



# **KAREX BERHAD**

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(Incorporated in Malaysia)

(Registration no: 201201034091 (1018579-U))

## **Interim Financial Report for the First Quarter Ended 30 September 2023**

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# KAREX BERHAD

201201034091 (1018579-U)

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2023

(The figures have not been audited)

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS <sup>(1)</sup>

	3 MONTHS ENDED		PERIOD-TO-DATE		
	Note	30.9.2023 RM'000	30.9.2022 RM'000	30.9.2023 RM'000	30.9.2022 RM'000
<b>Revenue</b>		<b>129,509</b>	145,027	<b>129,509</b>	145,027
Cost of goods sold		<b>(89,724)</b>	(110,678)	<b>(89,724)</b>	(110,678)
<b>Gross profit</b>		<b>39,785</b>	34,349	<b>39,785</b>	34,349
Other income		<b>441</b>	662	<b>441</b>	662
Distribution expenses		<b>(13,430)</b>	(16,089)	<b>(13,430)</b>	(16,089)
Administrative expenses		<b>(17,490)</b>	(14,692)	<b>(17,490)</b>	(14,692)
Other expenses		<b>(68)</b>	(190)	<b>(68)</b>	(190)
<b>Result from operating activities</b>		<b>9,238</b>	4,040	<b>9,238</b>	4,040
Interest income		<b>28</b>	73	<b>28</b>	73
Finance costs		<b>(2,094)</b>	(1,292)	<b>(2,094)</b>	(1,292)
<b>Net finance cost</b>		<b>(2,066)</b>	(1,219)	<b>(2,066)</b>	(1,219)
<b>Profit before tax</b>		<b>7,172</b>	2,821	<b>7,172</b>	2,821
Tax expense	B6	<b>(1,916)</b>	(528)	<b>(1,916)</b>	(528)
<b>Profit for the period</b>	<b>B13</b>	<b>5,256</b>	2,293	<b>5,256</b>	2,293
<b>Profit for the period attributable to:</b>					
Owners of the Company		<b>5,256</b>	2,293	<b>5,256</b>	2,293
<b>Profit per share attributable to owners of the Company (sen):</b>					
- Basic	B11	<b>0.50</b>	0.22	<b>0.50</b>	0.22
- Diluted	B11	<b>0.50</b>	0.22	<b>0.50</b>	0.22

Notes:

(1) The Unaudited Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes as attached to this interim financial statements.

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## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME <sup>(1)</sup>

	3 MONTHS ENDED		PERIOD-TO-DATE		
	Note	30.9.2023 RM'000	30.9.2022 RM'000	30.9.2023 RM'000	30.9.2022 RM'000
<b>Profit for the period</b>		<b>5,256</b>	2,293	<b>5,256</b>	2,293
<b>Other comprehensive (expenses)/ income, net of tax</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		(2,460)	59	(2,460)	59
<b>Total comprehensive income for the period</b>		<b>2,796</b>	2,352	<b>2,796</b>	2,352
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		<b>2,796</b>	2,352	<b>2,796</b>	2,352

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes as attached to this interim financial statements.

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## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION<sup>(1)</sup>

	<u>Note</u>	AS AT 30.9.2023 RM'000	AS AT 30.6.2023 RM'000
<b>Assets</b>			
Property, plant and equipment		268,283	270,988
Right-of-use assets		25,087	27,411
Intangible assets		98,951	98,791
Deferred tax assets		4,050	4,208
<b>Total non-current assets</b>		<b>396,371</b>	<b>401,398</b>
Inventories		162,463	157,748
Trade and other receivables		134,657	128,093
Tax recoverable		1,056	2,701
Cash and cash equivalents		46,115	31,785
<b>Total current assets</b>		<b>344,291</b>	<b>320,327</b>
<b>Total assets</b>		<b>740,662</b>	<b>721,725</b>
<b>Equity</b>			
Share capital		324,244	324,244
Reserves		155,119	152,323
<b>Total equity attributable to owners of the Company/ Total equity</b>		<b>479,363</b>	<b>476,567</b>
<b>Liabilities</b>			
Loan and borrowings	B8	65,175	70,098
Deferred tax liabilities		2,415	3,250
<b>Total non-current liabilities</b>		<b>67,590</b>	<b>73,348</b>
Loan and borrowings	B8	103,843	86,485
Trade and other payables		80,987	71,699
Contract liabilities		5,357	8,953
Derivative financial liabilities		166	796
Taxation		3,356	3,877
<b>Total current liabilities</b>		<b>193,709</b>	<b>171,810</b>
<b>Total liabilities</b>		<b>261,299</b>	<b>245,158</b>
<b>Total equity and liabilities</b>		<b>740,662</b>	<b>721,725</b>
Net assets per share attributable to owners of the Company (RM)		<b>0.46</b>	<b>0.45</b>

Notes:

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

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## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY <sup>(1)</sup>

	← Attributable to owners of the Company →					Total equity RM'000
	← Non-distributable →			Distributable		
	Share capital RM'000	Merger reserve RM'000	Translation reserve RM'000	Other reserve RM'000	Retained earnings RM'000	
<b>30 September 2023</b>						
At 1 July 2023	324,244	63,511	16,894	718	71,200	476,567
Foreign currency translation differences for foreign operations/						
<b>Total other comprehensive expenses for the period</b>	-	-	(2,460)	-	-	(2,460)
Profit for the period	-	-	-	-	5,256	5,256
<b>Total comprehensive income for the period</b>	-	-	(2,460)	-	5,256	2,796
<b>At 30 September 2023</b>	<b>324,244</b>	<b>63,511</b>	<b>14,434</b>	<b>718</b>	<b>76,456</b>	<b>479,363</b>
<b>30 September 2022</b>						
At 1 July 2022	324,244	63,511	8,587	718	60,722	457,782
Foreign currency translation differences for foreign operations/						
<b>Total other comprehensive income for the period</b>	-	-	59	-	-	59
Profit for the period	-	-	-	-	2,293	2,293
<b>Total comprehensive expenses for the period</b>	-	-	59	-	2,293	2,352
<b>At 30 September 2022</b>	<b>324,244</b>	<b>63,511</b>	<b>8,646</b>	<b>718</b>	<b>63,015</b>	<b>460,134</b>

Notes:

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes as attached to this interim financial statements.

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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS <sup>(1)</sup>

	PERIOD-TO-DATE	
	30.9.2023	30.9.2022
	RM'000	RM'000
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Profit before tax	7,172	2,821
Adjustment for:		
Non-cash items	8,899	8,702
<b>Operating profit before changes in working capital</b>	<b>16,071</b>	<b>11,523</b>
Net changes in current assets	(12,875)	(21,384)
Net changes in current liabilities	4,151	1,224
Cash generated from operations	7,347	(8,637)
Tax paid	(1,469)	(541)
<b>Net cash from operating activities</b>	<b>5,878</b>	<b>(9,178)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Acquisition of:		
- Property, plant and equipment	(5,520)	(8,590)
- Intangible asset	(11)	-
Proceed from disposal of:		
- Property, plant and equipment	176	41
Interest received	28	73
<b>Net cash used in investing activities</b>	<b>(5,327)</b>	<b>(8,476)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Net drawdown of borrowings and interest paid	11,389	20,523
Net placement in fixed deposits pledged to licensed banks	-	(58)
<b>Net cash from financing activities</b>	<b>11,389</b>	<b>20,465</b>
Effect of exchange rate fluctuations on cash held	116	191
<b>Net changes in cash and cash equivalents</b>	<b>12,056</b>	<b>3,002</b>
Cash and cash equivalents at beginning of the period	27,629	52,738
<b>Cash and cash equivalents at end of the period</b>	<b>39,685</b>	<b>55,740</b>

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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS <sup>(1)</sup>

### Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise:

	PERIOD-TO-DATE	
	30.9.2023	30.9.2022
	RM'000	RM'000
Cash and bank balances	44,021	20,276
Short-term deposits	2,094	1,595
	46,115	21,871
Less: Fixed deposits pledged	(64)	(1,461)
Bank Overdraft	(6,366)	-
	39,685	20,410

### Notes:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes as attached to this interim financial statements.

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**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

**A. EXPLANATION NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A1. Accounting policies and methods of computation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 (Appendix 9B Part 9A) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes as attached to this interim financial statements.

These explanatory notes 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 financial year ended 30 June 2023.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 30 June 2023.

As at the date of authorisation of these interim financial statements, the Group has not adopted the following revised MFRSs, Interpretations and amendments which have been issued but not yet effective as stated below:

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023**

MFRS 17, Insurance Contracts

Amendment to MFRS 17, Insurance Contracts - Initial Application of MFRS 17 and MFRS 9—Comparative Information

Amendments to MFRS 101, Presentation of Financial Statements – Disclosures 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

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024**

Amendments to MFRS 16, Leases - Lease Liability in a Sale and Leaseback

Amendment to MFRS 101, Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current

Amendment to MFRS 107, Statement of Cashflows and MFRS 7, Financial Instruments: Disclosures - Supplier Finance Agreements

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2025**

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

**MFRSs, Interpretations and amendments effective for a 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 Group plans to apply these accounting standards, amendments and interpretations in the respective financial year when these standards, amendments and interpretations become effective.

**A2. Comments about seasonal or cyclical factors**

The Group's performance is not affected by any material seasonal or cyclical factors.

**A3. Unusual items due to their nature, size or incidence**

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

**A4. Changes in estimates**

There were no changes in estimates that have had a material effect in the current quarter and financial period-to-date results.

**A5. Debt and equity securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial

**A6. Dividends paid**

No dividends were proposed in respect of the current financial period.



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**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

**A. EXPLANATION NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A7. Segmental information**

The Group's operating segmental report for the financial period-to-date was as follows:-

<u>Segment</u>	<u>Composition</u>
Sexual Wellness	Sale of condoms, personal lubricants and sex toys.
Medical	Sale of catheters, probe covers, HIV & pregnancy testkits and other medical related products.
Other segment	Sale of products not related to Sexual Wellness and Medical.

	<b>Sexual Wellness RM'000</b>	<b>Medical RM'000</b>	<b>Others RM'000</b>	<b>Eliminations RM'000</b>	<b>Total RM'000</b>
<b><u>3 months ended 30.9.2023</u></b>					
<u>Revenue</u>					
External revenue	118,116	8,286	3,107	-	129,509
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>118,116</u>	<u>8,286</u>	<u>3,107</u>	<u>-</u>	<u>129,509</u>
<u>Results</u>					
Segment profit/ (loss)	10,575	(1,496)	203	-	9,282
Interest income					8
Finance cost					(2,094)
Unallocated amounts					(24)
Profit before tax					7,172
Tax expense					(1,916)
Profit after tax					<u>5,256</u>
<u>Total Assets</u>					
Reportable segment assets	632,060	77,724	9,678	-	719,462
Unallocated assets					21,200
Total Assets					<u>740,662</u>
<b><u>3 months ended 30.9.2022</u></b>					
<u>Revenue</u>					
External revenue	134,290	8,069	2,668	-	145,027
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>134,290</u>	<u>8,069</u>	<u>2,668</u>	<u>-</u>	<u>145,027</u>
<u>Results</u>					
Segment profit/ ((loss)	4,638	(3,140)	722	-	2,220
Interest income					66
Finance cost					(1,292)
Unallocated amounts					1,827
Profit before tax					2,821
Tax expense					(528)
Profit after tax					<u>2,293</u>
<u>Total Assets</u>					
Reportable segment assets	606,777	92,478	8,120	-	707,375
Unallocated assets					1,716
Total Assets					<u>709,091</u>

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**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

**A. EXPLANATION NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A7. Segmental information (continued)  
Geographical Segments**

The Group's geographical revenue for the financial period-to-date is as follows:-

	PERIOD-TO-DATE	
	30.9.2023	30.9.2022
	RM'000	RM'000
Asia	36,858	34,989
Africa	10,342	30,483
Americas	60,239	54,341
Europe	22,070	25,214
	<u>129,509</u>	<u>145,027</u>

**A8. Subsequent events**

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

**A9. Changes in composition of the Group**

There are no other changes in the composition of the Group for the current quarter and financial period-to-date

**A10. Changes in contingent liabilities and contingent assets**

There were no material changes in contingent liabilities or contingent assets as at date of this report.

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**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

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

**B1. Performance review**

	3 MONTHS ENDED				PERIOD-TO-DATE			
	30.9.2023 RM'000	30.9.2022 RM'000	Variance		30.9.2023 RM'000	30.9.2022 RM'000	Variance	
			RM'000	%			RM'000	%
Revenue	129,509	145,027	(15,518)	(10.7)	129,509	145,027	(15,518)	(10.7)
Result from operating activities	9,238	4,040	5,198	128.7	9,238	4,040	5,198	128.7
Profit before tax	7,172	2,821	4,351	154.2	7,172	2,821	4,351	154.2
Profit after tax	5,256	2,293	2,963	129.2	5,256	2,293	2,963	129.2
Profit attributable to owners of the Company	5,256	2,293	2,963	129.2	5,256	2,293	2,963	129.2

During the first quarter ended 30 September 2023 ("1QFY2024"), the Group recorded a revenue of RM129.5 million. This was due to strong condom sales specifically to the Commercial market as well as another record quarter from Personal Lubricant sales. A slight delay in shipment meant that several Tender market sales were not booked by the end of 1QFY2024, which meant that the quarter's sales were more heavily weighted towards higher margin products. This favourable sales mix in combination with the continued normalization of raw materials and freight rates resulted in an improvement in profitability. The profit before tax for the 1QFY2024 of RM7.2 million represents an increase of approximately 154.2% in comparison to the corresponding period from the previous financial year. During the same period, profit attributable to owners of the Company also increased by 129.2% from RM2.3 million to RM 5.3 million.

**B2. Variance of results for the current quarter ended 30 September 2023 against the immediately preceding quarter**

	3 MONTHS ENDED			
	30.9.2023 RM'000	30.6.2023 RM'000	Variance	
			RM'000	%
Revenue	129,509	134,865	(5,356)	(4.0)
Result from operating activities	9,238	7,974	1,264	15.9
Profit before tax	7,172	5,539	1,633	29.5
Profit after tax	5,256	3,940	1,316	33.4
Profit attributable to owners of the Company	5,256	3,940	1,316	33.4

The revenue of RM129.5 million for the 1QFY2024 represented an decrease of approximately 4.0% compared to the immediately preceding quarter. This decline was largely due to a decreased condom sales to the Tender market which is also correspondingly reflected in the decrease sales to the Africa region. Contrastingly, there were greater condom sales to the Commercial market which helped to offset the lower Tender market sales and contributed to a favourable sales mix that resulted in an overall improvement to profitability. The profit after tax to RM5.3 million for the 1QFY2024 represents an increase of approximately 33.4% in comparison to the immediately preceding quarter.

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**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

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

**B3. a) Group's Prospects for the financial year ending 30 June 2024 ("FYE 2024")**

Whilst the global economy continued to recover from the Covid-19 pandemic, the Russia-Ukraine war caused heightened inflationary pressures and uncertainty that led to renewed recession risks. Central banks responded by ramping up global interest rates to decades-high levels, adding further pressure on businesses and contributing to the closure of several condom manufacturers around the world. This coincides with a period when global humanitarian aid efforts are re-shifting their focus on the fight against HIV/AIDS to make up ground on the targets set out by the Joint United Nations Programme. In combination, these factors have resulted in an unprecedented demand for condoms and lubricants with a decreasing number of qualified manufacturers.

The Group has capitalized on this demand to expand sales both via the capture of new markets from the consolidation of the sexual health industry as well as through higher pricing from urgent orders to address inventory shortfalls. This revenue growth is expected to continue on a promising trajectory as the Group continues to release new products that increasingly incorporate distinguishing features and proprietary new materials. An improvement in Group profitability will however be predicated on the success of managing costs stemming from the global uncertainty that resulted in supply chain disruptions and inflationary pressures.

The pandemic also continues to highlight the importance of sustainability in enabling businesses to deliver value without compromising long term prospects. The Group accordingly continues to prioritise improving all aspects of its economic, environmental, social and governance sustainability efforts in order to access new markets, attract talent, improve efficiencies and meet the changing needs of consumers around the world. These efforts are increasingly acknowledged by our customers, suppliers and investors, distinguishing Karex from many of its peers within the industry.

**b) Forecast or target previously announced**

The disclosure requirements are not applicable for the current quarter and financial period-to-date.

**B4. Statement of the Board of Directors' opinion on achievement of forecast or target**

The disclosure requirements are not applicable for the current quarter and financial period-to-date.

**B5. Profit forecast or profit guarantee**

No profit forecast or profit guarantee was published.

**B6. Tax expense**

	3 MONTHS ENDED		PERIOD-TO-DATE	
	30.9.2023 RM'000	30.9.2022 RM'000	30.9.2023 RM'000	30.9.2022 RM'000
Current tax expenses				
- Current period	2,593	953	2,593	953
Deferred taxation:				
- Origination and reversal of temporary differences	(677)	(425)	(677)	(425)
	<b>1,916</b>	528	<b>1,916</b>	528

The Group effective tax rate for the period-to-date and the current quarter are higher than statutory tax rate mainly due to profit generated by foreign subsidiaries with higher tax rates.

**B7. Status of corporate proposals**

There were no other corporate proposals pending completion at the date of this report.

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

**B8. Loans and borrowings (secured)**

The Group's loans and borrowings as at end of the reporting year are as follows :

	Denominated in	30.9.2023		30.9.2022	
		Foreign Currency in'000	RM'000	Foreign Currency in'000	RM'000
<b>Non-current</b>					
Term Loan	RM	N/A	32,906	N/A	25,537
	USD <sup>(1)</sup>	3,818	17,906	5,517	25,547
			50,812		51,084
Hire Purchase	RM	N/A	244	N/A	30
Lease Liabilities	RM	N/A	44	N/A	2,210
	USD <sup>(1)</sup>	185	868	-	-
	Thai Baht <sup>(1)</sup>	81,073	10,426	85,835	10,532
	GBP <sup>(1)</sup>	484	2,781	749	3,895
			14,119		16,637
			65,175		67,751
<b>Current</b>					
Term Loan	RM	N/A	4,583	N/A	12,329
	USD <sup>(1)</sup>	1,339	6,280	927	4,290
			10,863		16,619
Hire Purchase	RM	N/A	390	N/A	419
Banker acceptance	RM	N/A	9,714	N/A	8,255
	Thai Baht <sup>(1)</sup>	239,362	30,782	295,713	36,284
			40,496		44,539
Export Financing	USD <sup>(1)</sup>	3,062	14,361	1,869	8,662
	GBP <sup>(1)</sup>	120	689	-	-
			15,050		8,662
Revolving Credit	RM <sup>(1)</sup>	N/A	26,989	-	-
Bank Overdraft	RM	N/A	3,028	N/A	1,499
	Thai Baht <sup>(1)</sup>	25,956	3,338	-	-
			6,366		1,499
Lease Liabilities	RM	N/A	36	N/A	764
	USD <sup>(1)</sup>	554	2,599	240	1,113
	Thai Baht <sup>(1)</sup>	1,688	217	1,688	207
	GBP <sup>(1)</sup>	146	837	152	790
			3,689		2,874
			103,843		74,612

**KAREX BERHAD (1018579-U)**  
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(The figures have not been audited)

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

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

**B8. Loans and borrowings (secured) (continued)**

	Denominated in	30.9.2023		30.9.2022	
		Foreign Currency in'000	RM'000	Foreign Currency in'000	RM'000
Total					
Term Loan	RM	N/A	37,489	N/A	37,866
	USD <sup>(1)</sup>	5,157	24,186	6,444	29,837
			61,675		67,703
Hire Purchase	RM	N/A	634	N/A	449
Banker acceptance	RM	N/A	9,714	N/A	8,255
	Thai Baht <sup>(1)</sup>	239,362	30,782	295,713	36,284
			40,496		44,539
Export Financing	USD <sup>(1)</sup>	3,062	14,361	1,869	8,662
	GBP <sup>(1)</sup>	120	689	-	-
			15,050		8,662
Revolving Credit	RM <sup>(1)</sup>	N/A	26,989	-	-
Bank Overdraft	RM	N/A	3,028	N/A	1,499
	Thai Baht <sup>(1)</sup>	25,956	3,338	-	-
			6,366		1,499
Lease Liabilities	RM	N/A	80	N/A	2,974
	USD <sup>(1)</sup>	739	3,467	240	1,113
	Thai Baht <sup>(1)</sup>	82,761	10,643	87,523	10,739
	GBP <sup>(1)</sup>	630	3,618	901	4,685
			17,808		19,511
			<u>169,018</u>		<u>142,363</u>
	100 Thai Baht to RM		12.86		12.27
	1 USD to RM		4.69		4.63
	1 GBP to RM		5.74		5.20

Notes:

(1) Converted at the respective exchange rate prevailing as at period ended

**B9. Changes in material litigation**

There was no material litigation as at the date of this report.

**B10. Dividend proposed**

On 24 November 2023, the Board of Directors had proposed a first interim dividend of 0.5 sen per ordinary share amounting to RM5,267,304.00 for the financial year ending 30 June 2024. The entitlement date and payment date will be confirmed at a later date.

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(The figures have not been audited)

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

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

**B11. Earnings per share ("EPS")**

Basic EPS is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares of the Company during the financial period.

	<u>3 MONTHS ENDED</u>		<u>PERIOD-TO-DATE</u>	
	<u>30.9.2023</u>	<u>30.9.2022</u>	<u>30.9.2023</u>	<u>30.9.2022</u>
Profit per share attributable to owners of the Company (sen): (RM'000)	<u>5,256</u>	2,293	<u>5,256</u>	2,293
Weighted average number of ordinary shares ('in million)	<u>1,053</u>	1,053	<u>1,053</u>	1,053
Basic EPS (sen)	<u>0.50</u>	0.22	<u>0.50</u>	0.22

The basic EPS and the diluted EPS are the same for the period as the Company has no dilutive potential ordinary shares as of the end of the reporting period.

**B12. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements of the Company and its subsidiaries for the financial year ended 30 June 2023 were not qualified.

**B13. Profit for the period is arrived at after crediting/ (charging)**

	<u>3 MONTHS ENDED</u>		<u>PERIOD-TO-DATE</u>	
	<u>30.9.2023</u>	<u>30.9.2022</u>	<u>30.9.2023</u>	<u>30.9.2022</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
(a) Interest income	28	73	28	73
(b) Other income including investment income	-	-	-	-
(c) Interest expense	<b>(2,094)</b>	(1,292)	<b>(2,094)</b>	(1,292)
(d) Depreciation and amortization	<b>(5,583)</b>	(4,372)	<b>(5,583)</b>	(4,372)
Amortisation for right-of-use assets	<b>(621)</b>	(835)	<b>(621)</b>	(835)
(e) Provision of impairment loss on receivables	<b>(32)</b>	(82)	<b>(32)</b>	(82)
(f) Allowance for slow moving inventories	<b>(430)</b>	(1,089)	<b>(430)</b>	(1,089)
(g) Gain on disposal of quoted or unquoted investments or properties	-	-	-	-
(h) Impairment of assets	-	-	-	-
(i) Foreign exchange gain	<b>583</b>	1,849	<b>583</b>	1,849
(j) Loss on derivatives	<b>(166)</b>	(1,266)	<b>(166)</b>	(1,266)
(k) Rental expenses	<b>(1,255)</b>	(788)	<b>(1,255)</b>	(788)
(l) Exceptional items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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(The figures have not been audited)

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

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

**B14. Realised and unrealised profit/ (losses) disclosure**

	AS AT 30.9.2023 RM'000	AS AT 30.6.2023 RM'000
Total retained earnings of the Company and subsidiary companies:		
- Realised	200,866	190,688
- Unrealised	(202)	3,467
	200,664	194,155
Consolidated adjustments	(124,208)	(122,955)
Total retained earnings	<u>76,456</u>	<u>71,200</u>

By order of the Board  
24 November 2023