

**HUP SENG INDUSTRIES BERHAD** 199101015786 (226098-P)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****For the period ended 30 September 2024****The figures have not been audited**

	Note	<u>2024</u> CURRENT QUARTER ENDED 30 September RM'000	<u>2023</u> CURRENT QUARTER ENDED 30 September RM'000	<u>2024</u> 9 MONTHS CUMULATIVE TO DATE RM'000	<u>2023</u> 9 MONTHS CUMULATIVE TO DATE RM'000
Revenue		104,429	94,190	278,231	262,123
Cost of sales		(71,617)	(64,618)	(190,990)	(184,585)
<b>Gross profit</b>		<b>32,812</b>	<b>29,572</b>	<b>87,241</b>	<b>77,538</b>
Other income		1,043	795	3,094	2,486
Administrative expenses		(4,405)	(4,840)	(13,914)	(14,511)
Selling and marketing expenses		(8,813)	(8,138)	(24,965)	(23,389)
<b>Operating profit</b>		<b>20,637</b>	<b>17,389</b>	<b>51,456</b>	<b>42,124</b>
Finance cost		(6)	(5)	(13)	(13)
<b>Profit before tax</b>	10	<b>20,631</b>	<b>17,384</b>	<b>51,443</b>	<b>42,111</b>
Income tax expense	23	(3,359)	(4,364)	(11,171)	(10,706)
<b>Profit for the period</b>		<b>17,272</b>	<b>13,020</b>	<b>40,272</b>	<b>31,405</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>17,272</b>	<b>13,020</b>	<b>40,272</b>	<b>31,405</b>
Profit attributable to :					
Owners of the Parent		17,272	13,020	40,272	31,405
Total Comprehensive Income for the period, net of tax attributable to :					
Owners of the Parent		17,272	13,020	40,272	31,405
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	32(a)	2.16	1.63	5.03	3.93
-Diluted	32(b)	2.16	1.63	5.03	3.93

( The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements )

**HUP SENG INDUSTRIES BERHAD** 199101015786 (226098-P)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Financial Position****As at 30 September 2024****The figures have not been audited**

	Note	As at 30/09/2024 RM'000	As at 31/12/2023 RM'000
<b><u>ASSETS:</u></b>			
<b>Non-current assets:</b>			
Property, plant and equipment		85,278	70,147
Investment properties		1,162	1,211
Right-of-use assets		4,738	4,807
Deferred tax assets		691	538
Prepayments for acquisition of property, plant and equipment		93	3,471
<i>Sub total</i>		91,962	80,174
<b>Current assets:</b>			
Inventories		29,023	30,126
Trade and other receivables	11	39,377	37,261
Prepayments		694	550
Tax recoverable		10	-
Cash and bank balances	12	96,237	90,506
<i>Sub total</i>		165,341	158,443
<b>TOTAL ASSETS</b>		<b>257,303</b>	<b>238,617</b>
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>Equity attributable to Owners of the Company :</b>			
Share capital		80,000	80,000
Retained earnings		90,459	82,187
<b>TOTAL EQUITY</b>	<i>Sub total</i>	<b>170,459</b>	<b>162,187</b>
<b>Non-current liabilities :</b>			
Deferred tax liabilities		7,162	6,432
Lease liabilities		201	58
<i>Sub total</i>		7,363	6,490
<b>Current liabilities:</b>			
Trade and other payables		56,018	61,690
Lease liabilities		162	206
Refund liabilities		3,603	2,658
Income tax payable		3,698	5,386
Dividends payable		16,000	-
<i>Sub total</i>		79,481	69,940
<b>TOTAL LIABILITIES</b>		<b>86,844</b>	<b>76,430</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>257,303</b>	<b>238,617</b>

( The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements )

**HUP SENG INDUSTRIES BERHAD** 199101015786 (226098-P)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Changes in Equity****The figures have not been audited****For the period ended 30 September 2024**

	Attributable to owners of the parent		
	Non-distributable	Distributable	Total
	Share capital RM'000	Retained earnings RM'000	RM'000
Opening balance at 1 January 2024	80,000	82,187	162,187
Total comprehensive income for the period	-	40,272	40,272
Transaction with the owners			
Dividends on ordinary shares (Note 8)	-	(32,000)	(32,000)
Total transaction with the owners	-	(32,000)	(32,000)
Closing balance at 30 September 2024	80,000	90,459	170,459

**For the corresponding period  
ended 30 September 2023**

	Attributable to owners of the parent		
	Non-distributable	Distributable	Total
	Share capital RM'000	Retained earnings RM'000	RM'000
Opening balance at 1 January 2023	80,000	61,101	141,101
Total comprehensive income for the period	-	31,405	31,405
Transaction with the owners			
Dividends on ordinary shares	-	(24,000)	(24,000)
Total transaction with the owners	-	(24,000)	(24,000)
Closing balance at 30 September 2023	80,000	68,506	148,506

*( The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements )*

**HUP SENG INDUSTRIES BERHAD** 199101015786 (226098-P)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Cash Flows****For the period ended 30 September 2024****The figures have not been audited**

	Note	<b>2024</b> <b>9 months</b> <b>ended</b> <b>30/09/2024</b> <b>RM'000</b>	<b>2023</b> <b>9 months</b> <b>ended</b> <b>30/09/2023</b> <b>RM'000</b>
<b>Cash flows from operating activities:</b>			
<b>Profit before tax</b>		51,443	42,111
Adjustments for:			
(Reversal of)/allowance for doubtful debts		(39)	196
Bad debts written off		2	10
Depreciation of property, plant and equipment		4,087	3,826
Depreciation of investment properties		48	48
Depreciation of right-of-use assets		383	394
Interest expense on lease liabilities		13	13
Interest income		(2,009)	(1,371)
Inventories written off		62	69
Gain on disposal of property, plant and equipment		(5)	(104)
Property, plant and equipment written off		318	322
Total adjustments		2,860	3,403
<b>Operating cash flows before changes in working capital</b>		54,303	45,514
Changes in working capital			
Decrease in inventories		1,041	3,329
(Increase)/decrease in trade and other receivables		(2,079)	4,728
Decrease/(increase) in prepayments		3,234	(3,486)
Decrease in trade and other payables		(4,727)	(8,195)
Total changes in working capital		(2,531)	(3,624)
<b>Cash flows generated from operations</b>		51,772	41,890
Interest expense on lease liabilities paid		(13)	(13)
Income taxes paid		(12,292)	(7,237)
<b>Net cash flows generated from operating activities</b>		39,467	34,640
<b>Cash flows from investing activities</b>			
Interest income received		2,009	1,371
Proceeds from disposal of property, plant and equipment		5	106
Purchase of property, plant and equipment		(19,535)	(2,109)
<b>Net cash flows used in investing activities</b>		(17,521)	(632)
<b>Cash flows from financing activity</b>			
Repayment for lease liabilities		(215)	(226)
Dividends paid on ordinary shares		(16,000)	(16,000)
<b>Net cash flows used in financing activity</b>		(16,215)	(16,226)
<b>Net increase in cash and cash equivalents</b>		5,731	17,782
<b>Cash and cash equivalents at beginning of financial period</b>		90,506	62,442
<b>Cash and cash equivalents at end of financial period</b>	12	96,237	80,224

( The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements )

Part A: Explanatory notes pursuant to MFRS 134  
For the period ended 30 September 2024

## 1. Corporate information

Hup Seng Industries Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

## 2. Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 30 September 2024, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2023. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2023.

## 3. Material accounting policy information

The material accounting policy information and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 December 2023, except for the adoption of the following which are applicable to the financial statements and are relevant to the operations:

### (I) Adoption of amendments

Description	Effective for annual periods beginning <u>on or after</u>
Amendments to MFRS 16: Leases - Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Presentation of Financial Statements - Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024

The adoption of the above amendments do not have significant financial impact to the Group's consolidated financial statements for the current quarter.

Part A: Explanatory notes pursuant to MFRS 134  
For the period ended 30 September 2024

(II) Standards and amendments issued but not yet effective

At the date of authorisation of these interim financial statements, the followings standards and amendments were issued but not yet effective and have not been applied by the Group:

Description	Effective for annual periods beginning <u>on or after</u>
Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS107: Annual Improvements to MFRS Accounting Standards—Volume 11	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the standards and amendments above will have no material impact on the financial statements in the year of initial adoption.

**4. Comments about seasonal or cyclical factors**

The Group's business operations are normally affected by seasonal factors occurring in certain periods of the financial year, such as Hari Raya Puasa, Chinese New Year, etc.

**5. Unusual Items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the cumulative financial period ended 30 September 2024.

**6. Changes in estimates**

There were no changes in estimates that have had a material effect in the current quarter results.

Part A: Explanatory notes pursuant to MFRS 134  
For the period ended 30 September 2024

## 7. Capital management, debt and equity securities

The Group's objectives of managing capital are to safeguard the Group's ability to continue in operations as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders and issue new shares, where necessary. For capital management purposes, the Group considers shareholders' equity and total liabilities to be the key components in the Group's capital structure. The Group monitors capital on the basis of the gearing ratio. The ratio is calculated as the total liabilities to total equity. Total equity is the sum of total equity attributable to shareholders. The gearing ratio as at 30 September 2024 and 31 December 2023, which are within the Group's objectives for capital management, are as follows:

	As at 30.09.2024 RM'000	As at 31.12.2023 RM'000
Total liabilities	86,844	76,430
Total equity	170,459	162,187
Total capital	80,000	80,000
Gearing ratio	51%	47%

The increase in the gearing ratio is mainly due to the increase in dividends payable.

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period to date.

## 8. Dividends

	Date of payment	Cumulative to date 30.09.2024 RM'000
Dividend on ordinary shares:		
- Third interim dividend of 1.5 sen per share and special dividend of 0.5 sen per share (single-tier) for 2023 declared on 5 March 2024	09.04.2024	16,000
- First interim dividend of 2.0 sen per share (single-tier) for 2024 declared on 29 August 2024	07.10.2024	16,000
		<u>32,000</u>

Part A: Explanatory notes pursuant to MFRS 134  
For the period ended 30 September 2024

## 9. Operating Segments

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

- I. The biscuit manufacturing segment is in the business of manufacture and sales of biscuits.
- II. The beverage manufacturing segment is in the business of manufacture and wholesale of coffee mix and all kinds of foodstuff.
- III. The trading division segment is in the business of sales and distribution of biscuits, confectionery and other foodstuff.

	Biscuit manufacturing division RM'000	Beverage manufacturing division RM'000	Trading division RM'000	Total RM'000
<b>Quarter ended 30.09.2024</b>				
Revenue *	78,038	1,371	84,620	164,029
Profit/(loss) for reportable segments	10,950	(19)	10,218	21,149
<b>9 months cumulative to date</b>				
Revenue *	207,956	4,246	220,848	433,050
Profit for reportable segments	28,505	38	24,329	52,872

### Reconciliation of profit or loss

Profit or loss for the financial period ended 30.09.2024	Quarter ended RM'000	Cumulative to date RM'000
Total profit for reportable segments	21,149	52,872
Profit from inter-segment sales	(167)	(333)
Other income	331	934
Unallocated expenses	(682)	(2,030)
Profit before tax	20,631	51,443

\* Revenue reported above represents revenue generated from the reportable segments. Inter-segment sales for the current quarter and 9 months cumulative to date are RM59,600,000 and RM154,819,000.

Trading division mainly comprises domestic sales. Biscuits remain the dominant range which represents about 95% of the total sales, while beverages and other agents' products make up the balance. The comments on Note 19 apply to the above three reportable operating segments.

Part A: Explanatory notes pursuant to MFRS 134  
For the period ended 30 September 2024

**10. Profit before tax**

Included in the profit before tax are the following items:

	Quarter ended		Cumulative to date	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Interest income	(708)	(518)	(2,009)	(1,371)
Rental income	(84)	(85)	(250)	(256)
(Reversal of)/allowance for doubtful debts (Note 11)	(10)	32	(39)	196
Bad debts written off	1	10	2	10
Depreciation of property, plant and equipment	1,521	1,251	4,087	3,826
Depreciation of investment properties	16	17	48	48
Depreciation of right-of-use assets	126	127	383	394
Gain on disposal of property, plant and equipment	(5)	-	(5)	(104)
Interest expense on lease liabilities	6	5	13	13
Inventories written off	34	26	62	69
Property, plant and equipment written off	113	113	318	322
Realised exchange (gain)/losses	(90)	64	90	276

**11. Trade and other receivables**

	As at	
	30.09.2024	31.12.2023
	RM'000	RM'000
Trade receivables		
Third parties	39,326	37,188
Less: Allowance for doubtful debts	(414)	(465)
Trade receivables, net	38,912	36,723
Other receivables	465	538
Total trade and other receivables	39,377	37,261

Part A: Explanatory notes pursuant to MFRS 134  
For the period ended 30 September 2024

### Trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	As at	
	30.09.2024	31.12.2023
	RM'000	RM'000
Neither past due nor impaired	27,798	25,842
1 to 30 days past due not impaired	9,939	9,817
31 to 60 days past due not impaired	1,154	1,015
61 to 90 days past due not impaired	17	48
91 to 120 days past due not impaired	4	1
	11,114	10,881
Impaired	414	465
	<u>39,326</u>	<u>37,188</u>

### Receivables that are impaired

Movement in allowance accounts :

At 1 January	465	342
Written off	(12)	(4)
(Reversal)/charge for the period (Note 10)	(39)	127
	<u>414</u>	<u>465</u>

## 12. Cash and bank balances

Cash and bank balances comprised the following amounts:

	As at	
	30.09.2024	31.12.2023
	RM'000	RM'000
Cash and bank balances	9,437	5,296
Short-term deposits with licensed banks	86,800	85,210
Cash and cash equivalents	<u>96,237</u>	<u>90,506</u>

Part A: Explanatory notes pursuant to MFRS 134  
For the period ended 30 September 2024

### 13. Foreign exchange exposure

The Group's exposures to foreign currency are as follows:

	As at	
	30.09.2024	31.12.2023
	RM'000	RM'000
Trade and other receivables		
United States Dollars	136	41
Singapore Dollars	729	2,518

### 14. Events after the reporting period

There were no material events subsequent to the end of the current quarter.

### 15. Changes in composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period to date.

### 16. Changes in contingent liabilities and contingent assets

The Group has no contingent liabilities or contingent assets since the last annual date of the statement of financial position as at 31 December 2023.

### 17. Capital commitments

Approved capital commitments not recognised in the interim financial statements as at 30 September 2024 are as follows:

	RM'000
Approved but not contracted for:	
-Purchase of property, plant and equipment	143
Contracted but not provided for:	
-Purchase of property, plant and equipment	788
	<u>931</u>

Part A: Explanatory notes pursuant to MFRS 134  
For the period ended 30 September 2024

**18. Related party transactions**

	Current quarter ended 30.09.2024 RM	9 months cumulative to date 30.09.2024 RM
Rental of premises payable to:		
-Hup Seng Brothers Holdings Sdn. Bhd. #	24,150	72,450

Note:  
# Certain directors of the Group are also directors and shareholders of Hup Seng Brothers Holdings Sdn. Bhd.

The Directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of  
Bursa Malaysia Securities Berhad  
For the period ended 30 September 2024

**19. Performance review**

**Financial review for current quarter and financial year to date**

	3 months Quarter ended		Changes		9 months cumulative to date		Changes	
	30.09.2024 RM'000	30.09.2023 RM'000	Amount RM'000	%	30.09.2024 RM'000	30.09.2023 RM'000	Amount RM'000	%
Revenue	104,429	94,190	10,239	11	278,231	262,123	16,108	6
Operating profit	20,637	17,389	3,248	19	51,456	42,124	9,332	22
Profit before interest and tax	20,637	17,389	3,248	19	51,456	42,124	9,332	22
Finance cost	(6)	(5)	(1)	(20)	(13)	(13)	-	0
Profit before tax	20,631	17,384	3,247	19	51,443	42,111	9,332	22
Profit after tax	17,272	13,020	4,252	33	40,272	31,405	8,867	28
Profit attributable to: Owners of the Parent	17,272	13,020	4,252	33	40,272	31,405	8,867	28

The Group's revenue for the current quarter ended 30 September 2024 has increased by 11% to RM104,429,000 from RM94,190,000 in the quarter ended 30 September 2023. Domestic market increased 11% or RM8.2 million compared to previous corresponding period from all channels. Similarly export market increased 12% or RM2 million compared to previous corresponding period mainly from Indonesia, Japan and Saudi Arabia. The commercial run of the new oven during the current quarter contributed to an additional production capacity, resulted in the higher sales recorded.

The Group registered a profit before tax of RM20,631,000 as compared to a profit before tax of RM17,384,000 in the preceding corresponding quarter, an increase of about 19% as a result of higher sales.

The Group's revenue for the nine months ended 30 September 2024 has increased by 6% to RM278,231,000 from RM262,123,000 as compared with the preceding year corresponding period mainly due to increase in sales volume. Domestic sales grew by 5% or RM11.4 million were registered for retail and modern channels. Export sales has increased by 9% or about RM4.7 million mainly from Indonesia, Mauritius, Japan, Singapore and Brunei.

The profit before tax has increased to RM51,443,000 when compared with the preceding year corresponding period of RM42,111,000, an increase of about 22%. The increase in profit before tax is mainly due to the improvement in contribution as a result of lower input costs of certain major materials. The increase in sales volume also contributed to the improvement in profit before tax.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of  
Bursa Malaysia Securities Berhad  
For the period ended 30 September 2024

## 20. Comment of material change in profit before taxation

### Financial review for current quarter compared with immediate preceding quarter

	Current quarter	Immediate preceding quarter	Changes	
	30.09.2024 RM'000	30.06.2024 RM'000	Amount RM'000	%
Revenue	104,429	80,237	24,192	30
Operating profit	20,637	12,154	8,483	70
Profit before interest and tax	20,637	12,154	8,483	70
Finance cost	(6)	(4)	(2)	(50)
Profit before tax	20,631	12,150	8,481	70
Profit after tax	17,272	9,028	8,244	91
Profit attributable to:				
Owners of the Parent	17,272	9,028	8,244	91

The Group's revenue has significantly increased by 30% to RM104,429,000 in the current quarter ended 30 September 2024 as compared to RM80,237,000 in the preceding quarter. Domestic market has increased by 35% or RM22 million from all channels, whilst export market increased by 13% or RM2.2 million mainly from Saudi Arabia, Singapore and Japan. The significant increased is mainly due to the contribution of the new oven.

Profit before tax has increased by about 70% to RM20,631,000 as compared to RM12,150,000 in the preceding quarter mainly due to higher sales recorded.

## 21. Commentary of prospects

Whilst the Group's third quarter performance was encouraging, we remain cautious, in view of the highly competitive nature of the industry. The Group will continue to remain vigilant and adaptable to market shifts. We anticipate challenges with the rising cost of raw material especially palm oil, as we envisage a tighter supply in the near future.

Nevertheless, the Group will focus on streamlining the operations and enhancing brand awareness as well as to continue to maintain and improve product quality. The Group will also focus on strengthening the domestic and export markets and strive to ensure a steady supply of products to satisfy the needs of consumers.

The Group will leverage operational efficiencies and cost saving initiative to ensure that a better performance is achieved.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of  
Bursa Malaysia Securities Berhad  
For the period ended 30 September 2024

## 22. Profit forecast or profit guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interest and forecast profit after tax and non-controlling interest and for the shortfall in profit guarantee are not applicable.

## 23. Income tax expense

	3 months		Cumulative	
	Quarter ended		to date	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
-Malaysia income tax	3,153	4,450	10,594	10,870
-Deferred taxation	206	(86)	577	(164)
	<u>3,359</u>	<u>4,364</u>	<u>11,171</u>	<u>10,706</u>

Major components of tax expenses

	Current	9 months
	quarter	Cumulative
	ended	to date
	30.09.2024	30.09.2024
	RM'000	RM'000
Current tax expense	3,153	10,594
Deferred tax expense	206	577
	<u>3,359</u>	<u>11,171</u>
Profit before taxation	<u>20,631</u>	<u>51,443</u>
Taxation at the Malaysian statutory tax rate of 24%	4,951	12,346
Adjustments:		
-Reinvestment allowance	(1,848)	(1,848)
-Non-deductible expenses	261	685
-Expenses with double deduction	(5)	(12)
Income tax expense	<u>3,359</u>	<u>11,171</u>
Effective tax rate	16.3%	21.7%

## 24. Sale of unquoted investments and properties

There were no sale of unquoted investments and properties for the current quarter and financial year to date.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of  
Bursa Malaysia Securities Berhad  
For the period ended 30 September 2024

**25. Quoted securities**

There were no purchase and sale of quoted securities for the current quarter and financial year to date.

**26. Corporate proposals**

There were no corporate proposals announced but not completed not earlier than seven (7) days from 6 November 2024.

**27. Borrowings and debt securities**

There were no group borrowings and debt securities as at the end of the reporting period.

**28. Derivative financial instruments**

As at the reporting date of 30 September 2024, the Group has no outstanding derivative financial instruments.

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

There are no gains/losses arising from fair value changes of any financial liabilities.

**30. Changes in material litigation**

There were no material litigation not earlier than seven (7) days from 6 November 2024.

**31. Dividend payable**

Other than as disclosed in Note 8 above, the Board of Directors recommends the payment of second interim single-tier dividend of 2 sen per ordinary share and special dividend of 1 sen per ordinary share in respect of the year ending 31 December 2024 for the financial quarter under review. The entitlement date will be announced in due course.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of  
Bursa Malaysia Securities Berhad  
For the period ended 30 September 2024

**32. Earnings per share**

Basic earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue during the period.

	3 months quarter ended		9 months cumulative to date	
	30.09.24	30.09.23	30.09.24	30.09.23
<b>(a) Basic</b>				
Profit for the period (RM'000)	17,272	13,020	40,272	31,405
Weighted average number of ordinary shares for earnings per share ('000)	800,000	800,000	800,000	800,000
Basic earnings per share (sen)	2.16	1.63	5.03	3.93
<b>(b) Diluted</b>				
Diluted earnings per share (sen)	2.16	1.63	5.03	3.93

**33. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 December 2023 was not qualified.

**34. Authorization for issue**

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 6 November 2024.