



**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 2024

13 AUGUST 2024

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30/6/2024	30/6/2023	30/6/2024	30/6/2023
	RM'000	RM'000	RM'000	RM'000
Revenue	1,196,228	1,099,638	2,339,279	2,146,039
Cost of sales	(651,514)	(590,617)	(1,271,298)	(1,173,740)
<b>Gross profit</b>	<b>544,714</b>	<b>509,021</b>	<b>1,067,981</b>	<b>972,299</b>
Other operating income	10,982	6,712	23,308	15,025
Administrative expenses	(48,670)	(44,533)	(98,412)	(86,873)
Other operating expenses	(281,918)	(254,259)	(554,287)	(493,674)
<b>Profit from operations</b>	<b>225,108</b>	<b>216,941</b>	<b>438,590</b>	<b>406,777</b>
Finance costs	(19,737)	(17,511)	(38,575)	(35,438)
Share of profit of associates	2,521	1,851	2,985	2,508
<b>Profit before tax</b>	<b>207,892</b>	<b>201,281</b>	<b>403,000</b>	<b>373,847</b>
Income tax expense	(52,682)	(50,957)	(102,908)	(95,753)
<b>Profit for the period</b>	<b>155,210</b>	<b>150,324</b>	<b>300,092</b>	<b>278,094</b>
<b>Other comprehensive income</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
(Loss)/Gain on foreign currency translation	(141)	433	(53)	743
Other comprehensive (loss)/income, net of tax	(141)	433	(53)	743
<b>Total comprehensive income for the period</b>	<b>155,069</b>	<b>150,757</b>	<b>300,039</b>	<b>278,837</b>
<b>Profit attributable to:</b>				
Owners of the Company	155,210	150,324	300,092	278,094
Non-controlling interests	-	-	-	-
	<b>155,210</b>	<b>150,324</b>	<b>300,092</b>	<b>278,094</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	155,069	150,757	300,039	278,837
Non-controlling interests	-	-	-	-
	<b>155,069</b>	<b>150,757</b>	<b>300,039</b>	<b>278,837</b>
<b>Basic earnings per share (sen)</b>	<b>1.64</b>	<b>1.59</b>	<b>3.18</b>	<b>2.95</b>
<b>Diluted earnings per share (sen)</b>	<b>1.64</b>	<b>1.59</b>	<b>3.17</b>	<b>2.94</b>

**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 2023 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION <sup>(1)</sup>**

	<b>Unaudited As at 30/6/2024 RM'000</b>	<b>Audited As at 31/12/2023 RM'000</b>
<b>ASSETS</b>		
<b><i>Non-current assets</i></b>		
Property, plant and equipment	849,722	827,107
Intangible assets	7,507	7,652
Right-of-use assets	1,278,400	1,232,092
Investment in associates	57,470	34,251
Deferred tax assets	21,278	20,963
	<u>2,214,377</u>	<u>2,122,065</u>
<b><i>Current assets</i></b>		
Inventories	1,120,173	1,084,396
Trade and other receivables	151,055	106,638
Current tax assets	2,921	5,504
Cash and bank balances	227,113	232,321
	<u>1,501,262</u>	<u>1,428,859</u>
<b>TOTAL ASSETS</b>	<u>3,715,639</u>	<u>3,550,924</u>
<b>EQUITY AND LIABILITIES</b>		
<b><i>Equity attributable to owners of the Company</i></b>		
Share capital	343,117	332,664
Reserves	1,521,939	1,412,568
<b>TOTAL EQUITY</b>	<u>1,865,056</u>	<u>1,745,232</u>
<b>LIABILITIES</b>		
<b><i>Non-current liabilities</i></b>		
Borrowings	11,126	11,435
Lease liabilities	1,156,792	1,123,075
Provision for restoration costs	23,525	22,331
Deferred tax liabilities	8,978	7,977
	<u>1,200,421</u>	<u>1,164,818</u>
<b><i>Current liabilities</i></b>		
Trade and other payables	160,864	189,211
Borrowings	188,855	191,056
Lease liabilities	216,902	199,064
Provision for restoration costs	1,219	900
Current tax liabilities	82,322	60,643
	<u>650,162</u>	<u>640,874</u>
<b>TOTAL LIABILITIES</b>	<u>1,850,583</u>	<u>1,805,692</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>3,715,639</u>	<u>3,550,924</u>
<b>Net assets per share attributable to owners of the Company (sen)</b>	<u>19.73</u>	<u>18.48</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 2023 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY <sup>(1)</sup>**

	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
<b>At 1 January 2024</b>	332,664	(117,450)	2,408	6,037	1,521,573	1,745,232
Acquisitions of additional shares in a subsidiary from non-controlling interests	-	(500)	-	-	-	(500)
Net profit for the period	-	-	-	-	300,092	300,092
Other comprehensive income	-	-	(53)	-	-	(53)
<b>Total comprehensive income</b>	-	-	(53)	-	300,092	300,039
<b>Transactions with owners</b>						
Issuance of shares	10,453	-	-	(1,451)	-	9,002
Dividends paid	-	-	-	-	(188,975)	(188,975)
ESOS share options expenses	-	-	-	258	-	258
<b>Total transactions with owners</b>	10,453	-	-	(1,193)	(188,975)	(179,715)
<b>At 30 June 2024</b>	<b>343,117</b>	<b>(117,950)</b>	<b>2,355</b>	<b>4,844</b>	<b>1,632,690</b>	<b>1,865,056</b>
<b>At 1 January 2023</b>	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
<b>Total comprehensive income</b>	-	-	743	-	278,094	278,837
<b>Transactions with owners</b>						
Issuance of shares	3,821	-	-	(635)	-	3,186
Dividends paid	-	-	-	-	(113,196)	(113,196)
ESOS share options expenses	-	-	-	655	-	655
<b>Total transactions with owners</b>	3,821	-	-	20	(113,196)	(109,355)
<b>At 30 June 2023</b>	<b>320,510</b>	<b>(117,450)</b>	<b>1,932</b>	<b>7,301</b>	<b>1,390,046</b>	<b>1,602,339</b>

**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 2023 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS <sup>(1)</sup>**

	<b>CUMULATIVE QUARTER</b>	
	<b>30/6/2024</b>	<b>30/6/2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	403,000	373,847
Adjustments for:		
Amortisation of intangible assets	1,388	1,209
Amortisation of deposits of right-of-use assets	1,244	1,116
Depreciation of property, plant and equipment	51,238	47,445
Depreciation of right-of-use assets	107,715	97,613
Interest expense	38,575	35,438
Interest income	(3,858)	(1,998)
Other non-cash items	16,249	14,671
Operating profit before changes in working capital	<u>615,551</u>	<u>569,341</u>
Changes in working capital:		
Inventories	(55,467)	46,839
Trade and other receivables	(45,012)	11,651
Trade and other payables	(36,350)	(24,991)
Cash generated from operations	<u>478,722</u>	<u>602,840</u>
Tax paid	(77,961)	(68,971)
Tax refunded	-	1,247
Net cash from operating activities	<u>400,761</u>	<u>535,116</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment in associate	(20,804)	-
Acquisitions of additional shares in a subsidiary from non-controlling interests	(500)	-
Dividend received from an associate	570	96
Interest income received	3,858	1,998
Purchase of property, plant and equipment	(68,829)	(107,391)
Purchase of intangible assets	(1,260)	(1,327)
Proceeds from disposal of property, plant and equipment	1,148	1,290
Proceeds from disposal of intangible assets	16	15
Net cash used in investing activities	<u>(85,801)</u>	<u>(105,319)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(188,975)	(113,196)
Drawdowns of revolving credits	138,000	-
Interest expense paid on:		
-borrowings	(6,223)	(5,953)
-lease liabilities	(31,459)	(28,730)
Payments of lease liabilities	(98,857)	(87,238)
Proceeds from share issuance	9,002	3,186
Repayments of hire purchase creditors	(542)	(377)
Repayments of term loans	(504)	(2,424)
Repayments of revolving credits	(140,000)	(150,000)
Net cash used in financing activities	<u>(319,558)</u>	<u>(384,732)</u>
Net (decrease)/increase in cash and cash equivalents	(4,598)	45,065
Effects of exchange rate changes on cash and cash equivalents	(269)	113
Cash and cash equivalents at the beginning of financial period	<u>212,981</u>	<u>114,874</u>
Cash and cash equivalents at the end of financial period	<u>208,114</u>	<u>160,052</u>

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS <sup>(1)</sup> (continued)**

	<b>CUMULATIVE QUARTER</b>	
	<b>30/6/2024</b>	<b>30/6/2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and cash equivalents comprise:		
Cash and bank balances	130,007	99,145
Deposits with licensed banks	97,106	81,071
	<u>227,113</u>	<u>180,216</u>
Less: Bank overdraft included in borrowings	(18,999)	(20,164)
	<u>208,114</u>	<u>160,052</u>

**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 2023 and the accompanying explanatory notes attached to the interim financial report.

**NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

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**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 2023 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 2023 except for the adoption of the following new accounting standards, amendments and interpretation:

**2.1 New MFRS adopted during the financial period**

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 16 <i>Lease Liability in a sale and leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

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 2023.

**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 8,413,500 ordinary shares at the price of RM1.07 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 2024**

**8. Dividend**

RM'000

In respect of the financial year ended 31 December 2023:  
Interim single tier dividend of RM0.010 per ordinary share, paid on 22 March 2024 94,466

In respect of the financial year ending 31 December 2024:  
Interim single tier dividend of RM0.01 per ordinary share, paid on 21 June 2024 94,509

Declared

On 13 August 2024, the Company declared an interim single tier dividend of RM0.012 per ordinary share approximately RM113.4 million in respect of the financial year ending 31 December 2024, to be paid on 13 September 2024 to shareholders of the Company whose name appear in the Record of Depositors on 30 August 2024.

**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 2024 is as follows:

	Malaysia RM'000	Brunei RM'000	Eliminations RM'000	Total RM'000
<b>Revenue</b>				
Sales to external customers	2,316,409	22,870	-	2,339,279
Inter-segment sales	9,287	-	(9,287)	-
<b>Total revenue</b>	<b>2,325,696</b>	<b>22,870</b>	<b>(9,287)</b>	<b>2,339,279</b>
<b>Results</b>				
Profit from operations	430,914	7,795	(119)	438,590
Interest expense	(37,917)	(658)	-	(38,575)
Share of profit of associates	2,985	-	-	2,985
Profit before tax	395,982	7,137	(119)	403,000
Income tax expense	(101,699)	(1,237)	28	(102,908)
<b>Net profit for the financial period</b>	<b>294,283</b>	<b>5,900</b>	<b>(91)</b>	<b>300,092</b>
<b>Segment assets</b>	<b>3,659,687</b>	<b>56,753</b>	<b>(801)</b>	<b>3,715,639</b>
<b>Segment liabilities</b>	<b>1,819,440</b>	<b>31,371</b>	<b>(228)</b>	<b>1,850,583</b>

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

	Malaysia RM'000	Brunei RM'000	Eliminations RM'000	Total RM'000
<b>Revenue</b>				
Sales to external customers	2,123,105	22,934	-	2,146,039
Inter-segment sales	9,107	-	(9,107)	-
<b>Total revenue</b>	<b>2,132,212</b>	<b>22,934</b>	<b>(9,107)</b>	<b>2,146,039</b>
<b>Results</b>				
Profit from operations	414,090	7,516	(14,829)	406,777
Interest expense	(34,771)	(667)	-	(35,438)
Share of profit of associates	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)
<b>Net profit for the financial period</b>	<b>287,365</b>	<b>5,542</b>	<b>(14,813)</b>	<b>278,094</b>
<b>Segment assets</b>	<b>3,357,621</b>	<b>44,312</b>	<b>(1,040)</b>	<b>3,400,893</b>
<b>Segment liabilities</b>	<b>1,766,596</b>	<b>32,524</b>	<b>(566)</b>	<b>1,798,554</b>



**NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

**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:

	<b>30/6/2024</b>	<b>31/12/2023</b>
	<b>RM'000</b>	<b>RM'000</b>
- Approved but not contracted for	142,696	202,646
- Contracted but not provided for	41,271	60,375
	<u>183,967</u>	<u>263,021</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**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>30/6/2024</b>	<b>30/6/2023</b>	<b>30/6/2024</b>	<b>30/6/2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Associates:</b>				
Purchases of equipment and computer software	1,740	1,378	3,450	3,407
Purchases of goods	9,652	1,860	19,188	3,174
<b>Companies in which certain Directors have financial interests:</b>				
Sales of goods	4,977	4,070	9,675	8,706
Rental expenses	1,140	-	1,140	-
Management fees received/ receivables	5,856	3,127	14,069	9,132

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 2024**

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**17. Performance Review**

**2QFY2024 vs 2QFY2023**

In 2QFY2024, Group's revenue rose 8.8% year-on-year ("y-o-y") to RM1,196.2 million, primarily driven by positive contributions from new stores. During the quarter, the Group opened 42 net new stores, bringing the total store count as at 1HFY2024 to 1,340. This marked an increase of 14.7% y-o-y compared to the corresponding period in the previous year.

Correspondingly, total transactions rose 13.0% y-o-y to 46.2 million transactions. This was partially offset by a lower average basket size, which decreased 3.8% y-o-y mainly due to lower items per basket, likely as a result of tightening household spend.

The higher revenue led to a 7.0% year-on-year increase in gross profit ("GP"), to RM544.7 million. The GP margin for 2QFY2024 remained stable at 45.5% versus the corresponding period in FY2023, following the normalisation of supply chain issues and freight costs.

Other operating income for the quarter was RM11.0 million, mainly comprising management fees, gains on the disposal of leases, and interest income derived from short-term fixed deposits.

Administrative and other operating expenses rose 9.3% and 10.9% y-o-y to RM48.7 million and RM281.9 million respectively in 2QFY2024. The increase was driven primarily by higher staff costs, depreciation on right-of-use assets and fixed assets, as well as utility expenses. This was consistent with the Group's business expansion activities and to support its growing network of stores.

Administrative and other operating expenses as a percentage of revenue remained fairly consistent at 4.1% and 23.6% respectively in 2QFY2024, compared to 4.0% and 23.1% respectively in 2QFY2023.

Consequently, the Group's profit before tax ("PBT") and profit after tax ("PAT") increased 3.3% and 3.2% y-o-y respectively to RM207.9 million and RM155.2 million. This was in line with the higher revenue and GP, but partially offset by the higher other operating expenses.

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

The Group reported a 9.0% y-o-y increase in cumulative revenue to RM2,339.3 million for the financial period ended June 2024 ("1HFY2024") vs 1HFY2023. The higher revenue was mainly driven by positive contributions from new stores, which grew by 14.7% y-o-y, as well as a corresponding 14.4% y-o-y increase in total transactions to 90.4 million. This was partially offset by a lower average basket size, which decreased 4.7% y-o-y due to the above-mentioned factors.

Gross profit for 1HFY2024 rose 9.8% y-o-y to RM1,068.0 million compared to 1HFY2023, led by higher revenue. The GP margin of 45.7% remained broadly consistent with the same period in FY2023.

The Group also reported cumulative other operating income of RM23.3 million, which mainly comprised management fees, interest income derived from short-term fixed deposits, gains on the disposal of leases, and the accretion of discounts from security and utility deposits on leases.

During this period, administrative and other operating expenses rose 13.3% and 12.3% y-o-y respectively, primarily attributed to higher staff costs, utility expenses and increased depreciation of fixed assets and right-of-use assets. Total administrative and other operating expenses as a percentage of revenue rose 0.9 percentage points to 27.9% compared to 1HFY2023. The increase was primarily due to higher utility and staff costs, which rose 0.3 and 0.5 percentage points each in tandem with continued business expansion activities.

The Group's reported PBT and PAT for 1HFY2024 rose 7.8% and 7.9% y-o-y respectively to RM403.0 million and RM300.1 million, due to the above-mentioned factors.

**NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

**18. Comparison With Immediate Preceding Quarter's Results**

The Group's reported revenue and PBT increased by 4.7% and 6.6%, to reach RM1,196.2 million and RM207.9 million respectively compared to the previous quarter. The revenue growth was primarily driven by an increase in the number of stores and higher sales during the festive season. Correspondingly, PBT rose mainly due to the higher revenue, partially offset by higher other operating expenses in line with business expansion activities.

**19. Prospects**

The Group remains focused on growing revenue and earnings sustainably while delivering long-term growth and value to all stakeholders. This will be achieved through a strategic store expansion strategy, improving operating efficiency, investments in technology, and capturing growth opportunities through measured investments in new retail concepts adjacent to its current retail verticals.

In this quarter, the Group made a strategic investment in the KKV retail chain, which is expected to deliver future earnings growth by attracting a broader customer base and enhancing the Group's retail offering. This strategic investment is aligned with our commitment to innovation, meeting evolving consumer preferences, and ensuring sustainable profitability growth.

The Group remains on track to strategically open at least 180 new stores and is optimistic about its growth prospects given the improving consumer sentiment and business environment.

**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	
	30/6/2024	30/6/2023	30/6/2024	30/6/2023
	RM'000	RM'000	RM'000	RM'000
Accretion of discount on deposits	(611)	(549)	(1,201)	(1,065)
Amortisation of deposits of right-of-use assets	634	573	1,244	1,116
Amortisation of intangible assets	693	613	1,388	1,209
Depreciation of property, plant and equipment	25,901	24,190	51,238	47,445
Depreciation of right-of-use assets	55,335	49,279	107,715	97,613
Interest income	(1,949)	(1,321)	(3,858)	(1,998)
Inventory losses	5,993	4,960	11,387	10,756
Inventories written off	4,252	3,683	8,632	7,465
Reversal of written-down of slow-moving inventories	(76)	(223)	(341)	(774)
(Gain)/Loss on disposal of property, plant and equipment	(151)	(20)	52	(31)
Gain on reassessments and modifications of leases	(1,156)	(249)	(1,722)	(481)
Realised loss/(gain) on foreign exchange	62	(373)	(125)	(296)
Unrealised loss on foreign exchange	24	103	225	159

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 2024**

**23. Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30/6/2024	30/6/2023	30/6/2024	30/6/2023
	RM'000	RM'000	RM'000	RM'000
Current year tax expense				
- current period	56,836	54,449	102,223	100,112
- under provision in prior years	-	2	-	120
	<u>56,836</u>	<u>54,451</u>	<u>102,223</u>	<u>100,232</u>
Deferred tax				
- relating to origination and reversal of temporary differences	(4,154)	(3,494)	685	(4,479)
	<u>(4,154)</u>	<u>(3,494)</u>	<u>685</u>	<u>(4,479)</u>
Tax expense	<u>52,682</u>	<u>50,957</u>	<u>102,908</u>	<u>95,753</u>
Effective tax rate	<u>25.3%</u>	<u>25.3%</u>	<u>25.5%</u>	<u>25.6%</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 30/6/2024 RM'000	As at 31/12/2023 RM'000
<b>Non-current liabilities</b>		
<b>Secured</b>		
Hire purchase creditors	4,041	3,790
Term loans	7,085	7,645
	<u>11,126</u>	<u>11,435</u>
<b>Current liabilities</b>		
<b>Unsecured</b>		
Revolving credits	168,000	170,000
<b>Secured</b>		
Bank overdraft	18,999	19,340
Hire purchase creditors	822	738
Term loans	1,034	978
	<u>188,855</u>	<u>191,056</u>
<b>Total borrowings</b>		
Bank overdraft	18,999	19,340
Revolving credits	168,000	170,000
Hire purchase creditors	4,863	4,528
Term loans	8,119	8,623
	<u>199,981</u>	<u>202,491</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 2024**

**27. Earnings Per Share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30/6/2024	30/6/2023	30/6/2024	30/6/2023
Profit attributable to owners of the Company (RM'000)	155,210	150,324	300,092	278,094
Weighted average number of ordinary shares in issue ('000)	9,449,555	9,433,351	9,447,577	9,432,721
Basic earnings per ordinary share (sen)	1.64	1.59	3.18	2.95
Weighted average number of ordinary shares in issue ('000)	9,449,555	9,433,351	9,447,577	9,432,721
Effect of dilution of share options ('000)	11,052	19,422	11,002	21,298
Weighted average number of ordinary shares in issue (Diluted) ('000)	9,460,607	9,452,773	9,458,579	9,454,019
Diluted earnings per ordinary share (sen)	1.64	1.59	3.17	2.94