the current quarter.

b. The average interest rates of borrowings during the current reporting period to date are as follows:

	30.09.23	30.09.22
	%	%
Borrowings denominated in RM		
- Bankers acceptance	-	-
Borrowings denominated in USD		
- Onshore foreign currency loans	-	2.33
- Short term loans	3.80	1.85

All the borrowings are based on floating interest rates.

c. Borrowings denominated in USD are not hedged to RM as the borrowings will be paid off from the export proceeds of the respective subsidiaries denominated in foreign currencies.

B9. Material Litigation

There was no material litigation during the financial period under review.

B10. Proposed Dividend

a. The dividend declared in the corresponding quarter and the current reporting quarter are per below:

	Current Quarter	Corresponding Quarter
Interim dividend for the financial year	30.6.2023	30.6.2022
Declared and approved on	29.8.2023	29.8.2022
Entitlement date	24.10.2023	25.10.2022
Payment date	24.11.2023	24.11.2022
Dividend per share	0.71 sen	8.00 sen
Dividend % (Single Tier)	1.42%(single tier)	16.00%(single tier)
Net dividend payable	RM2,034,500	RM22,917,069

b. There is no dividend declared for the current financial year ended 30 June 2024 as of the reporting date.

B11. Earnings Per Share

(i) Basic earnings per share

The basic earnings per share has been calculated based on the Group's profit after tax attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the financial period:

	Individual Quarter		Cumulative Quarter	
	3 months ended 30.09.23	3 months ended 30.09.22	3 months ended 30.09.23	3 months ended 30.09.22
Profit after tax Attributable to owners of the Company (RM'000)	2,595	25,894	2,595	25,894
Weighted average number of ordinary shares ('000)	286,452	286,460	286,452	286,460
Basic Earnings Per Share (sen)	0.91	9.04	0.91	9.04

(ii) Diluted Earnings Per Share

Diluted Earnings Per Share (sen)	0.91	9.04	0.91	9.04
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There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the reporting period.