

**BOX-PAK (MALAYSIA) BHD.**

(Incorporated in Malaysia)

[Registration No. 197401004216 (21338-W)]

Condensed Consolidated Statement of Financial Position**As at 31 March 2024**

	Note	As at 31.3.2024 RM'000 Unaudited	As at 31.12.2023 RM'000 Audited
ASSETS			
Non-Current Assets			
Property, plant and equipment		177,005	179,345
Right-of-use assets		43,814	44,351
Intangible assets		36	68
		<u>220,855</u>	<u>223,764</u>
Current Assets			
Inventories		76,777	75,831
Trade and other receivables		152,286	133,958
Prepayments		2,801	1,270
Tax recoverable		374	374
Cash and bank balances and short term funds		22,766	77,485
		<u>255,004</u>	<u>288,918</u>
TOTAL ASSETS		<u><u>475,859</u></u>	<u><u>512,682</u></u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the company			
Share capital		167,363	167,363
Foreign currency translation reserve		13,625	15,489
Accumulated losses		(71,032)	(73,472)
Total Equity		<u>109,956</u>	<u>109,380</u>
Non-Current Liabilities			
Borrowings	24	43,810	44,019
Lease liabilities		2,172	2,655
Retirement benefit obligation		2,592	2,424
Deferred tax liabilities		742	750
		<u>49,316</u>	<u>49,848</u>
Current Liabilities			
Trade and other payables		142,628	166,437
Borrowings	24	169,248	181,630
Lease liabilities		3,535	3,571
Retirement benefit obligation		759	965
Derivative financial instrument	25	9	-
Tax payable		408	851
		<u>316,587</u>	<u>353,454</u>
Total Liabilities		<u>365,903</u>	<u>403,302</u>
TOTAL EQUITY AND LIABILITIES		<u><u>475,859</u></u>	<u><u>512,682</u></u>
Net assets per share attributable to owners of the Company (RM)		<u>0.92</u>	<u>0.91</u>

The above Condensed Consolidated Statement 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 statements.



BOX-PAK (MALAYSIA) BHD.

(Incorporated in Malaysia)

[Registration No. 197401004216 (21338-W)]

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the First Quarter Ended 31 March 2024

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		Current Quarter Ended 31.3.2024 RM'000	Preceding Quarter Ended 31.3.2023 RM'000	Changes %	Financial Period-to-Date Ended 31.3.2024 RM'000	Financial Period-to-Date Ended 31.3.2023 RM'000	Changes %
Revenue		157,361	157,463	(0.1)	157,361	157,463	(0.1)
Cost of sales		(140,567)	(145,476)	3.4	(140,567)	(145,476)	3.4
Gross profit		<u>16,794</u>	<u>11,987</u>	40.1	<u>16,794</u>	<u>11,987</u>	40.1
Other income		2,615	360	(626.4)	2,615	360	626.4
Operating expenses		(12,988)	(12,611)	(3.0)	(12,988)	(12,611)	(3.0)
Finance costs		(3,408)	(3,766)	9.5	(3,408)	(3,766)	9.5
Profit/(Loss) Before Taxation	19	<u>3,013</u>	<u>(4,030)</u>	174.8	<u>3,013</u>	<u>(4,030)</u>	174.8
Taxation	21	(573)	(452)	(26.8)	(573)	(452)	(26.8)
Profit/(Loss) for the period		<u>2,440</u>	<u>(4,482)</u>	154.4	<u>2,440</u>	<u>(4,482)</u>	154.4
Other comprehensive (loss)/income, net of tax							
Foreign currency translation differences for foreign operations		(1,864)	961	(294.0)	(1,864)	961	(294.0)
Total comprehensive income/(loss) for the period		<u>576</u>	<u>(3,521)</u>	116.4	<u>576</u>	<u>(3,521)</u>	116.4
Profit/(Loss) attributable to:							
Owners of the Company		<u>2,440</u>	<u>(4,482)</u>	154.4	<u>2,440</u>	<u>(4,482)</u>	154.4
Total comprehensive income/(loss) attributable to:							
Owners of the Company		<u>576</u>	<u>(3,521)</u>	116.4	<u>576</u>	<u>(3,521)</u>	116.4
Profit/(Loss) per share attributable to owners of the Company:							
Basic (sen)		<u>2.03</u>	<u>(3.73)</u>	154.4	<u>2.03</u>	<u>(3.73)</u>	154.4

The above Unaudited Condensed Consolidated Statement 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 statements.

**BOX-PAK (MALAYSIA) BHD.**

(Incorporated in Malaysia)

[Registration No. 197401004216 (21338-W)]

**Unaudited Condensed Consolidated Statement of Changes in Equity
For the First Quarter Ended 31 March 2024**<----- Attributable to Owners of the Company ----->
<----- Non-distributable ----->

	Share Capital RM'000	Foreign Currency Translation Reserve RM'000	Accumulated Losses RM'000	Total RM'000
As at 1 January 2024	167,363	15,489	(73,472)	109,380
Profit for the financial period	-	-	2,440	2,440
Currency translation differences	-	(1,864)	-	(1,864)
Total comprehensive (loss)/income for the financial period	-	(1,864)	2,440	576
As at 31 March 2024	167,363	13,625	(71,032)	109,956
As at 1 January 2023	167,363	16,721	(63,933)	120,151
Loss for the financial period	-	-	(4,482)	(4,482)
Currency translation differences	-	961	-	961
Total comprehensive income/(loss) for the financial period	-	961	(4,482)	(3,521)
As at 31 March 2023	167,363	17,682	(68,415)	116,630

The above Unaudited Condensed Consolidated Statement 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 statements.

**BOX-PAK (MALAYSIA) BHD.**

(Incorporated in Malaysia)

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**Unaudited Condensed Consolidated Statement of Cash Flows
For the First Quarter Ended 31 March 2024**

	Current Period Ended 31.3.2024 RM'000	Preceding Period Ended 31.3.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	3,013	(4,030)
Adjustments:		
Depreciation and amortisation of assets	8,509	8,177
(Gain)/Loss on disposal of property, plant and equipment	(37)	67
Net gain on termination and remeasurement of lease contracts	-	(73)
Interest expense	3,408	3,766
Interest income	(58)	(42)
Net reversal of impairment loss on financial instruments	(19)	(545)
Retirement benefits obligations	71	28
Write down/(Write back) of inventories	68	(606)
Inventories written off	185	339
Income distribution from short term funds	(2)	(2)
Fair value loss on derivative	9	-
Unrealised (gain)/loss on foreign exchange	(1,905)	265
Operating profit before changes in working capital	<u>13,242</u>	<u>7,344</u>
Changes in working capital:		
Inventories	(1,199)	4,901
Trade and other receivables	(16,636)	7,807
Trade and other payables	(2,552)	(24,894)
Contract liabilities	(5)	(131)
Cash used in operations	<u>(7,150)</u>	<u>(4,973)</u>
Retirement benefits paid	(110)	(136)
Interest paid	-	(84)
Income tax paid	(1,024)	(1,055)
Net cash used in operating activities	<u>(8,284)</u>	<u>(6,248)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(3,654)	(4,070)
Proceeds from disposal of property, plant and equipment	42	12
Net movement of short-term funds	1,629	2,367
Dividends received from short term investment	2	2
Interest received	58	42
Net cash used in investing activities	<u>(1,923)</u>	<u>(1,647)</u>

**BOX-PAK (MALAYSIA) BHD.**

(Incorporated in Malaysia)

[Registration No. 197401004216 (21338-W)]

**Unaudited Condensed Consolidated Statement of Cash Flows (Cont'd)
For the First Quarter Ended 31 March 2024**

	Current Period Ended 31.3.2024 RM'000	Preceding Period Ended 31.3.2023 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of term loans	(1,372)	(3,418)
Net movement in other borrowings	(13,257)	(3,223)
Payment of lease liabilities	(1,009)	(1,142)
Net repayment to related companies	(21,129)	(1,454)
Interest paid	(3,328)	(3,692)
Net cash used in financing activities	<u>(40,095)</u>	<u>(12,929)</u>
Net decrease in cash and cash equivalents	(50,302)	(20,824)
Effect of exchange rate changes	(2,787)	351
Cash and cash equivalents brought forward	75,855	42,363
Cash and cash equivalents carried forward	<u><u>22,766</u></u>	<u><u>21,890</u></u>
	31.3.2024 RM'000	31.3.2023 RM'000
Cash and Cash Equivalents at 31 March comprise the following:		
Cash and bank balances	22,766	21,890
Short term funds	-	4,290
	<u>22,766</u>	<u>26,180</u>
Less: Short term funds	-	(4,290)
	<u><u>22,766</u></u>	<u><u>21,890</u></u>

The above Unaudited Condensed Consolidated Statement 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 statements.



1. Basis of Preparations

The interim Financial Statements are unaudited and have been prepared in compliance with the requirements of MFRS 134 Interim Financial Reporting and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

These interim financial statements include only condensed financial statements and should be read in conjunction with the annual financial statements for the financial year ended 31 December 2023 ("FYE 2023"). The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the financial position and performance of Box-Pak (Malaysia) Bhd. ("Box-Pak" or "the Company") group of companies ("Box-Pak Group" or "the Group") since FYE 2023.

2. Significant Accounting Policies

The accounting policies adopted for this interim report are consistent with those adopted in the audited financial statements for the FYE 2023 except for the following:

The Group adopted (where applicable) the following accounting standards, interpretations or amendments which are applicable to the Group that have been issued by the Malaysian Accounting Standards Board ("MASB") effective 1 January 2024:

- Amendments to MFRS 16, *Leases - Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements - Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7 *Financial Instruments: Disclosures - Supplier Finance Arrangements*

The adoption of new amendments does not have any material financial impact to the Group.

MFRSs, interpretations and amendments effective for annual period beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*

MFRSs, interpretations and amendments effective for annual period beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of the abovementioned accounting standards, interpretations or amendments is not expected to have any material financial impact on the Group.

3. Auditors' report

The auditors' report dated 2 April 2024 in respect of the financial statements for the FYE 2023 was not subject to any audit qualification.



4. Seasonal or Cyclical Factors

The operations of the Group are not subject to seasonal or cyclical fluctuations except that certain products are subject to seasonal demand where higher sales will be recorded a few months before the major festive seasons such as Ramadan and Chinese New Year and lower sales in the first quarter of every financial year.

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

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review.

6. Changes in Estimates

There were no changes in estimates that had a material effect on the financial statements during the current quarter under review.

7. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review.

8. Dividends Paid

There were no dividends paid during the current quarter under review.

9. Segmental Reporting

Segmental results for the financial period ended 31 March 2024 are as follows:

	Malaysia RM'000	Vietnam RM'000	Myanmar RM'000	Others RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
REVENUE							
External sales	49,267	96,563	11,531	-	157,361	-	157,361
Inter-segmental sales	-	-	-	-	-	-	-
Total revenue	49,267	96,563	11,531	-	157,361	-	157,361
RESULTS							
Segment results	2,275	802	816	(89)	3,804	2	3,806
Other income	4,131	355	273	1,263	6,022	(3,407)	2,615
							6,421
Finance costs	(1,927)	(1,646)	(1,391)	(1,849)	(6,813)	3,405	(3,408)
Profit before taxation							3,013
Taxation							(573)
Profit after taxation							2,440



BOX-PAK (MALAYSIA) BHD. [Registration No. 197401004216 (21338-W)]
PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. Segmental Reporting (Cont'd)

Segmental results for the financial period ended 31 March 2024 are as follows (Cont'd):

	Malaysia RM'000	Vietnam RM'000	Myanmar RM'000	Others RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
ASSETS AND LIABILITIES							
Segment assets	397,870	391,450	50,221	208,617	1,048,158	(572,673)	475,485
Unallocated corporate assets							374
Consolidated total assets							<u>475,859</u>
Segment liabilities	153,955	229,837	170,144	117,883	671,819	(307,075)	364,744
Unallocated corporate liabilities							1,159
Consolidated total liabilities							<u>365,903</u>
OTHER INFORMATION							
Capital Expenditure	802	2,638	214	-	3,654	-	3,654
Depreciation and amortisation	2,111	5,895	492	11	8,509	-	8,509
Non-cash expenses other than depreciation	72	257	-	2	331	-	331

Segmental results for the financial period ended 31 March 2023 are as follows:

	Malaysia RM'000	Vietnam RM'000	Myanmar RM'000	Others RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
REVENUE							
External sales	41,818	101,464	14,181	-	157,463	-	157,463
Inter-segmental sales	-	-	-	-	-	-	-
Total revenue	41,818	101,464	14,181	-	157,463	-	157,463
RESULTS							
Segment results	(242)	(95)	(176)	(80)	(593)	(31)	(624)
Other income	1,473	348	114	1,209	3,144	(2,784)	360
							<u>(264)</u>
Finance costs	(1,881)	(1,573)	(1,275)	(1,546)	(6,275)	2,509	(3,766)
Loss before taxation							<u>(4,030)</u>
Taxation							(452)
Loss after taxation							<u>(4,482)</u>



BOX-PAK (MALAYSIA) BHD. [Registration No. 197401004216 (21338-W)]
PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. Segmental Reporting (Cont'd)

Segmental results for the financial period ended 31 March 2023 are as follows (Cont'd):

	Malaysia RM'000	Vietnam RM'000	Myanmar RM'000	Others RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
ASSETS AND LIABILITIES							
Segment assets	363,516	405,820	48,254	198,566	1,016,156	(514,594)	501,562
Unallocated corporate assets							8
Consolidated total assets							<u>501,570</u>
Segment liabilities	169,334	198,975	156,063	108,410	632,782	(248,995)	383,787
Unallocated corporate liabilities							1,153
Consolidated total liabilities							<u>384,940</u>
OTHER INFORMATION							
Capital Expenditure	1,110	2,606	354	-	4,070	-	4,070
Depreciation and amortisation	2,810	4,914	443	10	8,177	-	8,177
Non-cash expenses other than depreciation	1,335	5,003	178	1	6,517	-	6,517

10. Valuation of Property, Plant and Equipment

The Group did not carry out any revaluation exercise for accounting purposes during the current quarter under review.

11. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the financial period under review up to the date of this announcement, that have not been disclosed in this quarterly interim financial statements.

12. Changes in the Composition of the Group

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

13. Changes in Contingent Liabilities or Contingent Assets

There were no material changes in contingent liabilities or contingent assets during the current quarter under review and since the end of the financial period.



14. Capital Commitments

The amount of capital commitments as at 31 March 2024 is as follows:

	RM'000
Approved and contracted for	2,319

This note is to be read in conjunction with Note 22.

15. Related Party Transactions

The Group has also entered into the following related party transactions:

	Current Quarter Ended 31.3.2024 RM'000
Sales to holding company	38
Sales to related companies	3,479
Rental payable to a related company	(804)
Interest payable to related companies	(130)

The above transactions were entered into in the normal course of business on terms that the Directors considered comparable to transactions entered into with third parties.

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BOX-PAK (MALAYSIA) BHD. [Registration No. 197401004216 (21338-W)]

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

16. Operating Segments Review

First Quarter ended 31 March 2024 ("Q1, 2024") versus First Quarter ended 31 March 2023 ("Q1, 2023")

Revenue is similar between the comparative quarters. In Q1, 2024, Malaysia's revenue improved by RM7.5 million via higher sales tonnage. This is offsetted squarely by the revenue reduction in both Vietnam and Myanmar.

The Group's overall gross profit increased by RM4.8 million in the current quarter under review. The increase in gross profit was mainly attributed to higher production and sales tonnage from Malaysia entities and Ho Chi Minh plant.

Consequently, the Group recorded a profit before taxation of RM3.0 million in Q1, 2024 compared to a loss before taxation of RM4.0 million in Q1, 2023.

17. Material Change in Performance of Operating Segments for Q1, 2024 compared with Immediate Preceding Quarter Ended 31 December 2023 ("Q4, 2023")

	Current Quarter Ended 31.3.2024 RM'000	Immediate Preceding Quarter Ended 31.12.2023 RM'000	Changes %
Revenue	157,361	166,517	(5.5)
Gross Profit	16,794	20,028	(16.1)
Profit Before Interest and Tax	6,421	5,862	9.5
Profit Before Taxation	3,013	1,789	(68.4)
Profit After Taxation	<u>2,440</u>	<u>1,331</u>	(83.3)
Profit attributable to:			
Owners of the Company	<u>2,440</u>	<u>1,331</u>	(83.3)

The Group's overall revenue decreased by RM9.2 million in the current quarter under review. The decrease in revenue was mainly due to lower sales tonnage coupled with lower average selling price from Ho Chi Minh plant. Although Malaysia entities recorded higher revenue in the current quarter, only a marginal increase in gross profit was achieved as the average selling price has decreased as compared with Q4, 2023. As a result, the Group has recorded a lower gross profit by RM3.2 million.

The Group has recorded a gain on foreign exchange difference of RM2.2 million in Q1, 2024 as compared with the loss on foreign exchange difference of RM1.4 million in Q4, 2023.

Consequently, the Group recorded a higher profit before tax by RM1.2 million in Q1, 2024.



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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

18. Commentary on Prospects

The Group operates in a very competitive industry with numerous competitors. As a consequence, the results continued to reflect the challenges of managing inflationary cost impact, and the volatility of Malaysian Ringgit against United States Dollar ("USD") and hikes in interest rates.

Moreover, secondary packaging such as corrugated cartons are very dependent on the economic condition in the countries we operate in. In particular, Vietnam experienced headwinds in their economy due to a slowdown in exports. This has a direct impact to the demand for carton packaging.

Some of the plans or measures that continue to be undertaken by the Group in 2024 included the following:

- to allocate additional resources for business development activities to further increase the sales volume and sales orders from existing and new customers;
- to further improve inventories management and control to rationalise paper roll purchases;
- to further improve the production efficiencies by reducing production wastages and increase process automation to reduce overheads cost;
- to increase focus on sales and collections to free up cash flow for the Group; and
- continuous skills development for the existing employees from sales, production and procurement divisions to enhance productivity and efficiency.

The Board of Directors ("Board") remains cautiously optimistic in addressing the challenges faced by the Group as the Group strives to improve its performance in 2024.

19. Profit/(Loss) Before Taxation

Included in profit/(loss) before taxation are the following items:

	Current Quarter Ended 31.3.2024 RM'000	Preceding Quarter Ended 31.3.2023 RM'000	Current Period-to-Date Ended 31.3.2024 RM'000	Preceding Period-to-Date Ended 31.3.2023 RM'000
Other income:				
- Interest income	(58)	(42)	(58)	(42)
- Income distribution from short-term funds	(2)	(2)	(2)	(2)
- (Gain)/Loss on disposal of property, plant and equipment	(37)	67	(37)	67
- Net foreign exchange (gain)/loss	(2,191)	95	(2,191)	95
- Others	(327)	(478)	(327)	(478)
	(2,615)	(360)	(2,615)	(360)
Interest expense	3,408	3,766	3,408	3,766
Depreciation and amortisation	8,509	8,177	8,509	8,177
Provision for waste disposal	-	31	-	31
Net reversal of impairment loss on financial instruments	(19)	(545)	(19)	(545)
Inventories written-off	185	339	185	339



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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

20. Variance from Forecast Profit and shortfall in Profit Guarantee

No profit forecast or guarantee was issued by the Group.

21. Taxation

	Current Quarter Ended 31.3.2024 RM'000	Preceding Quarter Ended 31.3.2023 RM'000	Current Period-to-Date Ended 31.3.2024 RM'000	Preceding Period-to-Date Ended 31.3.2023 RM'000
Income Tax				
- current year	581	452	581	452
Deferred taxation	(8)	-	(8)	-
	<u>573</u>	<u>452</u>	<u>573</u>	<u>452</u>

The disproportionate tax charges for the Group was attributable to the absence of group relief.

22. Status of Corporate Proposals

Proposed sublease by Box-Pak (Vietnam) Co., Ltd (“BPV”), a wholly-owned subsidiary of the Company, through a project company to be incorporated as a wholly-owned subsidiary of BPV (“Project Company”), of a parcel of leasehold vacant industrial land located in land Lot I-9, D5 & N5 Streets, Huu Thanh Industrial Zone, Duc Hoa District, Long An Province, Vietnam (“Subject Property”)

BPV had on 27 March 2024, entered into a conditional in-principle land sublease agreement (“**In-Principle Land Sublease Agreement**”) with IDICO Corporation - Joint Stock Company (“**IDICO**”) for the sublease of the Subject Property, measuring approximately 50,000 square metres for a period of approximately 45 years up to 6 August 2069, for a sublease consideration (which is stipulated as “lump sum infrastructure using fee” in the In-Principle Land Sublease Agreement) of Vietnamese Dong 179,524,000,000 (exclusive of value added tax), equivalent to approximately RM34,286,478 (“**Proposed Sublease**”).

A Land Sublease Contract with IDICO (as defined in the In-Principle Land Sublease Agreement) shall be executed by the entity that will occupy and utilise the Subject Property. As such, the Project Company will be the signing party of the Land Sublease Contract as the sublessee, after it is duly incorporated and obtained the Investment Registration Certificate and Enterprise Registration Certificate at a later date.

The Proposed Sublease is subject to the fulfilment of conditions precedent pursuant to the conditional In-Principle Land Sublease Agreement.

Save for the above, there was no corporate proposal announced but not completed as at the date of the issue of this quarterly report.

23. Material Litigations

There was no pending material litigation against the Group as at the date of the issue of this quarterly report.



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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

24. Group Borrowings and Debt Securities

Total Group borrowings are as follows:

	As at 31.3.2024 RM'000	As at 31.12.2023 RM'000
Current - unsecured		
- Revolving credit	22,759	30,970
- Trade facilities	140,628	144,950
- Term loans	5,830	5,669
- Finance lease liabilities	31	41
	<u>169,248</u>	<u>181,630</u>
Non-current - unsecured		
- Term loans	43,723	43,932
- Finance lease liabilities	87	87
	<u>43,810</u>	<u>44,019</u>
Total borrowings	<u><u>213,058</u></u>	<u><u>225,649</u></u>

Borrowings which are denominated in foreign currencies are as follows:

Current - unsecured		
- Trade facilities (denominated in Vietnam Dong ("VND"))	110,836	116,907
- Trade facilities (denominated in USD)	2,398	3,652
- Term loans (denominated in USD)	5,830	5,669
	<u>119,064</u>	<u>126,228</u>
Non-current - unsecured		
- Term loans (denominated in USD)	43,723	43,932
	<u>43,723</u>	<u>43,932</u>

The interest rates for the borrowings are as follows:

Term loans:		
- Floating rates	7.26%	7.26%
Trade facilities	3.50% - 6.39%	2.80% - 6.74%
Revolving credits	4.71% - 5.90%	4.71% - 5.88%
Finance lease liabilities	2.08%	2.08%

Hedging activities on major borrowings:

- (a) No hedging was done on borrowings denominated in VND as the borrowings obtained by subsidiaries in Vietnam will be repaid in the same currency.
- (b) No hedging was done on borrowings denominated in USD. The Group monitors the foreign currency movement and will take necessary actions to minimise the risk whenever deem appropriate.



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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

25. Derivative financial instruments

As at 31 March 2024, the Group had entered into forward foreign currency exchange contracts to hedge against USD/RM exchange rate fluctuations.

The fair value of the derivatives were determined by using mark-to-market values at the end of the reporting date and changes in the fair value were recognised in the statement of profit or loss and other comprehensive income.

Details of derivative financial instruments outstanding as at 31 March 2024 are set out below :

Type of derivative	Notional Amount RM'000	Current Liabilities RM'000
<u>Non-hedging derivative</u>		
Foreign exchange contracts	10,040	9

Other than the above derivatives which were measured at fair value, the Group did not remeasure other financial assets and financial liabilities after initial recognition

26. Dividend

No dividend has been declared for the current quarter under review (Q1, 2023: Nil).

27. Profit/(Loss) Per Share

(a) Basic

Basic profit/(loss) per ordinary share for the current quarter under review is calculated by dividing profit/(loss) for the current quarter attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period:

	Current Quarter Ended 31.3.2024	Preceding Quarter Ended 31.3.2023	Current Period-to-Date Ended 31.3.2024	Preceding Period-to-Date Ended 31.3.2023
Profit/(Loss) attributable to owners of the Company (RM '000)	2,440	(4,482)	2,440	(4,482)
Weighted average number of ordinary shares in issue ('000)	120,047	120,047	120,047	120,047
Basic profit/(loss) per share (sen)	2.03	(3.73)	2.03	(3.73)

(b) Diluted

For the current quarter under review, the diluted profit per share was the same as the basic profit per share.



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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
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28. Authorisation for Issue

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the Board passed on 23 May 2024.

Batu Caves, Selangor Darul Ehsan
23 May 2024