

**MHC Plantations Bhd (4060-V)**  
**Condensed Consolidated Statement of Comprehensive Income (Unaudited)**  
**For The Fourth Quarter Ended 31 December 2023**

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.12.2023 (Unaudited) RM' 000	31.12.2022 (Unaudited) RM'000	31.12.2023 (Unaudited) RM' 000	31.12.2022 (Audited) RM' 000
Revenue	128,263	119,571	477,436	593,266
Cost of sales	(111,029)	(108,648)	(425,785)	(504,079)
Gross profit	17,234	10,923	51,651	89,187
Other income	3,532	4,018	14,031	11,711
Administrative expenses	(3,597)	(5,897)	(13,842)	(13,865)
Other operating expenses	(671)	(3,293)	(1,574)	(4,548)
Operating profit	16,498	5,751	50,266	82,485
Finance costs	(546)	(507)	(2,144)	(2,046)
Profit/(Loss) before tax	15,952	5,244	48,122	80,439
Income tax expense	(4,654)	(6,957)	(14,438)	(24,775)
Profit/(Loss) after tax	11,298	(1,713)	33,684	55,664
Other comprehensive income				
Available-for-sale financial assets:				
Net fair value gain/(loss) on financial assets at fair value through other comprehensive income	(30)	2	(30)	2
Exchange difference on translation of foreign operations	26	(23)	51	(23)
Total comprehensive income/(loss) for the period	11,294	(1,734)	33,705	55,643
Profit/(Loss) attributable to:				
Owners of the parent	6,847	218	22,029	34,622
Non-controlling interests	4,451	(1,931)	11,655	21,042
	11,298	(1,713)	33,684	55,664
Total comprehensive income/(loss) attributable to:				
Owners of the parent	6,823	217	22,013	34,619
Non-controlling interests	4,471	(1,951)	11,692	21,024
	11,294	(1,734)	33,705	55,643
Weighted average number of shares in issue	196,544	196,544	196,544	196,544
Earnings per share in sen				
- Basic	3.48	0.11	11.21	17.62

**The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2022.**

**MHC Plantations Bhd (4060-V)**  
(Incorporated in Malaysia)

**Condensed Consolidated Statement of Financial Position**  
**as at 31 December 2023**

	<b>As at 31.12.2023 (Unaudited) RM'000</b>	<b>As at 31.12.2022 (Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	472,836	472,094
Investment properties	45,264	45,264
Deferred tax assets	4,321	4,648
Investment in securities	252	281
Goodwill on consolidation	43,867	43,867
	<u>566,540</u>	<u>566,154</u>
<b>Current assets</b>		
Inventories	22,033	26,813
Biological assets	3,266	3,356
Trade and other receivables	25,931	23,523
Tax recoverable	881	1,176
Short term investments	41,443	42,816
Fixed deposits with licensed banks	32,766	41,942
Cash and bank balances	44,789	25,506
	<u>171,109</u>	<u>165,132</u>
<b>TOTAL ASSETS</b>	<u>737,649</u>	<u>731,286</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	196,544	196,544
Reserves	124,323	111,698
	<u>320,867</u>	<u>308,242</u>
<b>Non-controlling interests</b>	292,160	293,632
<b>Total equity</b>	<u>613,027</u>	<u>601,874</u>

**Condensed Consolidated Statement of Financial Position  
as at 31 December 2023 (Contd.)**

	<b>As at 31.12.2023 (Unaudited) RM'000</b>	<b>As at 31.12.2022 (Audited) RM'000</b>
<b>EQUITY AND LIABILITIES (CONTD.)</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	17,309	25,561
Deferred tax liabilities	49,068	50,636
Lease liabilities	9,725	2,868
	76,102	79,065
<b>Current liabilities</b>		
Trade and other payables	33,796	33,983
Loans and borrowings	8,700	10,948
Lease liabilities	2,116	1,025
Taxation	3,908	4,391
	48,520	50,347
<b>Total liabilities</b>	124,622	129,412
<b>TOTAL EQUITY AND LIABILITIES</b>	737,649	731,286
<b>Net Tangible Asset Per Share (RM)</b>	1.41	1.35
<b>Net Asset Per Share (RM)</b>	1.63	1.57

**The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2022.**

**MHC Plantations Bhd (4060-V)**  
**Condensed Consolidated Statements of Changes in Equity (Unaudited)**  
**For The Fourth Quarter Ended 31 December 2023**

	Non-Distributable						Distributable		Total	Non-controlling Interests	Total Equity
	Share Capital RM' 000	Capital Reserve RM' 000	Other Reserve RM' 000	Revaluation Reserve RM' 000	Fair value adjustment reserve RM'000	Foreign currency translation reserve RM'000	Capital Reserve RM' 000	Retained Profits RM' 000			
<b>Opening balance at 1 Jan 2022</b>	196,544	5,737	(32,523)	789	(63)	(292)	8	115,041	285,241	281,898	567,139
Total comprehensive income for the period	-	-	-	-	2	(6)	-	34,622	34,618	21,024	55,642
Dividends paid to the equity holders of the Company	-	-	-	-	-	-	-	(11,793)	(11,793)	-	(11,793)
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(8,601)	(8,601)
Effect of subsidiary's treasury share transaction	-	-	(147)	-	-	-	-	-	(147)	(67)	(214)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	323	323	(622)	(299)
<b>Closing balance at 31 December 2022</b>	<b>196,544</b>	<b>5,737</b>	<b>(32,670)</b>	<b>789</b>	<b>(61)</b>	<b>(298)</b>	<b>8</b>	<b>138,193</b>	<b>308,242</b>	<b>293,632</b>	<b>601,874</b>
<b>Opening balance at 1 Jan 2023</b>	196,544	5,737	(32,670)	789	(61)	(298)	8	138,193	308,242	293,632	601,874
Total comprehensive income for the period	-	-	-	-	(30)	15	-	22,029	22,014	11,692	33,706
Dividends paid to the equity holders of the Company	-	-	-	-	-	-	-	(11,793)	(11,793)	-	(11,793)
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(8,601)	(8,601)
Capital reduction in a subsidiary	-	-	-	-	-	-	-	-	-	(273)	(273)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	2,404	2,404	(4,290)	(1,886)
<b>Closing balance at 31 December 2023</b>	<b>196,544</b>	<b>5,737</b>	<b>(32,670)</b>	<b>789</b>	<b>(91)</b>	<b>(283)</b>	<b>8</b>	<b>150,833</b>	<b>320,867</b>	<b>292,160</b>	<b>613,027</b>

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2022.

**MHC Plantations Bhd (4060-V)**  
**Condensed Consolidated Statement of Cash Flows (Unaudited)**  
**For The Fourth Quarter Ended 31 December 2023**

	12 months ended	
	31.12.2023	31.12.2022
	(Unaudited) RM' 000	(Audited) RM' 000
<b>Operating activities</b>		
Profit before taxation	48,122	80,439
Adjustments for:		
Depreciation and amortisation	30,839	29,628
Dividend income	(4)	(6)
Allowance/(Reversal) of allowance for expected credit losses	(21)	219
Interest expense	2,144	2,046
(Gain)/Loss on disposal of property, plant and equipment	(36)	(114)
(Gain)/Loss on fair value of biological assets	89	2,466
Impairment on slow moving inventories	-	124
Inventory written off	-	96
Property, plant and equipment written off	74	512
Interest income	(2,359)	(1,389)
Total adjustments	30,727	33,582
<b>Operating cash flows before changes in working capital</b>	<b>78,849</b>	<b>114,021</b>
Changes in working capital:		
Inventories	4,779	(5,425)
Receivables	(2,984)	3,230
Payables	387	(3,774)
Total changes in working capital	2,182	(5,969)
Cash generated from operations	81,031	108,052
Interest received	2,359	1,389
Interest paid	(2,144)	(2,116)
Tax refunded	137	375
Tax paid	(16,004)	(24,387)
<b>Net cash flows from/(used in) operating activities</b>	<b>65,379</b>	<b>83,313</b>
<b>Investing activities</b>		
Proceeds from disposal of property, plant and equipment	1,028	135
Acquisition of non-controlling interests	-	(300)
Dividend income	4	6
Increase in investment in a subsidiary	(1,902)	-
(Placement)/Withdrawal of fixed deposits	(6)	(6)
Purchase of property, plant and equipment	(22,802)	(14,790)
Net change in short term investments	1,373	(10,850)
<b>Net cash flows (used in)/from investing activities</b>	<b>(22,305)</b>	<b>(25,805)</b>
<b>Financing activities</b>		
Purchase of treasury shares in a subsidiary	-	(215)
Repayment of loans and borrowings	(10,500)	(19,204)
Repayment of lease liabilities	(1,792)	(1,285)
Capital reduction in a subsidiary	(273)	-
Dividends paid to the equity holders of the Company	(11,793)	(11,793)
Dividends paid to non-controlling shareholders	(8,584)	(8,601)
<b>Net cash flows from/(used in) financing activities</b>	<b>(32,941)</b>	<b>(41,098)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>10,132</b>	<b>16,410</b>
Effect on exchange rate changes on cash and cash equivalents	77	(23)
<b>Cash and cash equivalents as at 1 January</b>	<b>62,827</b>	<b>46,440</b>
<b>Cash and cash equivalents as at 31 December</b>	<b>73,036</b>	<b>62,827</b>
<b>Cash and cash equivalents :</b>		
Fixed deposits with licensed banks	32,766	41,942
Cash and bank balances	44,789	25,506
	77,555	67,448
Less : Fixed deposits pledged	(4,519)	(4,621)
	73,036	62,827

**The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2022.**

## Notes to the condensed consolidated interim financial statements

### 1. Basis of preparation

The condensed consolidated interim financial statements for the financial year ended 31 December 2023 have been prepared in compliance with Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2022.

The accounting policies used in the preparation of condensed consolidated interim financial statements are consistent with those previously adopted in the audited financial statements of the Group for the year ended 31 December 2022. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2022.

### 2. Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2022.

At the date of authorization of these interim financial statements, the following MFRSs were issued but not yet effective and have not been applied by the Group:

<b>Amendments to MFRSs</b>	<b>Effective Date</b>
• Amendments to MFRS 101: Presentation of Financial statements (Classification of Liabilities as Current or Non-current)	1 Jan 2024
• Amendments to MFRS 16: Leases (Lease Liability in a Sale and Leaseback)	1 Jan 2024
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 Jan 2024

### 3. Auditors’ report

The auditor’s report on the preceding annual financial statements was not qualified.

### 4. Seasonal and cyclical factors

The business of the Group is cyclical in nature and the third quarter is normally the peak production season.

### 5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year ended 31 December 2023.

6. Changes in estimates

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

7. Equity and debt securities

There were no issuance, cancellation, resale, repurchase and repayment of equity or debt securities during the financial year ended 31 December 2023.

8. Dividend paid

On 31 March 2023, the Board approved the following single-tier dividend:

(i) A single-tier interim dividend of 3.0 sen per ordinary share totalling RM5,896,319 in respect for the financial year ending 31 December 2023 and paid on 9 May 2023; and

(ii) A single-tier “bumper profit” special dividend of 3.0 sen per ordinary share totalling RM5,896,319 in respect for the financial year ended 31 December 2022 and paid on 9 May 2023.

No interim dividend has been paid during the current quarter ended 31 December 2023.

9. Segment information

The Group has three reportable segments, as described below, which are the Group’s strategies business units. The strategic business units offer different products and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group’s reportable segments:

- a. Plantation - Cultivation of oil palm
- b. Oil Mill - Milling and sales of oil palm products
- c. Power Plant – Power Generation and sales of biomass by-products

Information about reportable segments

	Results for 3 months ended 31 December							
	Plantation		Oil Mill		Power Plant		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	7,194	8,879	107,207	103,966	13,643	6,379	128,044	119,224
Inter-segment revenue	22,006	17,506	-	-	-	-	22,006	17,506
Segment profit/(loss)	9,174	4,061	5,430	4,746	2,636	(1,741)	17,240	7,066

9. Segment information (Cont'd)

	<b>3 months ended 31.12.2023 (Unaudited)</b>	<b>3 months ended 31.12.2022 (Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Segment profit is reconciled to consolidated profit before tax as follows:</b>		
Segment profit	17,240	7,066
Other non-reportable segments	(118)	(417)
Amortisation of group land cost	(631)	(631)
Elimination of inter-segment profits	20	20
Unallocated corporate (expenses)/income	(559)	(794)
Consolidated profit/(loss) before tax	<u>15,952</u>	<u>5,244</u>

	<b>Results for 12 months ended 31 December</b>							
	<b>Plantation</b>		<b>Oil Mill</b>		<b>Power Plant</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
External revenue	25,580	36,352	403,920	509,130	47,005	46,213	476,505	591,695
Inter-segment revenue	78,613	90,642	-	-	-	-	78,613	90,642
Segment profit/(loss)	28,231	54,384	17,227	20,736	7,309	10,078	52,767	85,198

	<b>12 months ended 31.12.2023 (Unaudited)</b>	<b>12 months ended 31.12.2022 (Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Segment profit is reconciled to consolidated profit before tax as follows:</b>		
Segment profit	52,767	85,198
Other non-reportable segments	59	445
Amortisation of group land cost	(2,523)	(2,523)
Elimination of inter-segment profits	237	(505)
Unallocated corporate (expenses)/income	(2,418)	(2,176)
Consolidated profit/(loss) before tax	<u>48,122</u>	<u>80,439</u>



10. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter ended 31 December 2023.

11. Contingent Assets and Liabilities

There were no changes in other contingent liabilities or contingent assets since the last annual statement of financial position as at 31 December 2023.

12. Capital commitments

	RM'000
Capital expenditure:	
Approved and contracted for	27,035
Approved but not contracted for	<u>20,219</u>
	<u>47,254</u>

13. Subsequent event

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

## Information required by BMSB Listing Requirements

### 1. Review of performance

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

	Individual Period (4th Quarter)			Cumulative Period (12 months ended)		
	Current year Quarter 31.12.2023 (Unaudited) RM'000	Preceding Year Corresponding Quarter 31.12.2022 (Unaudited) RM'000	Changes (%)	Current Year To- date 31.12.2023 (Unaudited) RM'000	Preceding Year Corresponding Period 31.12.2022 (Audited) RM'000	Changes (%)
Revenue	128,263	119,571	7%	477,436	593,266	-20%
Operating profit	16,498	5,751	> 100%	50,266	82,485	-39%
Profit before tax	15,952	5,244	> 100%	48,122	80,439	-40%
Profit/(Loss) after tax	11,298	(1,713)	> 100%	33,684	55,664	-39%
Profit attributable to ordinary equity holders of the Parent	6,847	218	> 100%	22,029	34,622	-36%
<b><i>Operational Statistics</i></b>						
Production:						
FFB (mt)	43,234	36,584	18%	148,669	129,782	15%
CPO (mt)	25,514	23,694	8%	92,673	87,055	6%
PK (mt)	6,697	6,456	4%	24,716	23,015	7%
Average selling price:						
FFB (RM/mt)	662	704	-6%	689	958	-28%
CPO (RM/mt)	3,670	3,898	-6%	3,812	5,048	-24%
PK (RM/mt)	1,980	2,072	-4%	2,005	3,083	-35%
Quantity sold:						
CPO (mt)	25,457	23,290	9%	93,042	86,791	7%
PK (mt)	6,963	6,366	9%	24,545	23,033	7%
Oil Extraction Rate (%)	19.24	19.21	0%	19.09	19.31	-1%
Electricity Export(MWh)	15,425	8,915	73%	62,222	52,366	19%

## 1. Review of performance (Cont'd)

### **Current Quarter vs. Previous Year Corresponding Quarter**

For the current quarter, the Group recorded a revenue of RM128.63 million which was 7% higher as compared to RM119.57 million in the preceding year's corresponding quarter. In addition, the Group recorded a profit before tax of RM15.95 million for this quarter which was two-fold higher as compared to RM5.24 million in the preceding year corresponding quarter. The increases in revenue and profit before tax were mainly attributable to:

- a) Increase in FFB production by 18%;
- b) Increases in sales volume of CPO and PK by 9% respectively which offset the decline in the average selling prices of CPO and PK by 6% and 4% respectively;
- c) Decrease in fair value loss on biological assets by RM2.38 million; and
- e) A substantial decrease in power export and EFB Oil sales volume arising from the shutdown of the biomass plant for maintenance and repair in the previous year's corresponding quarter.

Performance of the respective operating business segments for this quarter under review as compared to the previous corresponding quarter was analysed as follows:

- (i) Plantation – The remarkable increase in Segment profit by RM5.11 million (> 100%) from RM4.06 million to RM9.17 million was mainly due to a 18% increase in FFB production and a decrease in fair value loss on biological assets by RM2.38 million.
- (ii) Oil Mill – The increase in Segment profit by RM0.68 million (14%) from RM4.75 million to RM5.43 million was mainly due to a higher mill processing margin.
- (iii) Power Plant – The Power Plant segment experienced a remarkable profit turnaround, with an increase of RM4.38 million (> 100%) from a segment loss of RM1.74 million to a segment profit of RM2.64 million. This improvement was chiefly attributed to the biomass plant shutdown that occurred from October 2022 to February 2023, which had caused a reduction in power exports and EFB oil sales in the preceding year corresponding quarter. Power exports surged by 100%, while EFB oil sales volume doubled, contributing to the overall turnaround and profitability of the Power Plant segment.

### **Current Year-to-date vs. Previous Year-to-date**

For this financial year under review, the Group recorded a revenue of RM477.44 million and profit before tax of RM48.12 million as compared to a revenue of RM593.27 million and profit before tax of RM80.44 million in the previous year. The decreases in revenue and profit before tax were mainly due to the drop in average selling prices of CPO, PK, FFB and EFB Oil by 24%, 35%, 28% and 25% respectively and higher costs of production despite the increases in the sales volume of FFB, CPO and PK by 15%, 7% and 7% respectively.

Performance of the respective operating business segments for this financial period under review as compared to the previous financial corresponding period was analysed as follows:

- (i) Plantation – The substantial decrease in Segment profit by RM26.15 million (48%) from RM54.38 million to RM28.23 million was mainly due to a 28% decrease in average FFB selling price and higher costs of production in the current year as a result of higher application of fertiliser and labour costs despite a 15% increase in FFB production.

1. Review of performance (Cont'd)

**Current Year-to-date vs. Previous Year-to-date (Cont'd)**

- (ii) Oil Mill – The decrease in Segment profit by RM3.51 million (17%) from RM20.74 million to RM17.23 million was mainly due to a lower mill processing margin.
- (iii) Power Plant – The decrease in Segment profit by RM2.77 million (27%) from RM10.08 million to RM7.31 million was mainly due to a 25% decrease in EFB oil selling price despite the increases in EFB oil sales volume and power export by 20%.and 19% respectively.
2. Financial review for current quarter compared with immediate preceding quarter

	<b>Current quarter 31.12.2023 (Unaudited) RM'000</b>	<b>Immediate Preceding Quarter 30.9.2023 (Unaudited) RM'000</b>	<b>Changes (%)</b>
Revenue	128,263	126,851	1%
Operating profit	16,498	16,043	3%
Profit before tax	15,952	15,555	3%
Profit after tax	11,298	11,334	0%
Profit attributable to ordinary equity holders of the Parent	6,847	8,083	-15%
<b><i>Operational Statistics</i></b>			
<b>Production:</b>			
FFB (mt)	43,234	39,755	9%
CPO (mt)	25,514	25,165	1%
PK (mt)	6,697	6,767	-1%
<b>Average selling price:</b>			
FFB (RM/mt)	662	688	-4%
CPO (RM/mt)	3,670	3,803	-3%
PK (RM/mt)	1,980	2,028	-2%
<b>Quantity sold:</b>			
CPO (mt)	25,457	24,907	2%
PK (mt)	6,963	6,387	9%
Oil Extraction Rate (%)	19.24	18.98	1%
Electricity Export(MWh)	15,425	18,614	-17%

The Group recorded a profit before tax of RM15.95 million in the quarter under review as compared to a profit before tax of RM15.55 million in the immediate preceding quarter. The marginal increase in profit before tax was mainly due to the increase in the FFB production by 9% which offset the decline in the palm oil prices.

### 3. Commentary on prospects

The Group expects FFB production to increase in 2024 due to the improvement in labour shortages.

The Group expects CPO prices to remain firm this year in view of tight palm oil supplies and the global recovery in biodiesel demand.

The Group will continue to face challenges from the increase in production costs and shortage of foreign labour in the palm oil industry. As such, the Group remains focused on improving cost efficiencies, increasing yields and enhancing productivity through mechanization efforts, and the replanting of older and less productive oil palm stands.

Based on the above, we expect the Group to perform satisfactorily for the financial year 2024.

### 4. Profit forecast

Not applicable as there was no profit forecast published.

### 5. Profit/(Loss) before taxation

This is arrived at after crediting/ (charging):

	3 months ended		12 months ended	
	31.12.2023 (Unaudited) RM'000	31.12.2022 (Unaudited) RM'000	31.12.2023 (Unaudited) RM'000	31.12.2022 (Audited) RM'000
Gain/(Loss) on disposal of plant and equipment	177	81	36	114
(Allowance)/Reversal of allowance for expected credit losses	(104)	(222)	21	(219)
Fair value gain/(loss) on biological assets	(89)	(2,466)	(89)	(2,466)
Interest income	657	495	2,359	1,389
Interest expense	(546)	(507)	(2,144)	(2,046)
Impairment on slow moving inventories	-	(124)	-	(124)
Inventory written off	-	(96)	-	(96)
Dividend income	4	4	4	6
Depreciation and amortisation	(8,128)	(7,202)	(30,839)	(29,628)
Other receivables written off	-	-	-	-
Property, plant and equipment written off	-	(196)	(74)	(512)

Save as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable.

## 6. Income tax expense

Taxation is provided at the prevailing statutory rate based on the operating profit for the quarter as follows:

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.12.2023 (Unaudited) RM'000	31.12.2022 (Unaudited) RM'000	31.12.2023 (Unaudited) RM'000	31.12.2022 (Audited) RM'000
Current tax:				
-Malaysian income tax	2,391	6,002	12,320	20,827
-Under/(over) provision of tax	442	(14)	1,294	2,417
	<u>2,833</u>	<u>5,988</u>	<u>13,614</u>	<u>23,244</u>
Deferred tax				
- relating to origination and reversal of temporary differences	1,930	934	779	1,596
- under/(over) provision of tax	(109)	35	45	(65)
	<u>1,821</u>	<u>969</u>	<u>824</u>	<u>1,531</u>
Total income tax expense	<u>4,654</u>	<u>6,957</u>	<u>14,438</u>	<u>24,775</u>

The Group's effective tax rate for the current and cumulative quarter was higher than the statutory tax rate of 24% principally due to certain expenses was disallowed for tax purposes and the non-recognition of deferred tax asset arising from losses in certain subsidiaries.

## 7. Corporate proposal

There was no corporate proposal for the current quarter under review.

## 8. Borrowings

The total borrowings incurred by the Group and outstanding as at end of the current quarter are as follows:

	As at	
	31.12.2023 (Unaudited) RM'000	31.12.2022 (Audited) RM'000
<b>Short term borrowings</b>		
Secured:		
Term loans	7,500	6,748
Short term revolving credits	1,100	4,100
Unsecured:		
Short term revolving credits	100	100
	<u>8,700</u>	<u>10,948</u>
<b>Long term borrowings</b>		
Secured:		
Term loans	17,309	25,561
<b>Total borrowings</b>		
Secured:		
Term loans	24,809	32,309
Short term revolving credits	1,100	4,100
Unsecured:		
Short term revolving credits	100	100
	<u>26,009</u>	<u>36,509</u>

9. Trade and Other Receivables

		As at	
		31.12.2023	31.12.2022
		(Unaudited)	(Audited)
		RM'000	RM'000
<b>Current</b>			
Trade receivables:			
- Non-related parties		12,480	13,432
Less: Allowance for doubtful debts		(215)	(224)
		12,265	13,208
Other receivables, net		13,666	10,315
		25,931	23,523

The credit period of trade receivables is generally for a period of one month.

The ageing analysis of trade receivables is as follows:

		As at	
		31.12.2023	31.12.2022
		(Unaudited)	(Audited)
		RM'000	RM'000
Neither past due nor impaired		12,259	13,208
1 - 30 days past due not impaired		-	-
31 - 60 days past due not impaired		-	-
61 - 90 days past due not impaired		4	-
More than 90 days past due not impaired		217	224
		221	224
Impaired		(215)	(224)
		12,265	13,208

10. Disclosure of derivatives

The Group did not enter into any derivative contract and accordingly, there were no outstanding derivatives (including financial instruments designated as hedging instruments) as at 31 December 2023.

11. Changes in material litigation

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

12. Dividend payable

No interim dividend has been declared for the current quarter ended 31 December 2023.

### 13. Earnings per share

#### a) Basic

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares of 196,543,970 (2018 – 196,543,970) in issue during the financial period.

	<b>Current quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit/(Loss) attributable to the owners of the Company	6,847	218	22,029	34,622
Weighted average number of ordinary shares in issue	196,544	196,544	196,544	196,544
Basic earnings per share (sen)	3.48	0.11	11.21	17.62

#### b) Diluted

The Group has no potential ordinary shares in issue as at balance sheet date and therefore, diluted earnings per share have not been presented.

### 14. Authorisation for issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 26 February 2024.