



SENG FONG HOLDINGS BERHAD

(Registration No. 202101022910 (1423210-X))

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND (2ND)
QUARTER ENDED 31 DECEMBER 2023**

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

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

	Note	Individual Quarter		Cumulative Quarter	
		(Unaudited) Current Year Quarter 31/12/2023 RM'000	(Unaudited) Preceding Year Corresponding Quarter 31/12/2022 RM'000	(Unaudited) Current Year To Date 31/12/2023 RM'000	(Unaudited) Preceding Year To Date 31/12/2022 RM'000
Revenue		287,638	230,813	507,035	482,466
Cost of Sales		(259,038)	(215,157)	(463,569)	(451,507)
Gross Profit		28,600	15,656	43,466	30,959
Other Income		4,180	1,012	6,023	1,895
Selling Expenses		(5,271)	(4,567)	(8,446)	(9,081)
Administrative Expenses		(3,185)	(1,602)	(4,902)	(3,840)
Other Expenses		(318)	(1,293)	(754)	(2)
Finance Costs		(1,404)	(811)	(1,978)	(1,323)
Profit Before Tax	B12	22,602	8,395	33,409	18,608
Taxation	B5	(5,198)	(1,469)	(7,711)	(3,033)
Total comprehensive income		17,404	6,926	25,698	15,575
Profit After Tax Attributable To:					
Owners of the Company		17,404	6,926	25,698	15,575
Total Comprehensive Income Attributable To:					
Owners of the Company		17,404	6,926	25,698	15,575
Attributable to Equity Holders of the Company:					
Basic earnings per share (sen) ⁽²⁾	B11	3.35	1.33	4.95	3.00
Diluted earnings per share (sen) ⁽³⁾	B11	3.35	1.33	4.95	3.00

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 2023 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 SECOND QUARTER ENDED 31 DECEMBER 2023**UNAUDITED CONDENSED COMBINED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾**

	Note	Unaudited As at 31/12/2023 RM'000	Audited As at 30/06/2023 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	A10	47,525	42,910
Right-of-use assets		6,670	6,726
		<u>54,195</u>	<u>49,636</u>
Current Assets			
Inventories		191,194	85,599
Trade and other receivables		110,923	77,433
Current tax assets		-	1,065
Derivative assets		5,300	1,176
Deposits, bank and cash balances		10,094	105,194
		<u>317,511</u>	<u>270,467</u>
TOTAL ASSETS		<u>371,706</u>	<u>320,103</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		143,923	143,923
Merger reserve		(71,845)	(71,845)
Retained profits		122,034	98,931
TOTAL EQUITY		<u>194,112</u>	<u>171,009</u>
Non-Current Liabilities			
Bank borrowings	B8	3,585	4,810
Deferred tax liabilities		5,517	5,168
		<u>9,102</u>	<u>9,978</u>
Current Liabilities			
Trade and other payables		20,294	9,633
Bank borrowings	B8	140,947	126,000
Derivative liabilities	B9	2,708	868
Current tax liabilities		4,543	20
Dividend payable		-	2,595
		<u>168,492</u>	<u>139,116</u>
TOTAL LIABILITIES		<u>177,594</u>	<u>149,094</u>
TOTAL EQUITY AND LIABILITIES		<u>371,706</u>	<u>320,103</u>
NET ASSETS PER ORDINARY SHARE (RM) ⁽²⁾		0.37	0.33

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 2023 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 of 518,960,000 shares.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED COMBINED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾	<u>Non-distributable</u>		<u>Distributable</u>	<u>Total Equity</u> RM'000
	<u>Share Capital</u>	<u>Merger Reserve</u>	<u>Retained Profits</u>	
	RM'000	RM'000	RM'000	
Unaudited				
As at 1 July 2023 (Audited)	143,923	(71,845)	98,931	171,009
Contributions by and distributions to owners of the Group				
Total comprehensive income for the period	-	-	25,698	25,698
Dividends	-	-	(2,595)	(2,595)
As at 31 December 2023 (Unaudited)	143,923	(71,845)	122,034	194,112
Unaudited				
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	-	-	15,575	15,575
Dividends	-	-	(15,569)	(15,569)
As at 31 December 2022 (Unaudited)	143,923	(71,845)	104,879	176,957

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

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023**UNAUDITED CONDENSED COMBINED STATEMENTS OF CASH FLOWS ⁽¹⁾**

	Unaudited Current Year 6 Months Ended 31/12/2023 RM'000	Unaudited Preceding Corresponding 6 Months Ended 31/12/2022 RM'000
Cash Flow From Operating Activities		
Profit before tax	33,409	18,608
Adjustments for:		
Depreciation of property, plant and equipment	1,352	1,276
Depreciation of right-of-use assets	56	65
Gain on disposal of property, plant and equipment	(50)	-
Fair value (gain) / loss on derivative	(2,284)	(170)
Listing expense	-	558
Property, plant and equipment written off	3	2
Unrealised (gain) / loss on foreign exchange	751	(790)
Interest expenses	1,978	1,323
Interest income	(777)	(250)
Operating profit before working capital changes	34,438	20,622
Changes in working capital		
Inventories	(105,595)	(28,281)
Trade and other receivables	(36,069)	(25,677)
Trade and other payables	10,695	(24,651)
Cash For Operations	(96,531)	(57,987)
Interest paid	(1,978)	(1,323)
Interest received	777	250
Tax paid	(1,775)	(3,033)
Net Cash Used In Operating Activities	(99,507)	(62,093)
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	60	-
Proceeds from issuance of ordinary shares	-	68,111
Purchase of property, plant and equipment	(5,980)	(4,573)
Net Cash For / (Used In) Investing Activities	(5,920)	63,538
Cash Flows From Financing Activities		
Advance for ultimate holding company	-	(510)
Dividend paid	(5,189)	(15,569)
Net movement in trade bills	18,397	22,909
Payment of listing expense	-	(558)
Repayment of term loans	(1,952)	(504)
Net Cash Flows For Financing Activities	11,256	5,768
Net Changes In Cash and Cash Equivalents	(94,171)	7,213
Cash and Cash Equivalents at Beginning of the Financial Period	104,265	8,869
Cash and Cash Equivalents at End of the Financial Period	10,094	16,082

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

**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 2023 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
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules	1 January 2023
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

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 2024.

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 2023.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

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.

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
Fourth interim single tier	0.5 sen	30.06.2023	2,595	15.09.2023	06.10.2023
First interim single tier	1.0 sen	30.06.2024	5,190	15.12.2023	05.01.2024

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 31/12/2023 RM'000	Unaudited 31/12/2022 RM'000	Unaudited 31/12/2023 RM'000	Unaudited 31/12/2022 RM'000
China	149,205	111,415	208,647	232,736
Hong Kong (Republic of China)	53,281	63,422	137,490	109,771
Singapore	83,735	53,327	158,601	131,778
Taiwan	-	1,288	-	4,542
Others	1,417	1,361	2,297	3,639
Total	<u>287,638</u>	<u>230,813</u>	<u>507,035</u>	<u>482,466</u>

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 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 31 December 2023 are as follow:

Contracted but not provided for:	RM'000
Biomass System	895
Smart Rubber Manufacturing Equipment	4,041

A12 Material Subsequent Event

On 1 December 2023, Syarikat Tenaga (Gemas) Sdn Bhd, a wholly-owned subsidiary of the Company had entered into the sales contract with Guangdong Ruobo Intelligent Robot Co Ltd to purchase the Smart Rubber Manufacturing Equipment at a purchase price amounting to RMB10,430,000.00 (Renminbi Ten Million Four Hundred and Thirty Thousand) or equivalent to approximately RM6,779,500.00 (Ringgit Malaysia Six Million Seven Hundred Seventy Nine Thousand Five Hundred) to the adoption of Industry 4.0 towards automation in manufacturing processes.

Save as disclosed above, there were no other 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	Unaudited	Unaudited	Unaudited
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	RM'000	RM'000	RM'000	RM'000
Companies in which person(s) connected to director has substantial financial interests				
Purchase of indirect materials	140	12	236	98
Sundry supplies	20	28	32	57
Transport service	2,006	1,597	3,340	2,964

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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 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 second quarter ended 31 December 2023 (Q2FY2024) compared with the previous corresponding second quarter ended 31 December 2022 (Q2FY2023) are tabled below:

Description	Individual Quarter			Cumulative Quarter		
	Q2FY2024 RM'000	Q2FY2023 RM'000	Variance %	Q2FY2024 RM'000	Q2FY2023 RM'000	Variance %
Revenue	287,638	230,813	24.6	507,035	482,466	5.1
Profit before tax ("PBT")	22,602	8,395	169.0	33,409	18,608	79.6

The Group recorded a revenue of RM287.6 million for the individual Q2FY2024 increased by RM56.8 million or approximately 24.6% compared to RM230.8 million for the individual Q2FY2023. The increase of revenue from Processing Segment was mainly due to the increase of sales volume by 6,552 MTS or 18.9% to 41,268 MTS in Q2FY2024 (Q2FY2023: 34,716 MTS) and the increase in average selling price of RM6,724 per MTS in Q2FY2024 (Q2FY2023: RM6,389 per MTS). The increase of the sales volume in Q2FY2024 was contributed from the increased the production hours by adding a second working shift in all the three factories.

The Group's PBT for the cumulative Q2FY2024 increased by RM14.8 million or approximately 79.6% to RM33.4 million compared to RM18.6 million for the cumulative Q2FY2023. The increase in PBT was in line with the increase in sales volume in the current financial quarter under review. In addition, the lower diesel cost of RM4.8 million for the cumulative Q2FY2024 (Q2FY2023: RM7.6 million) and partially offset of wooden chips cost of RM1.0 million after the operation of both Biomass System in stage for each factory.

B2 Comparison with Immediate Preceding Quarter's Results

The Group's performance for the second quarter ended 31 December 2023 (Q2FY2024) compared with the preceding financial quarter ended 30 September 2023 (Q1FY2024) are tabled below:

Description	Q2FY2024 RM'000	Q1FY2024 RM'000	Variance %
Revenue	287,638	219,397	31.1
Profit before tax ("PBT")	22,602	10,807	109.3

The Group's revenue for the Q2FY2024 increased by RM68.2 million or approximately 31.1% to RM287.6 million compared to RM219.4 million in the Q1FY2024. The increase in revenue in Q2FY2024 was driven mainly from the higher production by adding a second working shift in Processing Segment for the three factories.

The Group's PBT for the Q2FY2024 increased by RM11.8 million or approximately 109.3% to RM22.6 million compared to RM10.8 million in the Q1FY2024. The increase in PBT was in line with the increase in sales volume in the current financial quarter under review and the effective hedging mechanism executed by the Group on the foreign exchange contracts.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

B3 Prospects and Outlook for the Current Financial Year

The global economy would continue to face challenges and uncertainty with the business environment of the geopolitical tension in Middle East that may impact the global growth. The Group will monitor the US Monetary Policy to the exposure on foreign exchange movements on a regular basis for our management's assessment on the need to utilise financial instruments to hedge such currency exposure. The Board is optimistic of the prospects to provide a sustainable and strong positive result for financial year ending 30 June 2024.

Following the completion of increasing production hours in all the three factories by adding a second working shift, thus increasing our production hours from 12 hours a day to 18 hours a day. Therefore, our total annual capacity is expected to increase to approximately 190,000 MTS in financial year 2024 compared with approximately 166,000 MTS in financial year 2023. The Group continues to capture on the increasing demand from markets of China and India which are the largest world consumers of natural rubber driven by the growth of their automotive industries.

The installation of the Biomass System to generate gas from wood chips as a fuel source for our dryer system is aiming towards cost-saving by replacing the consumption of diesel; however, there is further fine-tuning required by the vendor after the commissioning. 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.

In cognizant of the significance of sustainability in generating long-term value for the businesses and stakeholders and as part of the growth strategies, Syarikat Tenaga (Gemas) Sdn Bhd, a wholly-owned subsidiary of the Company has entered into the sales contract with Guangdong Ruobo Intelligent Robot Co Ltd from China on 1 December 2023 to purchase the Smart Rubber Manufacturing Equipment at a purchase price of RMB10,430,000.00 (Renminbi Ten Million Four Hundred and Thirty Thousand) or equivalent to approximately RM6,779,500.00 (Ringgit Malaysia Six Million Seven Hundred Seventy Nine Thousand Five Hundred). Such installation would take place in Factory 2 first; this is in line with the adoption of Industry 4.0 towards automation in manufacturing processes which is to further enhance production efficiency and achieve cost-efficiency as well as reduce reliance on foreign workers.

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

The effective tax rate is slightly lower than statutory tax rate principally attributable to the capital allowance on solar system which can be utilised to offset against statutory income in the year of assessment 2024.

	Individual Quarter		Cumulative Quarter	
	Unaudited 31/12/2023 RM'000	Unaudited 31/12/2022 RM'000	Unaudited 31/12/2023 RM'000	Unaudited 31/12/2022 RM'000
Current tax expense	4,849	1,469	7,362	3,033
Deferred taxation	349	-	349	-
	<u>5,198</u>	<u>1,469</u>	<u>7,711</u>	<u>3,033</u>

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.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

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.

On 6 January 2024, the Board had resolved to further extend the utilisation timeframe for the balance of the Listing Proceeds of approximately RM0.89 million for another period of 6 months having noted additional time required for further fine-tuning by the vendor after 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	Variation	Actual	Deviation	Balance	Estimated Timeframe for Utilisation Upon Listing ⁽¹⁾
	Utilisation		Utilisation			
	RM'000	RM'000	RM'000	RM'000	RM'000	
Working Capital	19,722	10,000	(29,722)	-	-	Within 12 months
Repayment of bank borrowings	37,862	(10,000)	(27,862)	-	-	Within 6 months
Installation of Biomass System	6,250	-	(5,355)	-	895	Within 24 months
Listing Expenses	4,277	-	(4,405)	(128)	-	Within 2 months
	68,111	-	(67,344)	(128)	895	

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 31/12/2023 RM'000	Audited As At 30/06/2023 RM'000
Non-current		
Unsecured - Term loans in USD	3,585	4,810
	<u>3,585</u>	<u>4,810</u>
Current		
Unsecured - Bank overdraft	-	928
Unsecured - Trade bills in RM	30,200	-
Unsecured - Trade bills in USD	108,452	122,739
Unsecured - Term loans in USD	2,295	2,333
	<u>140,947</u>	<u>126,000</u>
Total borrowings	<u>144,532</u>	<u>130,810</u>

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 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 As at 31/12/2023		Audited As at 30/06/2023	
	Contract/ Notional Amount RM'000	Fair Value (Gain) / Loss Amount RM'000	Contract/ Notional Amount RM'000	Fair Value (Gain) / Loss Amount RM'000
Forward currency contracts				
Less than one year	341,961	(2,284)	203,520	(311)

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 31/12/2023 RM'000	Unaudited Current Year To Date 31/12/2023 RM'000
Profit after tax attributable to			
owners of the Company	(RM)	17,404	25,698
Number of ordinary shares ('000)	(shares)	518,960	518,960
Basic earnings per share ⁽¹⁾	(sen)	3.35	4.95
Diluted earnings per share ⁽²⁾	(sen)	3.35	4.95

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 31/12/2023 RM'000	Unaudited Current Year To Date 31/12/2023 RM'000
Fair value gain on derivative	(1,985)	(2,284)
Interest income	(240)	(777)
Realised gain on foreign exchange	(1,864)	(2,822)
Depreciation		
- property, plant and equipment	709	1,352
- right-of-use assets	28	56
Interest expenses	1,404	1,978
Property, plant and equipment written off	-	3
Unrealised (gain) / loss on foreign exchange	318	751
	<u>318</u>	<u>751</u>

B13 Proposed Dividends

The Board of Directors declared the payment of second interim single tier dividend of 1.50 sen per share of approximately RM7.78 million in respect of the financial year ending 30 June 2024, payable on 5 April 2024 to depositors registered in the Records of Depositors at close of business on 15 March 2024.

BY ORDER OF THE BOARD

SENG FONG HOLDINGS BERHAD

23 February 2024

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