



Always Low Prices

MR D.I.Y. GROUP (M) BERHAD

【Company No.: 201001034084 (918007-M)】

INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2023

9 AUGUST 2023

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	RM'000	RM'000	RM'000	RM'000
Revenue	1,099,638	1,048,734	2,146,039	1,953,897
Cost of sales	(590,617)	(619,260)	(1,173,740)	(1,169,669)
Gross profit	509,021	429,474	972,299	784,228
Other operating income	6,712	5,770	15,025	10,627
Administrative expenses	(44,533)	(40,420)	(86,873)	(73,583)
Other operating expenses	(254,259)	(197,358)	(493,674)	(374,306)
Profit from operations	216,941	197,466	406,777	346,966
Finance costs	(17,511)	(15,401)	(35,438)	(30,545)
Share of profit of an associate	1,851	1,228	2,508	1,394
Profit before tax	201,281	183,293	373,847	317,815
Income tax expense	(50,957)	(48,106)	(95,753)	(82,127)
Profit for the period	150,324	135,187	278,094	235,688
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Gain on foreign currency translation	433	302	743	396
Other comprehensive income, net of tax	433	302	743	396
Total comprehensive income for the period	150,757	135,489	278,837	236,084
Profit attributable to:				
Owners of the Company	150,324	135,187	278,094	235,688
Non-controlling interests	-	-	-	-
	150,324	135,187	278,094	235,688
Total comprehensive income attributable to:				
Owners of the Company	150,757	135,489	278,837	236,084
Non-controlling interests	-	-	-	-
	150,757	135,489	278,837	236,084
Basic earnings per share (sen)	1.59	1.43	2.95	2.50
Diluted earnings per share (sen)	1.59	1.43	2.94	2.49

Note:

(1) The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾

	Unaudited As at 30/06/2023 RM'000	Audited As at 31/12/2022 RM'000
ASSETS		
<i>Non-current assets</i>		
Property, plant and equipment	766,527	682,325
Intangible assets	7,061	6,959
Right-of-use assets	1,251,502	1,231,459
Investment in an associate	12,279	9,867
Deferred tax assets	20,240	17,064
	<u>2,057,609</u>	<u>1,947,674</u>
<i>Current assets</i>		
Inventories	1,035,796	1,099,725
Trade and other receivables	122,794	134,333
Current tax assets	4,478	4,023
Cash and bank balances	180,216	137,843
	<u>1,343,284</u>	<u>1,375,924</u>
TOTAL ASSETS	<u>3,400,893</u>	<u>3,323,598</u>
EQUITY AND LIABILITIES		
<i>Equity attributable to owners of the Company</i>		
Share capital	320,510	316,689
Reserves	1,281,829	1,116,168
TOTAL EQUITY	<u>1,602,339</u>	<u>1,432,857</u>
LIABILITIES		
<i>Non-current liabilities</i>		
Borrowings	11,893	11,819
Lease liabilities	1,147,616	1,129,083
Provision for restoration costs	20,704	20,344
Deferred tax liabilities	7,543	8,839
	<u>1,187,756</u>	<u>1,170,085</u>
<i>Current liabilities</i>		
Trade and other payables	174,082	173,488
Borrowings	163,868	318,470
Lease liabilities	188,565	178,337
Provision for restoration costs	1,349	437
Current tax liabilities	82,934	49,924
	<u>610,798</u>	<u>720,656</u>
TOTAL LIABILITIES	<u>1,798,554</u>	<u>1,890,741</u>
TOTAL EQUITY AND LIABILITIES	<u>3,400,893</u>	<u>3,323,598</u>
Net assets per share attributable to owners of the Company (sen)	<u>16.99</u>	<u>15.19</u>

Note:

(1) The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾

	Share capital RM'000	Merger reserve RM'000	Foreign currency translation reserve RM'000	Share options reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
At 1 January 2023	316,689	(117,450)	1,189	7,281	1,225,148	1,432,857
Net profit for the period	-	-	-	-	278,094	278,094
Other comprehensive income	-	-	743	-	-	743
Total comprehensive income	-	-	743	-	278,094	278,837
Transactions with owners						
Issuance of shares	3,821	-	-	(635)	-	3,186
Dividends paid	-	-	-	-	(113,196)	(113,196)
ESOS share options expenses	-	-	-	655	-	655
Total transactions with owners	3,821	-	-	20	(113,196)	(109,355)
At 30 June 2023	320,510	(117,450)	1,932	7,301	1,390,046	1,602,339
At 1 January 2022	303,412	(117,450)	221	6,570	956,439	1,149,192
Net profit for the period	-	-	-	-	235,688	235,688
Other comprehensive income	-	-	396	-	-	396
Total comprehensive income	-	-	396	-	235,688	236,084
Transactions with owners						
Issuance of shares	7,552	-	-	(1,357)	-	6,195
Dividends paid	-	-	-	-	(100,532)	(100,532)
ESOS share options expenses	-	-	-	1,498	-	1,498
Total transactions with owners	7,552	-	-	141	(100,532)	(92,839)
At 30 June 2022	310,964	(117,450)	617	6,711	1,091,595	1,292,437

Note:

- (1) The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS ⁽¹⁾

	CUMULATIVE QUARTER	
	30/06/2023 RM'000	30/06/2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	373,847	317,815
Adjustments for:		
Amortisation of intangible assets	1,209	1,040
Amortisation of deposits of right-of-use assets	1,116	1,046
Depreciation of property, plant and equipment	47,445	40,169
Depreciation of right-of-use assets	97,613	85,337
Interest expense	35,438	30,545
Interest income	(1,998)	(1,142)
Other non-cash items	14,671	11,914
Operating profit before changes in working capital	569,341	486,724
Changes in working capital:		
Inventories	46,839	(74,477)
Trade and other receivables	11,651	(33,753)
Trade and other payables	(24,991)	(28,886)
Cash generated from operations	602,840	349,608
Tax paid	(68,971)	(59,182)
Tax refunded	1,247	-
Net cash from operating activities	535,116	290,426
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received from an associate	96	727
Interest income received	1,998	1,142
Purchase of property, plant and equipment	(107,391)	(92,098)
Purchase of intangible assets	(1,327)	(1,367)
Proceeds from disposal of property, plant and equipment	1,290	2,304
Proceeds from disposal of intangible assets	15	88
Net cash used in investing activities	(105,319)	(89,204)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(113,196)	(100,532)
Drawdowns of revolving credits	-	50,000
Interest expense paid on:		
-borrowings	(5,953)	(3,257)
-lease liabilities	(28,730)	(26,611)
Payments of lease liabilities	(87,238)	(72,764)
Proceeds from share issuance	3,186	6,195
Repayments of hire purchase creditors	(377)	(379)
Repayments of term loans	(2,424)	(2,392)
Repayments of revolving credits	(150,000)	(102,998)
Net cash used in financing activities	(384,732)	(252,738)
Net increase/(decrease) in cash and cash equivalents	45,065	(51,516)
Effects of exchange rate changes on cash and cash equivalents	113	267
Cash and cash equivalents at the beginning of financial period	114,874	175,879
Cash and cash equivalents at the end of financial period	160,052	124,630

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS ⁽¹⁾ (continued)**

	CUMULATIVE QUARTER	
	30/06/2023	30/06/2022
	RM'000	RM'000
Cash and cash equivalents comprise:		
Cash and bank balances	99,145	72,677
Deposits with licensed banks	81,071	75,012
	<hr/>	<hr/>
	180,216	147,689
Less: Bank overdraft included in borrowings	(20,164)	(23,059)
	<hr/>	<hr/>
	160,052	124,630

Note:

- (1) The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

1. Basis of Preparation

The interim financial report of Mr D.I.Y. Group (M) Berhad (the "Company") and its subsidiaries (collectively, the "Group") is unaudited and has been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards ("MFRS") 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

2. Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2022 except for the adoption of the following new accounting standards, amendments and interpretation:

2.1 New MFRS adopted during the financial period

Title	Effective Date
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform - Pillar Two Model Rules</i>	1 January 2023

The adoption of the above amendments to MFRSs do not have a material impact on the financial statements of the Group.

3. Auditors' Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2022.

4. Seasonal or Cyclical Factors

The business operations of the Group typically experience higher customer traffic, transaction value and sales during weekends, public holidays, school holidays and festive periods.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

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

6. Material Changes in Estimates

There was no changes in estimates of amounts reported that have a material effect in the current quarter and financial period under review.

7. Debts and Equity Securities

Employees' Share Option Scheme

During the current financial period under review, the Company issued 2,661,550 and 146,250 ordinary shares at the price of RM1.07 and RM2.32 respectively arising from the exercise of the Employees' Share Option Scheme.

Other than the above, there was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current financial period under review.

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

8. Dividend

	RM'000
In respect of the financial year ended 31 December 2022:	
Interim single tier dividend of RM0.006 per ordinary share, paid on 24 March 2023	56,595
In respect of the financial year ending 31 December 2023:	
Interim single tier dividend of RM0.006 per ordinary share, paid on 23 June 2023	56,601

Declared

On 9 August 2023, the Company declared an interim single tier dividend of RM0.008 per ordinary share approximately RM75.5 million in respect of the financial year ending 31 December 2023, to be paid on 22 September 2023 to shareholders of the Company whose name appear in the Record of Depositors on 30 August 2023.

9. Segment reporting

The Group is organised into two (2) reportable segments based on their geographical locations. The reportable segments are summarised as follows:

- (i) Malaysia; and
- (ii) Brunei

The segmental information for the financial period ending 30 June 2023 is as follows:

	Malaysia RM'000	Brunei RM'000	Eliminations RM'000	Total RM'000
Revenue				
Sales to external customers	2,123,105	22,934	-	2,146,039
Inter-segment sales	9,107	-	(9,107)	-
Total revenue	2,132,212	22,934	(9,107)	2,146,039
Results				
Profit from operations	414,090	7,516	(14,829)	406,777
Interest expense	(34,771)	(667)	-	(35,438)
Share of profit of an associate	2,508	-	-	2,508
Profit before tax	381,827	6,849	(14,829)	373,847
Income tax expense	(94,462)	(1,307)	16	(95,753)
Net profit for the financial period	287,365	5,542	(14,813)	278,094
Segment assets	3,357,621	44,312	(1,040)	3,400,893
Segment liabilities	1,766,596	32,524	(566)	1,798,554

The segmental information for the financial period ended 30 June 2022 is as follows:

	Malaysia RM'000	Brunei RM'000	Eliminations RM'000	Total RM'000
Revenue				
Sales to external customers	1,940,581	13,316	-	1,953,897
Inter-segment sales	4,800	-	(4,800)	-
Total revenue	1,945,381	13,316	(4,800)	1,953,897
Results				
Profit from operations	342,989	3,903	74	346,966
Interest expense	(30,117)	(428)	-	(30,545)
Share of profit of an associate	1,394	-	-	1,394
Profit before tax	314,266	3,475	74	317,815
Income tax expense	(81,538)	(569)	(20)	(82,127)
Net profit for the financial period	232,728	2,906	54	235,688
Segment assets	2,871,513	37,654	(950)	2,908,217
Segment liabilities	1,595,190	21,258	(668)	1,615,780

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

10. Property, Plant and Equipment

(a) Acquisitions and disposals

There was no material acquisition and disposals of property, plant and equipment during the current quarter and financial period under review.

(b) Valuation

There was no valuation of property, plant and equipment in the current quarter and financial period under review as the Group has not adopted a revaluation policy on its property, plant and equipment.

11. Capital Commitments

Capital expenditure in respect of purchase of property, plant and equipment:

	30/06/2023	31/12/2022
	RM'000	RM'000
- Approved but not contracted for	113,730	194,545
- Contracted but not provided for	104,504	135,045
	<u>218,234</u>	<u>329,590</u>

12. Material Events Subsequent to the End of Financial Period

There was no material event subsequent to the end of the current quarter up to the date of the interim financial report.

13. Changes in the Composition of the Group

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

14. Changes in Contingent Liability

There was no material contingent liability as at the end of the current financial period and up to the date of the interim financial report.

15. Significant Related Party Transactions

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	RM'000	RM'000	RM'000	RM'000
Associate:				
Purchases of equipment and computer software	1,378	2,757	3,407	4,791
Purchases of goods	1,860	846	3,174	1,488
	<u> </u>		<u> </u>	
Companies in which certain Directors have financial interests:				
Sales of goods	4,070	5,015	8,706	9,620
Management fees received/ receivables	3,127	2,255	9,132	3,518
	<u> </u>		<u> </u>	

The related party transactions described above were carried out in the ordinary course of business and have been established under negotiated and mutually agreed terms.

16. Fair Value of Financial Liabilities

There was no gain or loss arising from fair value changes of the Group's financial liabilities for the current quarter and financial period under review.

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

17. Performance Review

2QFY2023 vs 2QFY2022

Group revenue for 2QFY2023 rose 4.9% year-on-year (“y-o-y”) from RM1,048.7 million to RM1,099.6 million. This increase in revenue is primarily attributed to positive contributions from new stores. In tandem with this, total transactions rose 13.1% y-o-y to 40.9 million transactions in 2QFY2023.

The Group opened 43 net new stores during the quarter, bringing the total store count to 1,168 in 1HFY2023 - a 17.6% y-o-y increase compared to the corresponding period in FY2022.

Gross profit margin (“GP margin”) for 2QFY2023 was 46.3%, a 5.3 percentage points (“p.p.”) increase compared to 2QFY2022. This notable improvement is due to the significant decline in freight costs, which has normalised to pre-pandemic levels, as well as the impact of the price adjustment exercise carried out in FY2022. Gross profit rose 18.5% y-o-y to RM509.0 million, primarily driven by the increase in revenue and higher GP margin.

Other operating income stood at RM6.7 million; this mainly comprises management fees, interest income derived from short-term fixed deposits, and the accretion of discounts from security and utility deposits on leases.

Administrative and other operating expenses rose 10.2% and 28.8% y-o-y respectively in 2QFY2023, primarily due to higher staff costs, depreciation on right-of-use assets and fixed assets, as well as utility expenses in line with business expansion activities. Administrative and other operating expenses stood at 4.0% and 23.1% respectively as a percentage of revenue in 2QFY2023, compared to 3.9% and 18.8% respectively in 2QFY2022.

Staff costs were 3.2 p.p. higher during the quarter, mainly due to the minimum wage increase which came into effect on 1 May 2022, as well as an increase in headcount as we hired in advance of requirement in anticipation of business expansion activities. The Group expects the y-o-y effect of the minimum wage increase to normalise from 3QFY2023 onwards.

In 2QFY2023, profit before tax (“PBT”) and profit after tax (“PAT”) rose 9.8% and 11.2% y-o-y to RM201.3 million and RM150.3 million respectively.

Financial review for current financial year-to-date (“YTD”) vs preceding year's corresponding financial YTD

Cumulative revenue for 1HFY2023 was RM2,146.0 million, an increase of 9.8% y-o-y compared to the corresponding period 1HFY2022. The revenue growth was primarily driven by positive contributions from new stores, which grew 17.6%.

As a result, total transactions rose 15.5% y-o-y to 79.1 million transactions.

Gross profit increased 24.0% y-o-y to reach RM972.3 million in 1HFY2023. The surge in the gross profit was primarily attributed to the higher revenue and the significant improvement in the GP margin, which expanded 5.2 p.p. to 45.3%, compared to 40.1% in 1HFY2022. The significant expansion in the GP margin was mainly due to the reduction of freight costs and the impact of the price adjustment exercise carried out in FY2022.

Other operating income stood at RM15.0 million; this mainly comprises management fees, interest income derived from short-term fixed deposits, and the accretion of discounts from security and utility deposits on leases.

Administrative and other operating expenses rose 18.1% and 31.9% y-o-y respectively, mainly as a result of an increase in staff and utility costs consistent with business expansion activities, as well as higher depreciation of right-of-use assets and fixed assets.

Staff costs rose 3.2 p.p., mainly attributed to the minimum wage policy which came into effect on 1 May 2022 as well as the increase in headcount in anticipation of business expansion activities.

PBT and PAT were RM373.8 million and RM278.1 million respectively in 1HFY2023, an increase of 17.6% and 18.0% y-o-y respectively due to the above-said factors.

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

18. Comparison With Immediate Preceding Quarter's Results

The Group's reported revenue and PBT rose 5.1% and 16.6% to RM1,099.6 million and RM201.3 million respectively, versus the previous quarter. The higher revenue was mainly due to an increase in the number of stores as well as higher sales from the festive season. PBT was correspondingly higher due to the higher revenue and GP margin.

19. Prospects

The Group remains confident in its ability to continue delivering sustainable long-term growth.

The steady growth across all key metrics is a strong signal that MR DIY's strong value-price proposition is relevant and resonates with today's value-conscious shopper, who is looking for exceptional value when purchasing everyday essentials. The breadth of the Group's store network and its continued efforts to positively impact the communities in which it operates has resulted in a strong brand that commands the loyalty of the marketplace.

The Group will continue to invest in growth through a measured store expansion strategy that allows it to penetrate wider and deeper into both market centres and less urban areas to meet the needs of the underserved value shopper, which in turn will drive growth. The Group's growth will be funded by the Group's strong operating cash flow and net cash balance sheet position which will also support a robust dividend payout policy.

The Group remains on track to open at least 180 new stores across all three brands, which will bring the total store network to over 1,200 stores nationwide.

20. Variance of Actual Profit from Profit Forecast or Profit Guarantee

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

21. Status of Corporate Proposal

There was no corporate proposal announced but not completed as at the date of this interim financial report.

22. Profit Before Tax

Profit before tax for the current quarter and current year is arrived at after charging/(crediting):-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	RM'000	RM'000	RM'000	RM'000
Accretion of discount on deposits	(549)	(493)	(1,065)	(981)
Amortisation of deposits of right-of-use assets	573	523	1,116	1,046
Amortisation of intangible assets	613	515	1,209	1,040
Depreciation of property, plant and equipment	24,190	20,537	47,445	40,169
Depreciation of right-of-use assets	49,279	43,396	97,613	85,337
Interest income	(1,321)	(595)	(1,998)	(1,142)
Inventory losses	4,960	3,328	10,756	6,406
Inventories written off	3,683	3,402	7,465	7,787
Reversal of written-down of slow-moving inventories	(223)	-	(774)	-
Gain on disposal of property, plant and equipment	(20)	(93)	(31)	(109)
Gain on reassessments and modifications of leases	(249)	(1,116)	(481)	(2,222)
Realised gain on foreign exchange	(373)	(73)	(296)	(150)
Unrealised loss/(gain) on foreign exchange	103	(49)	159	(37)

Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

23. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	RM'000	RM'000	RM'000	RM'000
Current year tax expense				
- current period	54,449	43,695	100,112	76,071
- under provision in prior years	2	1,743	120	1,743
	<u>54,451</u>	<u>45,438</u>	<u>100,232</u>	<u>77,814</u>
Deferred tax				
- relating to origination and reversal of temporary differences	(3,494)	2,667	(4,479)	4,657
- under/(over) provision in prior years	-	1	-	(344)
	<u>(3,494)</u>	<u>2,668</u>	<u>(4,479)</u>	<u>4,313</u>
Tax expense	50,957	48,106	95,753	82,127
Effective tax rate	<u>25.3%</u>	<u>26.2%</u>	<u>25.6%</u>	<u>25.8%</u>

The tax charge for the Group reflects an effective tax rate which is higher than the statutory tax rate of 24% mainly due to certain expenses which are not deductible for tax purposes.

24. Borrowings

	As at	As at
	30/06/2023	31/12/2022
	RM'000	RM'000
Non-current liabilities		
Secured		
Hire purchase creditors	3,761	3,153
Term loans	8,132	8,666
	<u>11,893</u>	<u>11,819</u>
Current liabilities		
Secured		
Bank overdraft	20,164	22,969
Revolving credits	140,000	290,000
Hire purchase creditors	744	651
Term loans	2,960	4,850
	<u>163,868</u>	<u>318,470</u>
Total borrowings		
Bank overdraft	20,164	22,969
Revolving credits	140,000	290,000
Hire purchase creditors	4,505	3,804
Term loans	11,092	13,516
	<u>175,761</u>	<u>330,289</u>

The above borrowings are denominated in Ringgit Malaysia.

25. Derivatives

There was no derivatives in the current quarter and financial period under review.

26. Material Litigation

There is no material litigation for the current financial period to date.

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023**27. Earnings Per Share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
Profit attributable to owners of the Company (RM'000)	150,324	135,187	278,094	235,688
Weighted average number of ordinary shares in issue ('000)	9,433,351	9,425,664	9,432,721	9,424,205
Basic earnings per ordinary share (sen)	1.59	1.43	2.95	2.50
Weighted average number of ordinary shares in issue ('000)	9,433,351	9,425,664	9,432,721	9,424,205
Effect of dilution of share options ('000)	18,262	30,509	21,298	54,301
Weighted average number of ordinary shares in issue (Diluted) ('000)	9,451,613	9,456,173	9,454,018	9,478,506
Diluted earnings per ordinary share (sen)	1.59	1.43	2.94	2.49