



SENG FONG HOLDINGS BERHAD

(Registration No. 202101022910 (1423210-X))

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4TH)
QUARTER ENDED 30 JUNE 2023**

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

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

	Note	Individual Quarter		Cumulative Quarter	
		(Unaudited) Current Year Quarter 30/06/2023 RM'000	(Unaudited) Preceding Year Corresponding Quarter 30/06/2022 RM'000	(Unaudited) Current Year To Date 30/06/2023 RM'000	(Unaudited) Preceding Year To Date 30/06/2022 RM'000
Revenue		238,835	259,929	937,018	922,355
Cost of Sales		(219,510)	(239,002)	(870,386)	(839,690)
Gross Profit		19,325	20,927	66,632	82,665
Other Income		1,125	282	1,917	482
Selling Expenses		(3,961)	(4,855)	(17,304)	(21,472)
Administrative Expenses		(2,038)	(1,810)	(7,893)	(7,243)
Other Expenses		(7,295)	(2,784)	(11,383)	(2,879)
Finance Costs		(2,354)	(519)	(4,800)	(1,523)
Profit Before Tax	B12	4,802	11,241	27,169	50,030
Taxation	B5	(1,826)	(4,534)	(4,568)	(12,001)
Total comprehensive income		2,976	6,707	22,601	38,029
Profit After Tax Attributable To:					
Owners of the Company		2,976	6,707	22,601	38,029
Total Comprehensive Income Attributable To:					
Owners of the Company		2,976	6,707	22,601	38,029
Attributable to Equity Holders of the Company:					
Basic earnings per share (sen) ⁽²⁾	B11	0.57	1.29	4.36	7.33
Diluted earnings per share (sen) ⁽³⁾	B11	0.57	1.29	4.36	7.33

Notes:

- (1) The basis of preparation of the Unaudited Condensed Combined Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statement for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic earnings per share is calculated based on the Company's weighted average number of ordinary shares as referred to in Note B11.
- (3) Diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**UNAUDITED CONDENSED COMBINED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾**

	Note	Unaudited As at 30/06/2023 RM'000	Audited As at 30/06/2022 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	A10	42,910	42,284
Right-of-use assets		6,726	4,516
Prepaid lease		-	2,331
		<u>49,636</u>	<u>49,131</u>
Current Assets			
Inventories		85,599	130,059
Trade and other receivables		77,433	74,013
Current tax assets	B9	1,045	-
Derivative assets		308	-
Deposits, bank and cash balances		105,194	8,869
		<u>269,579</u>	<u>212,941</u>
TOTAL ASSETS		<u>319,215</u>	<u>262,072</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		143,923	77,845
Merger reserve		(71,845)	(71,845)
Retained profits		98,931	104,873
TOTAL EQUITY		<u>171,009</u>	<u>110,873</u>
Non-Current Liabilities			
Bank borrowings	B8	4,810	6,163
Deferred tax liabilities		5,168	5,541
		<u>9,978</u>	<u>11,704</u>
Current Liabilities			
Trade and other payables		9,633	52,974
Bank borrowings	B8	126,000	83,713
Derivative liabilities	B9	-	8
Current tax liabilities		-	2,800
Dividend payable		2,595	-
		<u>138,228</u>	<u>139,495</u>
TOTAL LIABILITIES		<u>148,206</u>	<u>151,199</u>
TOTAL EQUITY AND LIABILITIES		<u>319,215</u>	<u>262,072</u>
NET ASSETS PER ORDINARY SHARE (RM) ⁽²⁾		0.33	0.26

Notes:

- (1) The basis of preparation of the Unaudited Condensed Combined Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statement for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's number of ordinary shares at the end of the reporting year (2023: 518,960,000 shares; 2022: 428,145,300 shares).

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

UNAUDITED CONDENSED COMBINED STATEMENTS OF CHANGES IN EQUITY⁽¹⁾

	<u>Non-distributable</u>		<u>Distributable</u>	<u>Total Equity</u>
	<u>Share Capital</u>	<u>Merger Reserve</u>	<u>Retained Profits</u>	
	RM'000	RM'000	RM'000	RM'000
<u>Unaudited</u>				
As at 1 July 2022 (Audited)	77,845	(71,845)	104,873	110,873
Contributions by and distributions to owners of the Group				
- Issuance of shares	68,111	-	-	68,111
- Capitalised of listing expense	(2,033)	-	-	(2,033)
Total transactions with owners of the Group	66,078	-	-	66,078
Total comprehensive income for the period	-	-	22,601	22,601
Dividends	-	-	(28,543)	(28,543)
As at 30 June 2023 (Unaudited)	143,923	(71,845)	98,931	171,009
<u>Audited</u>				
As at 1 July 2021 (Audited)	6,000	-	81,844	87,844
Contributions by and distributions to owners of the Group				
- Issuance of shares	77,845	-	-	77,845
- Adjustment on acquisition of Seng Fong	(6,000)	(71,845)	-	(77,845)
Total transactions with owners of the Group	71,845	(71,845)	-	-
Total comprehensive income for the period	-	-	38,029	38,029
Dividends	-	-	(15,000)	(15,000)
As at 30 June 2022 (Unaudited)	77,845	(71,845)	104,873	110,873

Note:

- (1) The basis of preparation of the Unaudited Condensed Combined Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statement for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**UNAUDITED CONDENSED COMBINED STATEMENTS OF CASH FLOWS ⁽¹⁾**

	Unaudited Current Year 12 Months Ended 30/06/2023 RM'000	Audited Preceding Corresponding 12 Months Ended 30/06/2022 RM'000
Cash Flow From Operating Activities		
Profit before tax	27,169	50,030
Adjustments for:		
Depreciation of property, plant and equipment	2,554	2,352
Depreciation of right-of-use assets	121	141
Fair value (gain)/loss on derivative	(311)	154
Gain on disposal of property, plant and equipment	(71)	-
Listing expense	558	868
Property, plant and equipment written off	3	4
Unrealised gain on foreign exchange	1,838	790
Interest expenses	4,800	1,523
Interest income	(1,152)	(107)
Operating profit before working capital changes	35,509	55,755
Changes in working capital		
Inventories	44,459	(23,901)
Trade and other receivables	(944)	(34,803)
Trade and other payables	(42,561)	30,159
Cash For Operations	36,463	27,210
Interest paid	(4,800)	(1,523)
Interest received	1,152	107
Tax paid	(8,786)	(11,847)
Net Cash For Operating Activities	24,029	13,947
Cash Flows For Investing Activities		
Capitalised of listing expense	-	(2,033)
Proceeds from disposal of property, plant and equipment	96	-
Proceeds from issuance of ordinary shares	68,111	^
Purchase of property, plant and equipment	(5,484)	(13,147)
Net Cash For Investing Activities	62,723	(15,180)
Cash Flows From Financing Activities		
Repayment of advance from director	(510)	510
Dividend paid	(25,948)	(15,000)
Drawdown of term loan	-	9,372
Net movement in trade bills	37,270	4,311
Payment of listing expense	(558)	(1,135)
Repayment of term loans	(1,610)	(1,408)
Net Cash Flows From Financing Activities	8,644	(3,350)
Net Changes In Cash and Cash Equivalents	95,396	(4,583)
Cash and Cash Equivalents at Beginning of the Financial Period	8,869	13,452
Cash and Cash Equivalents at End of the Financial Period	104,265	8,869

Note:

- (1) The basis of preparation of the Unaudited Condensed Combined Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statement for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS
("MFRS") 134: INTERIM FINANCIAL REPORTING**

A1 Basis of Preparation

The interim financial statements of Seng Fong Holdings Berhad ("**Company**") and its subsidiary ("**Group**") are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("**MFRS**") 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("**MASB**") and Chapter 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statement for the financial year ended 30 June 2022 and the accompanying explanatory note attached to this interim financial report.

A2 Significant Accounting Policies

The significant accounting policies and presentation adopted for the interim financial statements are consistent with those adopted as disclosed in the audited financial statement for the financial year ended 30 June 2022, except for the adoption of the following new amendments to MFRSs:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The Group has not applied in advance any accounting standards and / or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the financial year ending 30 June 2023.

A3 Auditors' Report on Preceding Annual Financial Statements

There was no qualified report issued by the auditors in the financial statements of the Group for the financial year ended 30 June 2022.

A4 Seasonality or Cyclicity of Operations

There were no material seasonal or cyclical factors affecting the business operations of the Group in the current quarter.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

A5 Unusual Items

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

A6 Material Changes in Estimates

There were no material changes in estimates for the current financial period under review.

A7 Debt and Equity Securities

Save as disclosed in B6, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

A8 Dividend Paid

The dividends paid during the financial period were as follow:

Type Of Dividend	Dividend Per Share	Financial Year Ended	Amount RM'000	Entitlement Date	Payment Date
Final single tier	3.0 sen	30.06.2022	15,569	09.09.2022	23.09.2022
First interim single tier	1.0 sen	30.06.2023	5,190	15.12.2022	05.01.2023
Second interim single tier	1.0 sen	30.06.2023	5,190	14.03.2023	03.04.2023
Third interim single tier	0.5 sen	30.06.2023	2,595	15.06.2023	06.07.2023

A9 Segment Information

The operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely processing and sale of natural block rubber.

Segment assets is not presented, as all non-current assets are located in Malaysia.

Segmental revenue is presented based on the geographical location of the customers.

	Individual Quarter		Cumulative Quarter	
	Unaudited 30/06/2023 RM'000	Unaudited 30/06/2022 RM'000	Unaudited 30/06/2023 RM'000	Unaudited 30/06/2022 RM'000
China	91,930	126,910	425,981	423,501
Hong Kong (Republic of China)	86,728	54,359	249,525	200,560
Singapore	59,923	72,547	252,596	279,964
Taiwan	-	4,973	4,542	9,764
Others	254	1,140	4,374	8,566
Total	<u>238,835</u>	<u>259,929</u>	<u>937,018</u>	<u>922,355</u>

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

A10 Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment in the current financial period under review.

A11 Capital Commitments

The material capital commitments of the Group as at 30 June 2023 are as follow:

Contracted but not provided for:	RM'000
Biomass System	1,445

A12 Material Subsequent Event

There were no material events subsequent to the end of the current financial period that have not been reflected in the interim financial reports for the said period as at the date of this report.

A13 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial quarter under review.

A14 Contingent Liabilities

There were no contingent assets and contingent liabilities as at the date of this interim financial report.

A15 Significant Related Party Transactions

	Individual Quarter		Cumulative Quarter	
	Unaudited 30/06/2023 RM'000	Unaudited 30/06/2022 RM'000	Unaudited 30/06/2023 RM'000	Unaudited 30/06/2022 RM'000
Companies in which person(s) connected to director has substantial financial interests				
Purchase of indirect materials	99	121	204	324
Sundry supplies	24	18	108	91
Transport service	1,986	1,423	6,872	5,306

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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of Performance

The Group's performance for the fourth quarter ended 30 June 2023 (Q4FY2023) compared with the previous corresponding fourth quarter ended 30 June 2022 (Q4FY2022) are tabled below:

Description	Individual Quarter			Cumulative Quarter		
	Q4FY2023 RM'000	Q4FY2022 RM'000	Variance %	Q4FY2023 RM'000	Q4FY2022 RM'000	Variance %
Revenue	238,835	259,929	(8.1)	937,018	922,355	1.6
Profit before tax ("PBT")	4,802	11,241	(57.1)	27,169	50,030	(45.6)

Our total revenue for the individual Q4FY2023 decreased by RM21.1 million or approximately 8.1% to RM238.8 million (Q4FY2022: RM259.9 million) driven mainly by the decrease in average selling price of RM6,203 per MTS in Q4FY2023 (Q4FY2022: RM7,624 per MTS) despite the increase of sales volume. However, the Group recorded a revenue of RM937.0 million for the cumulative Q4FY2023 increased by RM14.6 million or approximately 1.6% compared to RM922.3 million for the cumulative Q4FY2022. The increase of revenue was mainly due to the increase of sales volume by 19,858 MTS or 15.9% to 144,391 MTS in Q4FY2023 (Q4FY2022: 124,533 MTS) and partially offset with the decrease in average selling price of RM6,489 per MTS in Q4FY2023 (Q4FY2022: RM7,406 per MTS) as a result of decreased in natural rubber price.

The Group's PBT for the cumulative Q4FY2023 decreased by RM22.8 million or approximately 45.6% to RM27.2 million compared to RM50.0 million for the cumulative Q4FY2022. The decrease in PBT was mainly due to the higher net loss on realised foreign exchange of approximately RM9.5 million in Q4FY2023 (Q4FY2022: RM1.9 million) mainly due to the contracted rates of forward foreign exchange contracts which were lower than the actual foreign exchange rates received for the sales denominated in USD. Furthermore, the increase in diesel cost by RM4.4 million or 44.0% on higher average diesel price per litre of RM3.0 in Q4FY2023 (Q4FY2022: RM2.7) and unrealised loss on foreign exchange by RM1.0 million arising from the strengthening of USD against RM in exchange rate as at 30 June 2023 for USD financing.

Despite the increase in sales volume, the higher wages of production staff and foreign workers by RM2.3 million was due to the increase of minimum wage to RM1,500 per month which was effective from 1 May 2022 and balance of RM1.9 million as increasing the production hours with the training cost involved on the second working shift for Factory 3 and Factory 2. In addition, the increase in electricity cost by RM2.1 million or 22.3% due to higher tariff rate applied from 1 January 2023 and higher finance cost by RM3.3 million due to interest rate hikes also had an impact to the cumulative current quarter under review.

B2 Comparison with Immediate Preceding Quarter's Results

The Group's performance for the fourth quarter ended 30 June 2023 (Q4FY2023) compared with the preceding financial quarter ended 31 March 2023 (Q3FY2023) are tabled below:

Description	Q4FY2023 RM'000	Q3FY2023 RM'000	Variance %
Revenue	238,835	215,718	10.7
Profit before tax ("PBT")	4,802	3,759	26.3

The Group's revenue for the Q4FY2023 increased by RM23.1 million or approximately 10.7% to RM238.8 million compared to RM215.7 million in the Q3FY2023. The increase in revenue was driven by both the higher sales volume and average selling price in the current financial quarter under review.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

The Group's PBT for the Q4FY2023 increased by RM1.0 million or approximately 26.3% to RM4.8 million compared to RM3.8 million in the Q3FY2023. The increase in PBT was in line with the increase in sales volume in the current financial quarter under review.

B3 Prospects and Outlook for the Current Financial Year

Even through a degree of uncertainty prevails in the markets with the business environment of persistently high inflation, tightening monetary policy and the escalation of geopolitical tensions, the Group continue to improving cost efficiency to provide a profitable result for financial year ended 30 June 2023. The fluctuation on foreign exchange has significant effects in term of profitability on the export-oriented business and the Group has managed to use the hedging mechanism on forward foreign exchange contracts to hedge the foreign exchange risk.

The installation of the Biomass System to generate gas from wood chips as a fuel source for our dryer system is aimed at achieving cost-saving measures by replacing the consumption of diesel. The Biomass System will have an installed capacity of 4.8 million kCal ("Biomass 1") and 7.2 million kCal ("Biomass 2") respectively. Currently, the Biomass 2 has been used to support the operations of Factory 2 on 10 August 2023 and Factory 3 is expected to be fully commissioning by 15 September 2023. The Biomass 1 will be used to support the operations of Factory 1 is under the commissioning stage and trial run. This initiative will not only result in substantial cost savings in diesel consumption and carbon footprint deduction but also demonstrates our commitment to compliances of ESG requirements and in the long-run achieving sustainability objective.

The Group also intends to increase the production hours in Factory 1 by adding a second working shift in financial year 2024, thus increasing our production hours from 12 hours a day to 17 hours a day. Therefore, our total annual capacity is expected to increase from approximately 166,000 MTS in financial year 2023 and thereafter approximately 190,000 MTS in financial year 2024.

The Board is optimistic of the prospects in financial year 2024. Overall, the Group had paid RM12.97 million and proposed to declare RM2.59 million dividend in respect of financial year ended 30 June 2023 representing more than 50% of consolidated profit after tax to the shareholders. The Group will continue to commit to declare dividend in financial year 2024.

B4 Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee in the current financial period under review.

B5 Tax Expense

After the perfection on documentation of Malaysian Investment Development Authority (MIDA) and Malaysian Green Technology And Climate Change Corporation (MGTC), the green investment tax incentive on solar system had been fully utilised to offset against 70% of statutory income in the year of assessment 2022.

The effective tax rate is lower than statutory tax rate principally attributable to the overprovision for current tax expense in prior year of approximately RM1.8 million.

	Individual Quarter		Cumulative Quarter	
	Unaudited 30/06/2023 RM'000	Unaudited 30/06/2022 RM'000	Unaudited 30/06/2023 RM'000	Unaudited 30/06/2022 RM'000
Current tax expense				
- Provision for the period	2,199	2,728	6,702	10,414
- Over provision in the prior year	-	-	(1,761)	(216)
- Deferred taxation	(373)	1,806	(373)	1,803
	<u>1,826</u>	<u>4,534</u>	<u>4,568</u>	<u>12,001</u>

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023**B6 Status of Corporate Proposals**

Save for the IPO as disclosed in Note A12, there were no other corporate proposals announced and/or not implemented as at the date of this report.

B7 Utilisation of Proceeds Raised from the IPO

On 23 December 2022, the Board had announced a variation of the utilisation of proceeds to re-allocate the remaining unutilised sum amounting to RM10.0 million originally earmarked for repayment or bank borrowings, to be utilised as working capital in conjunction with the listing of and the quotation of its entire share capital on the Main Market of Bursa Malaysia Securities Berhad on 7 July 2022.

On 7 July 2023, the Board had on even date approved the extension of the utilisation timeframe for the balance of the listing proceeds of approximately RM1.44 million for a period of 6 months for the commissioning of the Biomass System.

The gross proceeds from the IPO amounting to RM68.11 million is intended to be utilised in the following manner:

Details of Use of Proceeds	Proposed		Actual		Balance	Estimated Timeframe for Utilisation Upon Listing ⁽¹⁾
	Utilisation	Variation	Utilisation	Deviation		
	RM'000	RM'000	RM'000	RM'000	RM'000	
Working Capital	19,722	10,000	(29,722)	-	-	Within 12 months
Repayment or bank borrowings	37,862	(10,000)	(27,862)	-	-	Within 6 months
Installation of Biomass System	6,250	-	(4,805)	-	1,445	Within 18 months
Listing Expenses	4,277	-	(4,405)	(128)	-	Within 2 months
	68,111	-	(66,794)	(128)	1,445	

Note:

(1) From the date of listing of the Company on the Main Market of Bursa Securities on 7 July 2022.

B8 Group's Borrowings and Debt Securities

The Group's borrowings are as follows:

	Unaudited As At 30/06/2023 RM'000	Audited As At 30/06/2022 RM'000
Non-current		
Unsecured - Term loans in USD	4,810	6,163
	<u>4,810</u>	<u>6,163</u>
Current		
Unsecured - Bank overdraft	928	-
Unsecured - Trade bills in RM	-	5,000
Unsecured - Trade bills in USD	122,739	76,509
Unsecured - Term loans in USD	2,333	2,204
	<u>126,000</u>	<u>83,713</u>
Total borrowings	<u>130,810</u>	<u>89,876</u>

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

B9 Financial Instruments - Derivatives

The Group uses derivative financial instruments, mainly foreign exchange forward contracts to hedge its exposure to fluctuations in foreign exchange arising from sales and purchase. The Group does not hold or issue derivative financial instruments for trading purposes.

Derivative financial assets and liabilities are initially recognised and subsequently measured at fair value. The fair values of derivatives are determined based on market data (primarily exchange rate) to calculate the present value of all estimated flows associated with each derivative at the balance sheet date. Foreign exchange forward contracts of the Group have been measured at fair value and the changes in the fair value are recognised in profit or loss.

	Unaudited		Audited	
	As at 30/06/2023		As at 30/06/2022	
	Contract/ Notional Amount RM'000	Derivative Assets Amount RM'000	Contract/ Notional Amount RM'000	Derivative Liabilities Amount RM'000
Forward currency contracts				
Less than one year	203,520	308	2,856	(8)

B10 Material Litigation

There were no material litigation involving the Group as at the date of this report.

B11 Earnings Per Share

The basic and diluted earnings per share for the current financial quarter and financial year to date are computed as follows:

		Unaudited Current Quarter 30/06/2023 RM'000	Unaudited Current Year To Date 30/06/2023 RM'000
Profit after tax attributable to			
owners of the Company	(RM)	2,976	22,601
Number of ordinary shares ('000)	(shares)	518,960	518,960
Basic earnings per share ⁽¹⁾	(sen)	0.57	4.36
Diluted earnings per share ⁽²⁾	(sen)	0.57	4.36

Notes:

- (1) Basic earnings per share is calculated based on the Company's enlarged issued share capital of 518,960,000 ordinary shares upon listing.
- (2) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

B12 Profit Before Tax

Profit before tax for the period has been arrived at after (crediting) / charging:

	Unaudited Current Quarter 30/06/2023 RM'000	Unaudited Current Year To Date 30/06/2023 RM'000
Fair value (gain) / loss on derivative	(246)	(311)
Interest income	(731)	(1,152)
Realised (gain) / loss on foreign exchange	4,666	9,541
Depreciation		
- property, plant and equipment	632	2,554
- right-of-use assets	28	121
Interest expenses	2,354	4,800
Listing expenses	-	558
Unrealised (gain) / loss on foreign exchange	2,628	1,838

B13 Proposed Dividends

The Board of Directors declared the payment of fourth interim single tier dividend of 0.5 sen per share of approximately RM2.59 million in respect of the financial year ended 30 June 2023, payable on 6 October 2023 to depositors registered in the Records of Depositors at close of business on 15 September 2023.

BY ORDER OF THE BOARD

SENG FONG HOLDINGS BERHAD

22 August 2023

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