



# **SENG FONG HOLDINGS BERHAD**

(Registration No. 202101022910 (1423210-X))

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH (4<sup>TH</sup>)  
QUARTER ENDED 30 JUNE 2024**

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

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

	Note	Individual Quarter		Cumulative Quarter	
		(Unaudited) Current Year Quarter 30/06/2024 RM'000	(Unaudited) Preceding Year Corresponding Quarter 30/06/2023 RM'000	(Unaudited) Current Year To Date 30/06/2024 RM'000	(Unaudited) Preceding Year To Date 30/06/2023 RM'000
Revenue		331,271	238,835	1,138,624	937,018
Cost of Sales		(299,402)	(219,510)	(1,030,389)	(870,386)
Gross Profit		31,869	19,325	108,235	66,632
Other Income		4,067	1,125	4,550	1,917
Selling Expenses		(4,232)	(3,961)	(16,808)	(17,304)
Administrative Expenses		(3,661)	(2,038)	(10,688)	(7,893)
Other Expenses		(4,147)	(7,295)	(3,467)	(11,383)
Finance Costs		(2,528)	(2,354)	(7,004)	(4,800)
Profit Before Tax	B12	21,368	4,802	74,818	27,169
Taxation	B5	(4,877)	(1,826)	(17,486)	(4,568)
Total comprehensive income		16,491	2,976	57,332	22,601
<b>Profit After Tax Attributable To:</b>					
Owners of the Company		16,491	2,976	57,332	22,601
<b>Total Comprehensive Income Attributable To:</b>					
Owners of the Company		16,491	2,976	57,332	22,601
<b>Attributable to Equity Holders of the Company:</b>					
Basic earnings per share (sen) <sup>(2)</sup>	B11	2.29	0.41	7.94	3.13
Diluted earnings per share (sen) <sup>(3)</sup>	B11	2.29	0.41	7.94	3.13

**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 FOURTH QUARTER ENDED 30 JUNE 2024****UNAUDITED CONDENSED COMBINED STATEMENTS OF FINANCIAL POSITION <sup>(1)</sup>**

	Note	Unaudited As at 30/06/2024 RM'000	Audited As at 30/06/2023 RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	A10	47,783	42,910
Right-of-use assets		6,615	6,726
		<u>54,398</u>	<u>49,636</u>
<b>Current Assets</b>			
Inventories		209,817	85,599
Trade and other receivables		79,466	77,433
Current tax assets		-	1,065
Derivative assets		403	1,176
Deposits, bank and cash balances		45,978	105,194
		<u>335,664</u>	<u>270,467</u>
<b>TOTAL ASSETS</b>		<u>390,062</u>	<u>320,103</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		165,759	143,923
Merger reserve		(71,845)	(71,845)
Retained profits		132,576	98,931
<b>TOTAL EQUITY</b>		<u>226,490</u>	<u>171,009</u>
<b>Non-Current Liabilities</b>			
Bank borrowings	B8	2,506	4,810
Deferred tax liabilities		6,314	5,168
		<u>8,820</u>	<u>9,978</u>
<b>Current Liabilities</b>			
Trade and other payables		24,939	9,633
Bank borrowings	B8	123,530	126,000
Derivative liabilities	B9	175	868
Current tax liabilities		6,108	20
Dividend payable		-	2,595
		<u>154,752</u>	<u>139,116</u>
<b>TOTAL LIABILITIES</b>		<u>163,572</u>	<u>149,094</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>390,062</u>	<u>320,103</u>
NET ASSETS PER ORDINARY SHARE (RM) <sup>(2)</sup>		<u>0.31</u>	<u>0.33</u>

**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 (2024: 721,654,153 shares; 2023: 518,960,000 shares).

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

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

	<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	
<b>Unaudited</b>				
<b>As at 1 July 2023 (Audited)</b>	143,923	(71,845)	98,931	171,009
Contributions by and distributions to owners of the Group				
- Issuance of shares	21,836	-	-	21,836
Total transactions with owners of the Group	21,836	-	-	21,836
Total comprehensive income for the period	-	-	57,332	57,332
Dividends	-	-	(23,687)	(23,687)
<b>As at 30 June 2024 (Unaudited)</b>	<b>165,759</b>	<b>(71,845)</b>	<b>132,576</b>	<b>226,490</b>

<b>Unaudited</b>				
<b>As at 1 July 2022 (Audited)</b>	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)
<b>As at 30 June 2023 (Audited)</b>	<b>143,923</b>	<b>(71,845)</b>	<b>98,931</b>	<b>171,009</b>

**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 FOURTH QUARTER ENDED 30 JUNE 2024****UNAUDITED CONDENSED COMBINED STATEMENTS OF CASH FLOWS <sup>(1)</sup>**

	Unaudited Current Year 12 Months Ended 30/06/2024 RM'000	Audited Preceding Corresponding 12 Months Ended 30/06/2023 RM'000
<b>Cash Flow From Operating Activities</b>		
<b>Profit before tax</b>	74,818	27,169
Adjustments for:		
Depreciation of property, plant and equipment	2,799	2,554
Depreciation of right-of-use assets	112	121
Fair value (gain) / loss on derivative	(2,130)	(311)
Gain on disposal of property, plant and equipment	(50)	(71)
Listing expense	-	558
Property, plant and equipment written off	5	3
Unrealised (gain) / loss on foreign exchange	826	1,838
Interest expenses	7,004	4,800
Interest income	(949)	(1,152)
Operating profit before working capital changes	82,435	35,509
<b>Changes in working capital</b>		
Inventories	(124,218)	44,459
Trade and other receivables	208	(3,275)
Trade and other payables	15,519	(41,811)
<b>Cash For Operations</b>	(26,056)	34,882
Interest paid	(7,004)	(4,800)
Interest received	949	1,152
Tax paid	(9,186)	(8,786)
<b>Net Cash Used In Operating Activities</b>	(41,297)	22,448
<b>Cash Flows From Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	60	96
Purchase of property, plant and equipment	(7,897)	(3,636)
<b>Net Cash For / (Used In) Investing Activities</b>	(7,837)	(3,540)
<b>Cash Flows From Financing Activities</b>		
Advance for ultimate holding company	-	(510)
Dividend paid	(26,282)	(25,948)
Drawdown of term loan	-	627
Net movement in trade bills	(1,574)	37,270
Payment of listing expense	-	(825)
Proceeds from issuance of ordinary shares	21,835	68,111
Repayment of term loans	(3,132)	(2,237)
<b>Net Cash Flows For Financing Activities</b>	(9,153)	76,488
<b>Net Changes In Cash and Cash Equivalents</b>	(58,287)	95,396
<b>Cash and Cash Equivalents at Beginning of the Financial Period</b>	104,265	8,869
<b>Cash and Cash Equivalents at End of the Financial Period</b>	45,978	104,265

**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 2023, except for the adoption of the following new amendments to MFRSs:

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
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
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
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.

**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.

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

**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
Second interim single tier	1.5 sen	30.06.2024	7,784	15.03.2023	05.04.2024
Third interim single tier*	1.5 sen	30.06.2024	8,119	20.05.2024	19.06.2024

\* Based on enlarged share capital of 541,241,000 shares after the first tranche of the Private Placement was completed on 26 April 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 30/06/2024 RM'000	Unaudited 30/06/2023 RM'000	Unaudited 30/06/2024 RM'000	Unaudited 30/06/2023 RM'000
China	74,160	91,930	365,187	425,981
Hong Kong (Republic of China)	131,411	86,728	397,439	249,525
Singapore	114,960	59,923	357,823	252,596
Taiwan	-	-	-	4,542
Others	10,740	254	18,175	4,374
Total	<u>331,271</u>	<u>238,835</u>	<u>1,138,624</u>	<u>937,018</u>

**A10 Valuation of Property, Plant and Equipment**

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

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

**A11 Capital Commitments**

The material capital commitments of the Group as at 30 June 2024 are as follow:

<b>Contracted but not provided for:</b>	<b>RM'000</b>
Smart Rubber Manufacturing Equipment	4,554

**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.

On 2 April 2024, the Supplementary Agreement had been signed by both parties for the additional of Smart Rubber Manufacturing Equipment at a purchase price of RMB1,255,000.00 (Renminbi One Million Two Hundred Fifty Five Thousand) or equivalent to approximately RM824,000.00 (Ringgit Malaysia Eight Hundred Twenty Four Thousand).

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
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
<b>Companies in which person(s) connected to director has substantial financial interests</b>				
Purchase of indirect materials	14	99	335	204
Sundry supplies	27	24	103	108
Transport service	2,133	1,986	7,864	6,872



**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

**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 2024 (Q4FY2024) compared with the previous corresponding fourth quarter ended 30 June 2023 (Q4FY2023) are tabled below:

Description	Individual Quarter			Cumulative Quarter		
	Q4FY2024 RM'000	Q4FY2023 RM'000	Variance %	Q4FY2024 RM'000	Q4FY2023 RM'000	Variance %
Revenue	331,271	238,835	38.7	1,138,624	937,018	21.5
Profit before tax ("PBT")	21,368	4,802	345.8	74,818	27,169	175.0

The Group recorded a revenue of RM331.3 million for the individual Q4FY2024 increased by RM92.5 million or approximately 38.7% compared to RM238.8 million for the individual Q4FY2023. The increase of revenue from Processing Segment was mainly due to the increase of sales volume by 7,137 MTS or 18.7% to 45,239 MTS in Q4FY2024 (Q4FY2023: 38,102 MTS) and the increase in average selling price of RM7,323 per MTS in Q4FY2024 (Q4FY2023: RM6,202 per MTS). The increase of the sales volume in Q4FY2024 was contributed from the increase in production hours by adding a second working shift in all the three factories.

The Group's PBT for the cumulative Q4FY2024 increased by RM47.6 million or approximately 175.0% to RM74.8 million compared to RM27.2 million for the cumulative Q4FY2023. 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 RM7.1 million for the cumulative Q4FY2024 (Q4FY2023: RM14.1 million) after the operation of both Biomass System.

**B2 Comparison with Immediate Preceding Quarter's Results**

The Group's performance for the fourth quarter ended 30 June 2024 (Q4FY2024) compared with the preceding financial quarter ended 31 March 2024 (Q3FY2024) are tabled below:

Description	Q4FY2024 RM'000	Q3FY2024 RM'000	Variance %
Revenue	331,271	300,319	10.3
Profit before tax ("PBT")	21,368	20,041	7.0

The Group's revenue for the Q4FY2024 increased by RM31.0 million or approximately 10.3% to RM331.3 million compared to RM300.3 million in the Q3FY2024. The increase in revenue was driven from Processing Segment on the increase of sales volume by 2,560 MTS or 6.0% to 45,239 MTS in Q4FY2024 (Q3FY2024: 42,679 MTS) and the increase in average selling price of RM7,323 per MTS in Q4FY2024 (Q3FY2024: RM7,037 per MTS).

The Group's PBT for the Q4FY2024 increased by RM1.4 million or approximately 7.0% to RM21.4 million compared to RM20.0 million in the Q3FY2024. The increase in PBT was attributable to the increase in sales volume and cost efficiency achieved in the current financial quarter under review.

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

**B3 Prospects and Outlook for the Current Financial Year**

The Group managed to provide a sustainable and strong positive result for the financial year ended 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 expanded to approximately 190,000 MTS in financial year 2024 compared with approximately 166,000 MTS in financial year 2023. In addition, the effective measures taken by diversifying the customer base and improving cost efficiency has also made a major contribution to the Group. The Group would continue this strategy by increasing the market shares through increasing the utilization rate of total annual capacity and automation processing.

On 26 April 2024, the Group had successfully raised total gross proceeds amounted to RM21,835,380 after the completion of the Private Placement with no further issuance of Placement Shares following the listing of and quotation for 22,281,000 Placement Shares on the Main Market of Bursa Securities, as source of fund to part finance the installation of Smart Rubber Manufacturing Equipment in Factory 1, Factory 2 and Factory 3 to automate the Group's manufacturing process. The installation of the said system which adopts intelligent technology, automates its existing processing line with digital control, and the use of robotic arms and automated guided vehicle. This allows reduction in manual labour, enhances quality assurance and product consistency.

An incentive from Malaysian Investment Development Authority in the form of Automation Capital Allowance under Category 1 - Labour Intensive Industries of rubber products where the Automation Capital Allowance of 200% on the first RM10 million expenditure incurred within the year of assessment from 2023 to 2027. The scope of automation includes adaptation of Industry 4.0 elements.

Notwithstanding the expectation on the Fed's interest rate cut which will have effects on foreign exchange movements, the Board remains cautiously optimistic of the Group's prospects for the financial year ending 30 June 2025 in achieving sustainable growth in their operations and financial performance. Nevertheless, the Board will remain vigilant and will continue to exercise prudence in managing the operations of the Group.

**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 lower than statutory tax rate principally attributable to the reinvestment allowance tax incentive on biomass system which can be utilised to offset against 70% of statutory income in the year of assessment 2024.

	Individual Quarter		Cumulative Quarter	
	Unaudited 30/06/2024 RM'000	Unaudited 30/06/2023 RM'000	Unaudited 30/06/2024 RM'000	Unaudited 30/06/2023 RM'000
Current tax expense				
- Provision for the period	4,383	2,199	16,235	6,702
- Over provision in the prior year	-	-	105	(1,761)
Deferred taxation	494	(373)	1,146	(373)
	<u>4,877</u>	<u>1,826</u>	<u>17,486</u>	<u>4,568</u>

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

**B6 Status of Corporate Proposals**

On behalf of the Board of Directors of Seng Fong, Hong Leong Investment Bank Berhad had made an announcement on 23 February 2024 that the Company is proposing to undertake the following Corporate Proposals:

(i) private placement of up to 51,896,000 new ordinary shares in Seng Fong (“Seng Fong Shares” or “Shares”), representing up to 10.0% of the total number of issued Shares to third party investor(s) to be identified later at an issue price to be determined later (“Proposed Private Placement”); and

(ii) bonus issue of up to 190,285,333 Shares (“Bonus Shares”) on the basis of 1 Bonus Share for every 3 existing Shares held by entitled shareholders of the Company whose names appear in the record of depositors of the Company on an entitlement date to be determined and announced later (“Proposed Bonus Issue”).

The listing applications in relation to the Proposals had been submitted to Bursa Securities on 15 March 2024 and the approval from Bursa Securities had been obtained on 21 March 2024 and 22 March 2024 respectively.

The first tranche of the Private Placement was completed on 26 April 2024 following the listing of and quotation for 22,281,000 shares on the Main Market of Bursa Malaysia Securities Berhad, at an issue price of RM0.98 per Placement Share with no further issuance of Placement Shares under the Private Placement.

A total of 180,413,153 Bonus Shares had been issued pursuant to the Bonus Issue Proposal and completed following the listing and quotation of the Bonus Shares on the Main Market of Bursa Securities Berhad on 10 June 2024.

Save as disclosed above, 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.

On 6 January 2024, the Board had resolved to further extend the utilisation timeframe for the balance of the Listing Proceeds for another period of 6 months for further fine-tuning by the vendor after the commissioning of the Biomass System and has made the final payment in the current financial period under review.

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 <sup>(1)</sup>
	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 of bank borrowings	37,862	(10,000)	(27,862)	-	-	Within 6 months
Installation of Biomass System	6,250	-	(5,950)	300	-	Within 24 months
Listing Expenses	4,277	-	(4,405)	(128)	-	Within 2 months
	<b>68,111</b>	<b>-</b>	<b>(67,939)</b>	<b>172</b>	<b>-</b>	

**Note:**

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

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

**B8 Group's Borrowings and Debt Securities**

The Group's borrowings are as follows:

	<b>Unaudited As At 30/06/2024 RM'000</b>	<b>Audited As At 30/06/2023 RM'000</b>
<b>Non-current</b>		
Unsecured - Term loans in USD	2,506	4,810
	<u>2,506</u>	<u>4,810</u>
<b>Current</b>		
Unsecured - Bank overdraft	-	928
Unsecured - Trade bills in RM	61,400	-
Unsecured - Trade bills in USD	59,770	122,739
Unsecured - Term loans in USD	2,360	2,333
	<u>123,530</u>	<u>126,000</u>
<b>Total borrowings</b>	<b><u>126,036</u></b>	<b><u>130,810</u></b>

**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.

	<b>Unaudited As at 30/06/2024</b>		<b>Audited As at 30/06/2023</b>	
	<b>Contract/ Notional Amount RM'000</b>	<b>Fair Value (Gain) / Loss Amount RM'000</b>	<b>Contract/ Notional Amount RM'000</b>	<b>Fair Value (Gain) / Loss Amount RM'000</b>
Forward currency contracts				
Less than one year	253,828	229	203,520	(311)
	<u>253,828</u>	<u>229</u>	<u>203,520</u>	<u>(311)</u>

**B10 Material Litigation**

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

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

**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:

		<b>Unaudited Current Quarter 30/06/2024 RM'000</b>	<b>Unaudited Current Year To Date 30/06/2024 RM'000</b>
Profit after tax attributable to owners of the Company	(RM)	16,491	57,332
Number of ordinary shares ('000)	(shares)	721,654	721,654
Basic earnings per share <sup>(1)</sup>	(sen)	2.29	7.94
Diluted earnings per share <sup>(2)</sup>	(sen)	2.29	7.94

**Notes:**

- (1) Basic earnings per share is calculated based on the Company's enlarged issued share capital of 721,654,153 ordinary shares after the completion of the Private Placement and Bonus Issue on 26 April 2024 and 10 June 2024 respectively.
- (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:

	<b>Unaudited Current Quarter 30/06/2024 RM'000</b>	<b>Unaudited Current Year To Date 30/06/2024 RM'000</b>
Fair value gain on derivative	(3,262)	(2,130)
Interest income	(136)	(949)
Realised loss on foreign exchange	4,146	2,636
Depreciation		
- property, plant and equipment	723	2,799
- right-of-use assets	28	112
Interest expenses	2,528	7,004
Property, plant and equipment written off	1	5
Unrealised (gain) / loss on foreign exchange	(238)	826

**B13 Proposed Dividends**

The Board of Directors declared the payment of fourth interim single tier dividend of 1.50 sen per share on the enlarged share capital 721,654,153 shares of approximately RM10.82 million in respect of the financial year ended 30 June 2024, payable on 20 September 2024 to depositors registered in the Records of Depositors at close of business on 30 August 2024.

**BY ORDER OF THE BOARD**

**SENG FONG HOLDINGS BERHAD**

**13 August 2024**

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