

CHIN WELL HOLDINGS BERHAD
(371551-T)

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

	Unaudited	Restated
	As at	As at
	30.06.24	30.06.23
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	126,991	136,960
Investment properties	67,076	67,164
Right of use assets	1,884	588
Deferred tax assets	-	-
	195,951	204,712
Current assets		
Inventories	284,075	284,060
Trade and other receivables	64,474	59,609
Current tax assets	7,402	7,838
Other investment	77,818	67,154
Cash and bank balances	111,199	129,830
	544,968	548,491
TOTAL ASSETS	740,919	753,203
EQUITY AND LIABILITIES		
Share capital	177,929	177,929
Reserves	483,450	491,589
	661,379	669,518
Non-controlling interest	1,910	1,980
Total equity	663,289	671,498
Non-current liabilities		
Lease liabilities	1,469	466
Deferred tax liabilities	8,285	8,985
	9,754	9,451
Current liabilities		
Trade and other payables	65,895	63,094
Contract Liabilities	1,538	1,505
Dividend payable	-	-
Borrowings	-	5,427
Lease liabilities	443	124
Provision for Tax	-	2,104
	67,876	72,254
Total liabilities	77,630	81,705
TOTAL EQUITY AND LIABILITIES	740,919	753,203
Net assets per share (RM)	2.31	2.34

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 12 MONTHS PERIOD ENDED 30 JUNE 2024 - UNAUDITED

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	30.06.24 RM'000	Restated 30.06.23 RM'000	30.06.24 RM'000	Restated 30.06.23 RM'000
Revenue	95,321	95,610	343,655	456,452
Cost of sales	<u>(89,567)</u>	<u>(90,084)</u>	<u>(321,497)</u>	<u>(385,745)</u>
Gross profit	5,754	5,526	22,158	70,707
Other income	2,577	4,366	8,931	7,390
Administrative expenses	(3,411)	(7,029)	(19,185)	(24,469)
Selling and distribution expenses	<u>(2,926)</u>	<u>(1,011)</u>	<u>(7,153)</u>	<u>(7,040)</u>
Operating profit	1,994	1,852	4,751	46,588
Finance costs	(40)	(92)	(117)	(445)
Finance income	<u>1,689</u>	<u>3,828</u>	<u>5,962</u>	<u>5,500</u>
Profit before tax	3,643	5,588	10,596	51,643
Tax expense	<u>45</u>	<u>(1,181)</u>	<u>(1,577)</u>	<u>(12,891)</u>
Profit for the financial period/year	3,688	4,407	9,019	38,752
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>(6,256)</u>	<u>13,343</u>	<u>(15,191)</u>	<u>11,912</u>
Total comprehensive income for the financial period/year	<u>(2,568)</u>	<u>17,750</u>	<u>(6,172)</u>	<u>50,664</u>
Profit attributable to:				
Owners of the parent	3,719	4,438	9,089	38,824
Non-controlling interest	<u>(31)</u>	<u>(31)</u>	<u>(70)</u>	<u>(72)</u>
	<u>3,688</u>	<u>4,407</u>	<u>9,019</u>	<u>38,752</u>
Total comprehensive income attributable to:				
Owners of the parent	(2,537)	17,781	(6,102)	50,736
Non-controlling interest	<u>(31)</u>	<u>(31)</u>	<u>(70)</u>	<u>(72)</u>
	<u>(2,568)</u>	<u>17,750</u>	<u>(6,172)</u>	<u>50,664</u>
Earnings per share attributable to owners of the Company (sen)				
- Basic/Diluted	<u>1.30</u>	<u>1.55</u>	<u>3.17</u>	<u>13.55</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.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 12 MONTHS PERIOD ENDED 30 JUNE 2024 - UNAUDITED

	----- Non-distributable -----				Distributable		Total 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, restated	177,929	-	(18,883)	25,453	485,019	669,518	1,980	671,498
Foreign exchange differences on translation	-	-	-	(15,191)	-	(15,191)	-	(15,191)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-
Profit for the financial year	-	-	-	-	9,089	9,089	(70)	9,019
Total comprehensive income for the financial year	-	-	-	(15,191)	9,089	(6,102)	(70)	(6,172)
Transactions with owners:								
Purchase of treasury shares	-	-	(3)	-	-	(3)	-	(3)
Dividends	-	-	-	-	(2,034)	(2,034)	-	(2,034)
Total transactions with owners	-	-	(3)	-	(2,034)	(2,037)	-	(2,037)
At 30 June 2024	<u>177,929</u>	<u>-</u>	<u>(18,886)</u>	<u>10,262</u>	<u>492,074</u>	<u>661,379</u>	<u>1,910</u>	<u>663,289</u>
At 1 July 2022								
- As previously stated	177,929	-	(18,880)	11,342	494,784	665,175	2,052	667,227
- Effects of prior year adjustments	-	-	-	2,199	(11,923)	(9,724)	-	(9,724)
Restated	<u>177,929</u>	<u>-</u>	<u>(18,880)</u>	<u>13,541</u>	<u>482,861</u>	<u>655,451</u>	<u>2,052</u>	<u>657,503</u>
Foreign exchange differences on translation								
- As previously stated	-	-	-	12,402	-	12,402	-	12,402
- Effects of prior year adjustments	-	-	-	(490)	-	(490)	-	(490)
Restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,912</u>	<u>-</u>	<u>11,912</u>	<u>-</u>	<u>11,912</u>
Profit for the financial year								
- As previously stated	-	-	-	-	39,461	39,461	(72)	39,389
- Effects of prior year adjustments	-	-	-	-	(637)	(637)	-	(637)
Restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,824</u>	<u>38,824</u>	<u>(72)</u>	<u>38,752</u>
Total comprehensive income for the financial year, restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,912</u>	<u>38,824</u>	<u>50,736</u>	<u>(72)</u>	<u>50,664</u>
Transaction with owners:								
Purchase of treasury shares	-	-	(3)	-	-	(3)	-	(3)
Dividends	-	-	-	-	(36,666)	(36,666)	-	(36,666)
Total transactions with owners	<u>-</u>	<u>-</u>	<u>(3)</u>	<u>-</u>	<u>(36,666)</u>	<u>(36,669)</u>	<u>-</u>	<u>(36,669)</u>
At 30 June 2023, restated	<u>177,929</u>	<u>-</u>	<u>(18,883)</u>	<u>25,453</u>	<u>485,019</u>	<u>669,518</u>	<u>1,980</u>	<u>671,498</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 12 MONTHS PERIOD ENDED 30 JUNE 2024 - UNAUDITED

	30.06.24	Restated 30.06.23
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	10,596	51,643
Adjustments for:		
Depreciation	11,974	13,139
Gain on disposal of property, plant and equipment	(30)	(90)
Impairment loss charge on receivables	268	375
Interest expense	117	419
Interest income	(5,962)	(5,501)
Distribution income	(1,272)	(492)
Fair value (gain)/loss on short term fund investments	(1,056)	(502)
Gain on derecognition of right-of-use assets and lease liabilities	-	(22)
Inventory written down	2,230	561
Reversal of Unwinding interest	-	-
Accretion of interest on lease liability	36	26
Depreciation of right of use assets		263
Property, plant and equipment written off	(7)	85
Unrealised gain on foreign exchange	(779)	(1,748)
Operating profit before working capital changes	16,114	58,156
(Increase)/Decrease in inventories	(7,719)	51,811
(Increase)/Decrease in receivables	(7,518)	59,867
Increase/(Decrease) in payables	5,993	(11,067)
Increase in contract liabilities	33	(931)
Cash from operation	6,903	157,836
Interest received	(117)	(419)
Income tax paid	(3,867)	(24,703)
Net cash from operating activities	2,919	132,714
Cash flows from investing activities		
Interest received	5,962	5,501
Cashflow from acquisition of equity interest in subsidiaries	-	-
Placement of other investment	(10,664)	(65,827)
Net cash used in Fixed deposit	-	2,421
Proceeds from disposal of property, plant and equipment	30	90
Purchase of property, plant and equipment	(4,948)	(6,732)
Net cash used in investing activities	(9,620)	(64,547)
Cash flows from financing activities		
Dividend paid	(2,034)	(36,666)
Net change in borrowings	(5,427)	(32,280)
Payment of principal portion of lease liabilities	-	(300)
Purchase of treasury shares	(3)	(3)
Net cash used in financing activities	(7,464)	(69,249)
Net decrease in cash and bank balances	(14,165)	(1,082)
Effect of changes in exchange rate on cash and bank balances	(4,467)	3,461
Cash and bank balances at beginning	129,830	127,451
Cash and bank balances at end	111,199	129,830

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.

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(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 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 for annual period beginning on or after 1 January 2026

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments

Effective for annual period beginning on or after 1 January 2027

MFRS 18 Presentation and Disclosure in Financial Statements
MFRS 19 Subsidiaries without Public Accountability: Disclosures

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 except the followings:

	Treasury shares	
	No. of Shares	RM
Repurchase of own shares during the current period to date	2,000	2,564
Repurchase of own shares as of 30.06.2024	13,083,800	18,886,487

A8. Dividend Paid

The dividend paid in the previous corresponding period and the current reporting period are per below.

	Financial period ended 30.06.24 RM
Second interim single tier dividend paid on 24 November 2023 for the financial year ended 30 June 2023 - 0.62 sen per ordinary share	2,033,810
	<u>2,033,810</u>
	Financial period ended 30.06.23 RM
Second interim single tier dividend paid on 24 November 2022 for the financial year ended 30 June 2022 - 8.00 sen per ordinary share	22,916,356
First interim single tier dividend paid on 22 May 2023 for the financial year ended 30 June 2023 - 4.80 sen per ordinary share	13,749,825
	<u>36,666,181</u>

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
12 months ended 30 June 2024					
Revenue					
External revenue	258,795	84,860	-	-	343,655
Inter-segment revenue	-	-	25,364	(25,364)	-
Total revenue	258,795	84,860	25,364	(25,364)	343,655
Results					
Segment profit	16,479	(237)	483	-	16,725
Finance costs	(86)	(31)	-	-	(117)
Interest income	4,763	443	756	-	5,962
Depreciation	(9,192)	(2,782)	-	-	(11,974)
Profit before tax	11,964	(2,607)	1,239	-	10,596
Segment assets	511,171	113,814	115,935	-	740,919
Segment liabilities	36,767	7,962	32,901	-	77,630

	Fastener Products RM'000	Wire Products RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
12 months ended 30 June 2023					
Revenue					
External revenue	345,662	110,790	-	-	456,452
Inter-segment revenue	-	-	37,443	(37,443)	-
Total revenue	345,662	110,790	37,443	(37,443)	456,452
Results					
Segment profit	54,244	5,529	216	-	59,989
Finance costs	(325)	(120)	-	-	(445)
Interest income	4,946	271	284	-	5,501
Depreciation	(10,212)	(3,190)	-	-	(13,402)
Profit before tax (restated)	48,653	2,490	500	-	51,643
Segment assets (restated)	547,965	118,310	86,928	-	753,203
Segment liabilities (restated)	38,176	10,642	32,887	-	81,705

(ii) Analysis by geographical segments

	Revenue		Non-current Assets*	
	3 months ended 30.06.24 RM'000	3 months ended 30.06.23 RM'000	as at 30.06.24 RM'000	as at 30.06.23 RM'000
Malaysia	102,459	150,415	149,675	151,153
Vietnam	3,861	1,275	46,276	53,560
Other Asian countries	27,998	22,969	-	-
European countries	116,698	148,078	-	-
North America	88,580	132,444	-	-
Others	4,058	1,271	-	-
	343,655	456,452	195,951	204,713

* 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 2024 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>2,148</u>

A15. Prior Year Adjustment

In the current financial year, the foreign subsidiary of the Group, Chin Well Fasteners (Vietnam) Company Ltd (CWFV) changed its costing methodology to be align with the local subsidiaries' costing method for fastener products. CWFV restated the provision for additional severance allowance expenses as required by the local regulations.

The changes were applied retrospectively resulting in the following:

- a) Adjustment to the retained profits and foreign translation reserve.
- b) Adjustment to the results of the prior financial year ended 30.6.2023.
- c) Adjustment to the closing inventories as at 30.6.2023.

As at 30 June 2023	As previously stated 30.6.2023	Note (a)	Note (b)	Note (c)	As restated 30.6.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Consolidated statement of Comprehensive income					
Cost of Goods Sold	(386,145)		400		(385,745)
Gross Profit	70,307		400		70,707
Operating Profit	47,225		400		47,625
Administrative Expenses	(23,432)		(1,036)		(24,468)
Profit before tax	52,280		(636)		51,644
Profit for the financial year	39,389		(636)		38,753
Consolidated statement of financial position					
Inventories	291,732			(7,672)	284,060
Trade and other payables	59,916		3,178		63,094
Consolidated statement changes of Equity					
Retained earnings	497,579	(11,923)	(637)		485,019
Foreign Translation Reserve	23,744	2,199	(490)		25,453

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 3 months ended		Changes		Cumulative Quarter 12 months ended		Changes	
	30.06.24 RM'000	30.06.23 RM'000 Restated	RM'000	%	30.06.24 RM'000	30.06.23 RM'000 Restated	RM'000	%
Revenue - Business Segments								
-- Fasteners Products	74,724	77,276	(2,552)	-3.3%	258,795	345,662	(86,867)	-25.1%
-- Wire Products	20,597	18,334	2,263	12.3%	84,860	110,790	(25,930)	-23.4%
	<u>95,321</u>	<u>95,610</u>	<u>(289)</u>	<u>-0.3%</u>	<u>343,655</u>	<u>456,452</u>	<u>(112,797)</u>	<u>-24.7%</u>
Profit/(Loss) before interest & tax								
-- Fasteners Products	6,211	6,007	204	3.4%	12,050	48,978	(36,928)	-75.4%
-- Wire Products	(2,659)	(333)	(2,326)	-698.6%	(2,576)	2,610	(5,186)	-198.7%
-- Investment Holding	131	7	124	1771.4%	1,239	500	739	147.8%
	<u>3,683</u>	<u>5,681</u>	<u>(1,998)</u>	<u>-35.2%</u>	<u>10,713</u>	<u>52,088</u>	<u>(41,375)</u>	<u>-79.4%</u>
Profit/(Loss) before tax								
-- Fasteners Products	6,177	5,935	242	4.1%	11,964	48,653	(36,689)	-75.4%
-- Wire Products	(2,665)	(353)	(2,312)	-655.1%	(2,607)	2,490	(5,097)	-204.7%
-- Investment Holding	131	7	124	1771.4%	1,239	500	739	147.8%
	<u>3,643</u>	<u>5,589</u>	<u>(1,946)</u>	<u>-34.8%</u>	<u>10,596</u>	<u>51,643</u>	<u>(41,047)</u>	<u>-79.5%</u>
Profit/(Loss) after tax attributable to ordinary equity holders of the parent					(10,596)			
-- Fasteners Products	5,470	4,580	890	19.4%	9,790	36,307	(26,517)	-73.0%
-- Wire Products	(1,860)	(62)	(1,798)	2900.5%	(1,816)	2,099	(3,915)	-186.5%
-- Investment Holding	109	(79)	188	-238.0%	1,115	418	697	166.7%
	<u>3,719</u>	<u>4,439</u>	<u>(720)</u>	<u>-16.2%</u>	<u>9,089</u>	<u>38,824</u>	<u>(29,735)</u>	<u>-76.6%</u>

Overall Review of Group' Financial Performance

During the current reporting year, the Group achieved a total revenue and total profit before tax of RM343.66 million and RM10.60 million respectively. Total revenue of the Group declined by 24.7% in the current financial year. The profit before tax of the Group reduced by 79.5% as compared to RM 51.64 million in the corresponding period in the preceding year reflecting the lower revenue generated amidst the continuing weak demand for our products due to the continuing of uncertainties of the global macroeconomic conditions.

The equity attributable to the owners of the Company decreased to RM661.38 million as at 30.06.2024 as compared to RM669.52 million as at 30.6.2023 after recognition of the profit after tax and declaration of dividend of RM 9.09 million and RM2.03 million respectively. In addition the equity of the Group decreased by RM 15.19 million arising from the foreign exchange loss from translation of its foreign subsidiary accounts in the current financial year.

The cash generated from operating activities is lower by RM129.79 million in the current reporting period due to lower revenue generated. As at the closing date, the Group has placed RM77.82 million in investment fund to earn higher interest and the bank balance of the Group stood at RM111.20 million which was a reduction of 14.40% as compared to the last financial year.

Individual

Fasteners Products

The revenue of the Fasteners Products Division declined by 3.30% to RM74.72 million in the current reporting quarter as compared to the preceding year corresponding period. The division recorded a profit before tax of RM6.18 million in the current reporting quarter, an increase of 4.1% as compared to the preceding year corresponding period, mainly due to higher average selling price in the current quarter.

Wire Products

The revenue of the Wire division in the current reporting quarter is 12.30% higher as compared to RM18.33 million recorded in the corresponding quarter preceding year. However, Wire division recorded a loss before tax of RM2.67 million in the current reporting quarter as compared to a loss before tax of RM0.35 million previously. The higher revenue did not result in a better performance due to lower selling price as a result of stiff price competition in the market and higher fixed overhead cost.

Cumulative Quarter

The Group recorded a total revenue of RM 343.66 million and a profit before tax of RM10.60 million in the current financial year.

Fasteners Products Division

The division recorded a total revenue of RM258.80 million in the current financial year which represents a decrease of 25.1% as compared to the preceding corresponding financial year. The profit before tax of the division declined from RM48.65 million to RM11.96 million in the current financial year. The continuing uncertain macroeconomic conditions worldwide arising from the war between Russia and Ukraine, Israel's war on Gaza, political tension between US and China, high inflation rate in Europe and stiff price competition are the main factors contributing to the weaker performance of the division.

Wire Products Division

The Wire Products Division revenue decreased by 23.4% to RM84.86 million and recorded a loss before tax of RM2.61 million in the current financial year. The performance of the division was affected by the unfavourable global market conditions during the current financial year.

B2. Variation of Results Against Preceding Quarter

	3 months ended 30.06.24 RM'000	3 months ended 31.03.24 RM'000	Changes	
			RM'000	%
Revenue - Business Segments				
-- Fasteners Products	74,724	58,663	16,061	27.38%
-- Wire Products	20,597	22,290	(1,693)	-7.60%
	<u>95,321</u>	<u>80,953</u>	14,368	17.75%
Profit/(Loss) before interest & tax				
-- Fasteners Products	6,211	2,626	3,585	136.52%
-- Wire Products	(2,659)	(173)	(2,486)	1437.18%
-- Investment Holding	131	769	(638)	82.96%
	<u>3,683</u>	<u>3,222</u>	461	14.30%
			-	
Profit/(Loss) before tax				
-- Fasteners Products	6,177	2,595	3,582	138.03%
-- Wire Products	(2,665)	(189)	(2,476)	1310.23%
-- Investment Holding	131	769	(638)	-82.96%
	<u>3,643</u>	<u>3,175</u>	468	14.73%
Profit/(Loss) after tax attributable to ordinary equity holders of the parent				
-- Fasteners Products	5,470	1,940	3,530	181.96%
-- Wire Products	(1,860)	(144)	(1,716)	1191.90%
-- Investment Holding	109	725	(616)	84.97%
	<u>3,719</u>	<u>2,521</u>	1,198	47.51%

The Group recorded a total revenue of RM95.32 million and profit before tax of RM3.64 million for the current quarter under review.

Fasteners Products

The division recorded higher revenue of RM74.72 million in the current reporting quarter as compared to RM58.66 million in the immediate preceding quarter. The higher revenue has led to better performance of the division in the current quarter. The profit before tax of the division increased to RM6.18 million in the current reporting quarter.

Wire Products

The Wire division recorded a lower revenue of RM20.60 million in the current reporting quarter as compared to RM22.29 million in the last quarter. A loss before tax of RM2.67 million is recorded in the current quarter. In addition to the lower revenue, profit margin was eroded by the stiff price competition and higher fixed overhead cost.

B3. Prospects of the next financial Year

The market outlook for the Group in the next financial year are expected to continue to be uncertain . The continuing wars, the escalating 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.

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 in the next 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	2,628	11,974
Provision of impairment loss charge on receivables	12	268
Interest expense	40	117
Interest income	(1,689)	(5,962)
Gain on disposal of property, plant and equipment	-	(30)
Unrealised loss/(gain) on foreign exchange	(260)	(779)
Realised loss/(gain) on foreign exchange	(795)	(4,753)
Rental income	(237)	(939)
Inventory written down	2,230	2,230

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		12 months ended	
	30.06.24	30.06.23	30.06.24	30.06.23
	RM'000	RM'000	RM'000	RM'000
- Current tax	(655)	(1,165)	(2,277)	(12,375)
- Deferred tax liabilities	700	(16)	700	(516)
	<u>45</u>	<u>(1,181)</u>	<u>(1,577)</u>	<u>(12,891)</u>

The Group's effective tax rate for the current financial year is lower than the statutory tax rate mainly due to the statutory tax rate of the foreign subsidiaries are lower than the Malaysia tax rate in addition to the reversal of deferred tax liabilities in the current financial year.

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 30.06.2024	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	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
As as 30.06.2023			
Secured:			
Bankers acceptance	-	-	-
Overdraft	-	-	-
Onshore foreign currency loans	-	-	-
Short term loans	<u>5,427</u>	<u>-</u>	<u>5,427</u>
	<u>5,427</u>	<u>-</u>	<u>5,427</u>

a. The Group had 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:

	30.06.24 %	30.06.23 %
Borrowings denominated in RM		
- Bankers acceptance	-	3.35
Borrowings denominated in USD		
- Onshore foreign currency loans	-	
- Short term loans	4.65	3.51

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 are per below:

	Current Quarter	Corresponding Quarter
Interim dividend for the financial year	30.6.2024	30.6.2023
Declared and approved on	30.8.2024	29.8.2023
Entitlement date	25.10.2024	24.10.2023
Payment date	25.11.2024	24.11.2023
Dividend per share	1.76 sen	0.71 sen
Dividend % (Single Tier)	3.52% (single tier)	1.42% (single tier)
Net dividend payable	RM5,041,508	RM2,034,500

b. The total dividend declared for the current financial year ended 30 June 2024 is 1.76 sen per share.

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	3 months ended	12 months ended	12 months ended
	30.06.24	30.06.23	30.06.24	30.06.23
Profit after tax				
Attributable to owners of the Company (RM'000)	3,719	4,438	9,089	38,824
Weighted average number of ordinary shares ('000)	286,451	286,452	286,451	286,452
Basic Earnings Per Share (sen)	1.30	1.55	3.17	13.55

(ii) Diluted Earnings Per Share

Diluted Earnings Per Share (sen)	1.30	1.55	3.17	13.55
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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.