



XiDeLang Holdings Ltd

(Bermuda Company No. 43136)
(Malaysian Foreign Company Registration No. 995210-W)

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2024

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 31.03.2024 ⁽¹⁾ RMB'000	Quarter ended 31.03.2023 ⁽²⁾ RMB'000	Financial period ended 31.03.2024 ⁽¹⁾ RMB'000	Financial period ended 31.03.2023 ⁽²⁾ RMB'000
Revenue	76,721	N/A ⁽²⁾	332,705	N/A ⁽²⁾
Cost of Sales	(64,301)	N/A ⁽²⁾	(282,038)	N/A ⁽²⁾
Gross Profit	12,420	N/A ⁽²⁾	50,667	N/A ⁽²⁾
Other Income	688	N/A ⁽²⁾	2,110	N/A ⁽²⁾
Reversal of/(Allowance for) Expected Credit Loss	1,651	N/A ⁽²⁾	1,550	N/A ⁽²⁾
Distribution Costs	(469)	N/A ⁽²⁾	(1,542)	N/A ⁽²⁾
Administrative and Other Expenses	(15,911)	N/A ⁽²⁾	(50,541)	N/A ⁽²⁾
Finance Costs	-	N/A ⁽²⁾	(231)	N/A ⁽²⁾
(Loss)/Profit before Tax	(1,621)	N/A⁽²⁾	2,013	N/A⁽²⁾
Taxation	(4)	N/A ⁽²⁾	(298)	N/A ⁽²⁾
(Loss)/Profit for the Period	(1,625)	N/A⁽²⁾	1,715	N/A⁽²⁾
Other Comprehensive Income:				
Foreign currency translations	-	N/A ⁽²⁾	-	N/A ⁽²⁾
Other Comprehensive Income, net of tax	-	N/A ⁽²⁾	-	N/A ⁽²⁾
Total Comprehensive (Loss)/Income	(1,625)	N/A⁽²⁾	1,715	N/A⁽²⁾
(Loss)/Profit attributable to:				
Equity holders of the parent	(1,625)	N/A ⁽²⁾	1,715	N/A ⁽²⁾
Total Comprehensive (Loss)/Income attributable to:				
Equity holders of the parent	(1,625)	N/A ⁽²⁾	1,715	N/A ⁽²⁾
Earnings per share attributable to equity holders of the parent				
- Basic ⁽³⁾ (RMB cent)	(0.08)	N/A ⁽²⁾	0.08	N/A ⁽²⁾
- Diluted ⁽³⁾ (RMB cent)	(0.08)	N/A ⁽²⁾	0.08	N/A ⁽²⁾

Notes:

- (1) The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual report and audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) "N/A" denotes no comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.
- (3) Refer Note B9 for further details.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	As at 31.03.2024 ⁽¹⁾ RMB'000	As at 30.06.2023 RMB'000 (audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	471,566	480,431
Land use rights	38,288	39,201
	509,854	519,632
Current Assets		
Inventories	8,218	7,646
Trade and other receivables (Note @)	52,813	128,775
Cash and cash equivalents	776,687	764,199
	837,718	900,620
TOTAL ASSETS	1,347,572	1,420,252
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	13,437	13,437
Reserves	1,269,629	1,267,914
TOTAL EQUITY	1,283,066	1,281,351
Non-current Liabilities		
Deferred tax liabilities	16,002	15,704
Current Liabilities		
Trade and other payables (Note #)	48,364	110,657
Borrowings	-	12,400
Tax payable	140	140
	48,504	123,197
TOTAL LIABILITIES	64,506	138,901
TOTAL EQUITY AND LIABILITIES	1,347,572	1,420,252
Net assets per share (RMB)⁽²⁾	0.61	0.61

Notes:

(1) *The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual report and audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.*

(2) *Calculated based on the number of ordinary shares outstanding (excluding treasury shares) as at the end of the financial period/year.*

Remark

(@) *Average credit terms granted to trade receivables by the Group is 90 days.*

(#) *Average credit terms granted by trade payables to the Group is 120 days.*



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

Quarter and period ended 31 March 2024 ^{(1), (2)}	Non-distributable						Distributable		Total equity RMB'000
	Share capital RMB'000	Share premium RMB'000	Capital redemption reserve RMB'000	Statutory surplus reserve RMB'000	Merger deficit RMB'000	Exchange translation reserve RMB'000	Treasury shares RMB'000	Retained earnings RMB'000	
Balance at 1 July 2023	13,437	42,863	858,446	49,277	(204,906)	33,401	(1)	488,834	1,281,351
Total comprehensive income	-	-	-	-	-	-	-	1,715	1,715
Transactions with owners									
Transfer to statutory surplus reserve	-	-	-	1,285	-	-	-	(1,285)	-
	-	-	-	1,285	-	-	-	(1,285)	-
Balance at 31 March 2024	13,437	42,863	858,446	50,562	(204,906)	33,401	(1)	489,264	1,283,066

Notes:

- (1) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual report and audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) No comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	Financial period ended	
	31.03.2024 ⁽¹⁾ RMB'000	31.03.2023 ⁽²⁾ RMB'000
Profit before tax	2,013	N/A ⁽²⁾
Adjustments for non-operating cash flows:		
Non-cash items	10,471	N/A ⁽²⁾
Non-operating items	(1,879)	N/A ⁽²⁾
Operating profit before working capital changes	10,605	N/A ⁽²⁾
Changes in working capital		
Net change in current assets	76,941	N/A ⁽²⁾
Net change in current liabilities	(62,292)	N/A ⁽²⁾
Cash generated from operating activities	25,254	N/A ⁽²⁾
Income tax paid	-	N/A ⁽²⁾
Net cash from operating activities	25,254	N/A ⁽²⁾
Investing activities		
Interest received	2,110	N/A ⁽²⁾
Proceeds from disposal of property, plant and equipment	29	N/A ⁽²⁾
Purchase of property, plant and equipment	(2,274)	N/A ⁽²⁾
Net cash used in investing activities	(135)	N/A ⁽²⁾
Financing activities		
Interest paid	(231)	N/A ⁽²⁾
Repayment of borrowings	(12,400)	N/A ⁽²⁾
Drawdown of borrowings	-	N/A ⁽²⁾
Net cash used in financing activities	(12,631)	N/A ⁽²⁾
Net change in cash and cash equivalents	12,488	N/A ⁽²⁾
Cash and cash equivalents at beginning of financial period	764,199	N/A ⁽²⁾
Cash and cash equivalents at end of financial period	776,687	N/A ⁽²⁾
Cash and cash equivalents at end of financial period		
Cash and bank balances	776,687	N/A ⁽²⁾

Notes:

- (1) *The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual report and audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report.*
- (2) *“N/A” denotes no comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.*

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)

A1. BASIS OF PREPARATION

The condensed consolidated interim financial statements as contained in this interim financial report are unaudited and have been prepared under the historical cost convention except otherwise stated.

These unaudited interim financial statements have been prepared in accordance with the requirements of MFRS 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements (“MMLR”) issued by Bursa Malaysia Securities Berhad (“Bursa Securities”).

These unaudited interim financial statements should be read in conjunction with the annual report and audited consolidated financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to this interim financial report. The explanatory notes contained herein provide an explanation of events and transactions that are significant to understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2023.

The significant accounting policies and methods of computation applied in these unaudited interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial year ended 30 June 2023, save for the adoption of the following MFRS and Amendments to MFRSs during the current financial period as disclosed below:

Effective for annual periods commencing on or after 1 January 2023

MFRS 17 *Insurance Contracts*

Amendments to MFRS 17 *Insurance Contracts*

Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*

Amendments to MFRS 101 *Disclosure of Accounting Policies*

Amendments to MFRS 108 *Definition of Accounting Estimates*

Amendments to MFRS 112 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Amendments to MFRS 112 *International Tax Reform – Pillar Two Model Rules*

The adoption of the above MFRS, Amendments to MFRSs and IC Interpretation did not have any significant financial impact to the Group upon their initial application.

The following MFRSs and Amendments to MFRSs have been issued by the MASB but have not been early adopted by the Group:

Effective for annual periods commencing on or after 1 January 2024

Amendments to MFRS 16 *Lease Liability in a Sale and Leaseback*

Amendments to MFRS 101 *Non-current Liabilities with Covenants*

Amendments to MFRS 101 and MFRS 7 *Supplier Finance Arrangements*

Effective for annual periods commencing on or after 1 January 2025

Amendments to MFRS 121 *Lack of Exchangeability*



A1. BASIS OF PREPARATION (cont'd)

Deferred

Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group is in the process of assessing the impact of implementing these accounting standards and amendments, since the effects would only be observable for the future financial years.

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

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

A3. SEASONALITY OR CYCLICALITY OF OPERATION

Save for the seasonality that is inherent in the sportswear industry, our Group's operations are not exposed to any anomalous cyclical fluctuation.

A4. UNUSUAL ITEMS

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

A5. MATERIAL CHANGES IN ESTIMATES

There were no significant changes in estimates of amounts reported in prior financial years that have a material impact on the current quarter and financial period under review.

A6. DEBTS AND EQUITY SECURITIES

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

A7. DIVIDEND PAID

The Board of Directors did not recommend any payment of dividend during the current quarter and financial period under review (*Quarter and financial period ended 31 March 2023: Nil*).



A8. SEGMENT INFORMATION

The Group's activities are predominantly in designing, manufacturing and marketing of sports shoes within the People's Republic of China ("PRC" or "China"). The Group's operations are concentrated in Jinjiang City, Fujian Province of the PRC, which represents its principal place of business and in which the assets and liabilities of the Group are located.

The Group's Chief Executive Officer in this context manages the operations within the Group as a whole in single segment and relies on internal reports which are similar to those currently disclosed externally to make decisions about allocation of resources.

Accordingly, no further segmental analysis is available for disclosure except for the following entity-wide disclosures as required by MFRS 8.

Revenue by business activities

	Quarter Ended		Financial Period Ended	
	31.03.2024	31.03.2023 ⁽¹⁾	31.03.2024	31.03.2023 ⁽¹⁾
	RMB'000	RMB'000	RMB'000	RMB'000
Original design manufacturer ("ODM")				
- Footwear	76,721	N/A ⁽¹⁾	332,705	N/A ⁽¹⁾

Remark:

(1) "N/A" denotes no comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.

During the financial period under review, the Group derived all of its revenue from the PRC, in particular Fujian province. The following is an analysis of the Group's revenue by region by location of customers, irrespective of the origin of the goods/services.

Revenue by location

	Quarter Ended		Financial Period Ended	
	31.03.2024	31.03.2023 ⁽¹⁾	31.03.2024	31.03.2023 ⁽¹⁾
	RMB'000	RMB'000	RMB'000	RMB'000
Within the PRC				
- Fujian province	76,721	N/A ⁽¹⁾	332,705	N/A ⁽¹⁾

Remark:

(1) "N/A" denotes no comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.

A9. MATERIAL EVENTS

○ **Change of financial year end**

The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.

Save for the above, there was no material event subsequent to the end of the current quarter that have not been reflected in this interim financial report and/or announced to Bursa Securities.

A10. CHANGES IN THE COMPOSITION OF THE GROUP

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

A11. CHANGES IN CONTINGENT LIABILITIES

There are no material contingent liabilities as at the date of this report.

A12. CAPITAL COMMITMENTS

Save for the capital expenditures to be funded by the gross proceeds raised from corporate exercises as disclosed in Note B6, there are no material capital commitments not provided for in the financial statements.

A13. RELATED PARTY TRANSACTIONS

There was no related party transaction entered into by the Group during the current quarter and financial period under review (Corresponding *quarter and financial period: Nil*).



B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. ANALYSIS OF PERFORMANCE

	Quarter ended 31.03.2024 RMB'000	Quarter ended 31.03.2023 ⁽¹⁾ RMB'000	Financial period ended 31.03.2024 RMB'000	Financial period ended 31.03.2023 ⁽¹⁾ RMB'000
Revenue	76,721	N/A ⁽¹⁾	332,705	N/A ⁽¹⁾
Gross profit	12,420	N/A ⁽¹⁾	50,667	N/A ⁽¹⁾
(Loss)/Profit before tax	(1,621)	N/A ⁽¹⁾	2,013	N/A ⁽¹⁾

Remark:

(1) "N/A" denotes no comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.

Our Group's total revenue stood at RMB76.7 million and RMB332.7 million for the current quarter and financial period under review respectively, derived from sales of footwear in relation to the ODM business segment.

Our Group's gross profit stood at RMB12.4 million and RMB50.7 million for the current quarter and financial period under review respectively, derived from sales of footwear in relation to the ODM business segment.

For the current quarter under review, our Group recorded a loss before tax of RMB1.6 million, mainly due to lower sales recorded for the current quarter as a result of slowdown in market activities during the festive season (i.e. Chinese New Year).

For the financial period under review, our Group recorded a profit before tax of RMB2.0 million, as the cumulative profit before tax recorded in the previous quarters (between July 2023 to December 2023) was adequate to cushion the moderation in sales and profitability during the current quarter under review.



B2. VARIATION OF RESULTS AGAINST PRECEDING QUARTER

	Quarter ended	
	31.03.2024	31.12.2023
	RMB'000	RMB'000
Revenue	76,721	144,949
Gross profit	12,420	23,839
(Loss)/Profit before tax	(1,621)	3,282
(Loss)/Profit after tax	(1,625)	3,065

Revenue for the current quarter under review decreased by approximately 47.1% as compared to the preceding quarter, mainly due to lower sales from the ODM business segment for the current quarter as a result of slowdown in market activities during the festive season (i.e. Chinese New Year).

Correspondingly, our Group recorded a loss before tax of RMB1.6 million for the current quarter under review, as compared to profit before tax of RMB3.3 million for the preceding quarter. This was mainly due to the decrease in operating expenses during the current quarter under review was not proportional to the decrease in revenue, as some of the operating expenses are fixed in nature.

ADDITIONAL INFORMATION – TRADE RECEIVABLES

	As at	
	31.03.2024	31.12.2023
	RMB'000	RMB'000
Trade receivables – third party	53,890	136,445
Allowance for expected credit loss	(1,078)	(2,729)
	<u>52,812</u>	<u>133,716</u>

The normal credit terms granted by our Group is 90 days.



B3. TAXATION

	Quarter ended		Financial period ended	
	31.03.2024	31.03.2023 ⁽¹⁾	31.03.2024	31.03.2023 ⁽¹⁾
	RMB'000	RMB'000	RMB'000	RMB'000
Tax (expenses)/income	(4)	N/A ⁽¹⁾	(298)	N/A ⁽¹⁾

Remark:

(1) "N/A" denotes no comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.

As our Group's principal operations are carried out in China, the effective tax rate reported by our Group is generally correlated to the statutory tax rate applicable in China.

For the current quarter and financial period under review, the effective tax rates were lower as compared to the prevailing statutory tax rate in the PRC, mainly due to no additional provision of income tax on the operating profit generated by our core subsidiary for the current quarter and financial period under review due to availability of unused tax losses brought forward from prior years; which was in turn, offset by the following:

- (i) losses incurred by some of the entities within the Group were not entitled for offset/tax relief against the profit generated by the Group's operating subsidiary; and
- (ii) additional deferred tax liabilities provided in relation to the expected withholding tax on undistributed profits of the China subsidiaries.

B4. OUTLOOK AND PROSPECTS

The unresolved geopolitical tensions, coupled with the aftermath of COVID-19 pandemic, continue to cast shadows over the global economy and create uncertainties over market activities. The industry outlook for the near term is anticipated to experience higher degree of volatility. Consumers are expected to remain prudent on spending, while market competitions are expected to intensify with industry players remain conservative in terms of operations and expansion.

Our Group will continue to closely monitor the development and is committed to take proactive and practical actions to safeguard the interests of our Group and our shareholders and stakeholders. Our Group is of the view that the demands for the sportswear within the domestic China market and global markets will recover gradually in the mid and long-term, upon stabilisation of the geopolitical situation and global economy.

B4. OUTLOOK AND PROSPECTS (cont'd)

Our Group will step-up our marketing efforts to secure new customers in order to enhance our revenue base and improve our Group's future financial performance. Our Group will continue to put in efforts to sustain the financial stability of our Group and mitigate the adverse impact to the financial performance of the Group due to the external factors beyond the control of our Group.

Barring any unforeseen circumstances and subject to the stabilisation of the geopolitical situation and global economy, our Group is cautiously optimistic that the financial performance for the financial period ending 31 December 2024 will gradually improve.

B5. Profit Forecast

Not applicable as no profit forecast was previously published.

B6. STATUS OF CORPORATE PROPOSALS AND UTILISATION OF PROCEEDS

Private placement and rights issue of warrants in 2012

The proceeds raised from the private placement and rights issue of warrants in 2012 have been fully utilised as of 31 March 2024.

(In RM)			Proposed	Actual	Deviation	
	Purpose	Intended Timeframe	Utilisation RM'000	Utilisation RM'000	Amount RM'000	%
i)	Purchase machinery and equipment for new design and production centre	Before 30 June 2024	29,100	29,100	-	-
ii)	Estimated expenses in relation to the Proposals	Immediate	600	600	-	-
			29,700	29,700	-	-

(In RMB)			Proposed	Actual	Deviation	
	Purpose	Intended Timeframe	Utilisation RMB'000	Utilisation RMB'000	Amount RMB'000	%
i)	Purchase machinery and equipment for new design and production centre	Before 30 June 2024	53,670	53,670	-	-
ii)	Estimated expenses in relation to the Proposals	Immediate	1,107	1,107	-	-
			54,777	54,777	-	-

B6. STATUS OF CORPORATE PROPOSALS AND UTILISATION OF PROCEEDS (cont'd)

Rights Issue in 2014

The status of utilisation, as of 31 March 2024 is as follows:

(In RM)			Proposed	Actual	Deviation		
	Purpose	Intended Timeframe	Utilisation RM'000	Utilisation RM'000	Amount RM'000	%	
i)	Construction of the second stage of the new Design & Production Centre ("Stage 2 Construction")	Within 3 years	83,700	-	83,700	100	N2
ii)	Estimated expenses in relation to the Proposals	Immediate	1,000	1,000	-	-	
			84,700	1,000	83,700		

(In RMB)			Proposed	Actual	Deviation		
	Purpose	Intended Timeframe	Utilisation RMB'000	Utilisation RMB'000	Amount RMB'000	%	
i)	Construction of the second stage of the new Design & Production Centre ("Stage 2 Construction")	Within 3 years	151,246	-	151,246	100	N2
ii)	Estimated expenses in relation to the Proposals	Immediate	1,807	1,807	-	-	
			153,053	1,807	151,246		

N2 *The utilisation for the funds raised is expected to be within three (3) years from the commencement of Stage 2 Construction. At this juncture, taking into consideration the market volatility and uncertainty caused by the COVID-19 pandemic, this may take longer time to commence. All the funds are currently kept in the Group's banking account maintained with the Industrial and Commercial Bank of China.*



B7. BORROWINGS

The Group did not have any outstanding borrowings as at 31 March 2024.

B8. CHANGES IN MATERIAL LITIGATION

As at the date of this report, there is no litigation or arbitration, which has a material effect on the financial position of the Group.

B9. EARNINGS PER SHARE

(1) Basic Earnings per Share (“BEPS”)

The basic earnings per share (“BEPS”) is calculated as follows:

	Quarter ended		Financial period ended	
	31.03.2024 RMB'000	31.03.2023 ⁽¹⁾ RMB'000	31.03.2024 RMB'000	31.03.2023 ⁽¹⁾ RMB'000
Basic earnings per share (Loss)/Profit attributable to equity holders of the parent	(1,625)	N/A ⁽¹⁾	1,715	N/A ⁽¹⁾
Weighted average number of ordinary shares in issue ('000)	2,116,226	N/A ⁽¹⁾	2,116,226	N/A ⁽¹⁾
	RMB cent	RMB cent	RMB cent	RMB cent
BEPS	(0.08)	N/A ⁽¹⁾	0.08	N/A ⁽¹⁾

Remark:

(1) “N/A” denotes no comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.

(2) Diluted Earnings per Share (“DEPS”)

As of 31 March 2024, the Group does not have any potential ordinary shares which, upon conversion, could result in dilution to earnings per share in future financial periods. Accordingly, the DEPS is the same as BEPS.

B10. FINANCIAL INSTRUMENTS

Derivatives

The Group does not have any derivative financial instruments.

Disclosures of Gains/Losses arising from Fair Value Changes of Financial Liabilities

There were no gains/losses arising from fair value changes of financial liabilities reported by the Group during the financial period under review.

B11. DISCLOSURE ON SELECTED EXPENSE/INCOME ITEMS AS REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

Included in profit before tax comprised the following income/(expense) items:

	Quarter ended		Financial period ended	
	31.03.2024	31.03.2023 ⁽¹⁾	31.03.2024	31.03.2023 ⁽¹⁾
	RMB'000	RMB'000	RMB'000	RMB'000
Interest income	688	N/A ⁽¹⁾	2,110	N/A ⁽¹⁾
Interest expense	-	N/A ⁽¹⁾	(231)	N/A ⁽¹⁾
Depreciation and amortisation expenses	(3,899)	N/A ⁽¹⁾	(11,942)	N/A ⁽¹⁾
Reversal of/(Allowance for) expected credit loss	1,651	N/A ⁽¹⁾	1,550	N/A ⁽¹⁾
Loss on disposal of property, plant and equipment	(12)	N/A ⁽¹⁾	(79)	N/A ⁽¹⁾
Other income including investment income	N/A	N/A ⁽¹⁾	N/A	N/A ⁽¹⁾
Provision for and write off of inventories	N/A	N/A ⁽¹⁾	N/A	N/A ⁽¹⁾
Gain/Loss on disposal of quoted or unquoted investments or properties	N/A	N/A ⁽¹⁾	N/A	N/A ⁽¹⁾
Impairment of assets	N/A	N/A ⁽¹⁾	N/A	N/A ⁽¹⁾
Gain/Loss on derivatives	N/A	N/A ⁽¹⁾	N/A	N/A ⁽¹⁾

Remark:

(1) "N/A" denotes no comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.



APPENDICES – FINANCIAL STATEMENTS TRANSLATED INTO RINGGIT MALAYSIA (FOR ILLUSTRATIVE PURPOSE ONLY)

The Board of Directors wish to highlight that the presentation currency adopted by the Group in preparing the interim financial statements is Renminbi (“RMB”) as allowed under the MFRS Framework.

The following supplementary financial statements in Ringgit Malaysia (“RM”) (which include condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows) are shown for reference only and have been translated at single exchange rate of RMB1 to RM0.6536 at 31 March 2024. The translation should not be construed as a representation that the RMB amounts actually have been or could be converted into RM at this or any other rate.

In addition, due to the changes of presentation currency on adoption of MFRS Framework, the comparative financial information contained in the following supplementary financial statements translated into RM would not be consistent with previously announced interim and annual financial statements as those statements were prepared using RM as the presentation currency (which was a requirement under the previous FRS Framework).

List of supplementary financial statements in Ringgit Malaysia (“RM”):

Appendix A – Condensed Consolidated Statement of Comprehensive Income

Appendix B – Condensed Consolidated Statement of Financial Position

Appendix C – Condensed Consolidated Statement of Changes in Equity

Appendix D – Condensed Consolidated Statement of Cash Flows

**APPENDIX A –
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 31.03.2024 RM'000	Quarter ended 31.03.2023 ⁽¹⁾ RM'000	Financial period ended 31.03.2024 RM'000	Financial period ended 31.03.2023 ⁽¹⁾ RM'000
Revenue	50,145	N/A ⁽¹⁾	217,456	N/A ⁽¹⁾
Cost of Sales	(42,027)	N/A ⁽¹⁾	(184,340)	N/A ⁽¹⁾
Gross Profit	8,118	N/A ⁽¹⁾	33,116	N/A ⁽¹⁾
Other Income	450	N/A ⁽¹⁾	1,379	N/A ⁽¹⁾
Reversal of/(Allowance for) Expected Credit Loss	1,079	N/A ⁽¹⁾	1,013	N/A ⁽¹⁾
Distribution Costs	(307)	N/A ⁽¹⁾	(1,008)	N/A ⁽¹⁾
Administrative and Other Expenses	(10,399)	N/A ⁽¹⁾	(33,033)	N/A ⁽¹⁾
Finance Costs	-	N/A ⁽¹⁾	(151)	N/A ⁽¹⁾
(Loss)/Profit before Tax	(1,059)	N/A⁽¹⁾	1,316	N/A⁽¹⁾
Taxation	(3)	N/A ⁽¹⁾	(195)	N/A ⁽¹⁾
(Loss)/Profit for the Period	(1,062)	N/A⁽¹⁾	1,121	N/A⁽¹⁾
Other Comprehensive Income:				
Foreign currency translations	-	N/A ⁽¹⁾	-	N/A ⁽¹⁾
Other Comprehensive Income, net of tax	-	N/A ⁽¹⁾	-	N/A ⁽¹⁾
Total Comprehensive (Loss)/Income	(1,062)	N/A⁽¹⁾	1,121	N/A⁽¹⁾
(Loss)/Profit attributable to:				
Equity holders of the parent	(1,062)	N/A ⁽¹⁾	1,121	N/A ⁽¹⁾
Total Comprehensive (Loss)/Income attributable to:				
Equity holders of the parent	(1,062)	N/A ⁽¹⁾	1,121	N/A ⁽¹⁾
Earnings per share attributable to equity holders of the parent				
- Basic (sen)	(0.05)	N/A ⁽¹⁾	0.05	N/A ⁽¹⁾
- Dilute (sen)	(0.05)	N/A ⁽¹⁾	0.05	N/A ⁽¹⁾

Remark:

(1) "N/A" denotes no comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.



**APPENDIX B –
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(UNAUDITED)**

	As at 31.03.2024 RM'000	As at 30.06.2023 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	308,216	314,010
Land use rights	25,025	25,622
	333,241	339,632
Current Assets		
Inventories	5,371	4,997
Trade and other receivables	34,519	84,168
Cash and cash equivalents	507,643	499,480
	547,533	588,645
TOTAL ASSETS	880,774	928,277
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	8,782	8,782
Reserves	829,830	828,709
TOTAL EQUITY	838,612	837,491
Non-current Liabilities		
Deferred tax liabilities	10,459	10,264
Current Liabilities		
Trade and other payables	31,611	72,325
Borrowings	-	8,105
Tax payable	92	92
	31,703	80,522
TOTAL LIABILITIES	42,162	90,786
TOTAL EQUITY AND LIABILITIES	880,774	928,277
Net assets per share (RM)	0.40	0.40



**APPENDIX C –
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

Quarter and period ended 31 March 2024	Non-distributable					Distributable			Total equity RM'000
	Share capital RM'000	Share premium RM'000	Capital redemption reserve RM'000	Statutory surplus reserve RM'000	Merger deficit RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	
Balance at 1 July 2023	8,782	28,015	561,080	32,208	(133,926)	21,831	(1)	319,502	837,491
Total comprehensive income	-	-	-	-	-	-	-	1,121	1,121
Transactions with owners									
Transfer to statutory surplus reserve	-	-	-	840	-	-	-	(840)	-
	-	-	-	840	-	-	-	(840)	-
Balance at 31 March 2024	8,782	28,015	561,080	33,048	(133,926)	21,831	(1)	319,783	838,612



**APPENDIX D –
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)**

	Financial period ended	
	31.03.2024 RMB'000	31.03.2023 ⁽¹⁾ RMB'000
Profit before tax	1,316	N/A ⁽¹⁾
Adjustments for non-operating cash flows:		
Non-cash items	6,844	N/A ⁽¹⁾
Non-operating items	(1,228)	N/A ⁽¹⁾
Operating profit before working capital changes	6,932	N/A ⁽¹⁾
Changes in working capital		
Net change in current assets	50,289	N/A ⁽¹⁾
Net change in current liabilities	(40,714)	N/A ⁽¹⁾
Cash generated from operating activities	16,507	N/A ⁽¹⁾
Income tax paid	-	N/A ⁽¹⁾
Net cash from operating activities	16,507	N/A ⁽¹⁾
Investing activities		
Interest received	1,379	N/A ⁽¹⁾
Proceeds from disposal of property, plant and equipment	19	N/A ⁽¹⁾
Purchase of property, plant and equipment	(1,486)	N/A ⁽¹⁾
Net cash used in investing activities	(88)	N/A ⁽¹⁾
Financing activities		
Interest paid	(151)	N/A ⁽¹⁾
Repayment of borrowings	(8,105)	N/A ⁽¹⁾
Drawdown of borrowings	-	N/A ⁽¹⁾
Net cash used in financing activities	(8,256)	N/A ⁽¹⁾
Net change in cash and cash equivalents	8,163	N/A ⁽¹⁾
Cash and cash equivalents at beginning of financial period	499,480	N/A ⁽¹⁾
Cash and cash equivalents at end of financial period	507,643	N/A ⁽¹⁾
Cash and cash equivalents at end of financial period		
Cash and bank balances	507,643	N/A ⁽¹⁾

Remark:

(1) "N/A" denotes no comparative figures are available for presentation. The Board of Directors have approved the change of financial year end from 30 June to 31 December. The next set of audited financial statements will be commencing from 1 July 2023 to 31 December 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 31 December annually. The change is to synchronise the financial reporting period with the calendar year, permitting thorough sale recording and operational planning, hence improving decision-making processes. Kindly refer to announcement made on 23 April 2024 for further details.