

FIAMMA HOLDINGS BERHAD

Quarterly Report on consolidated results for the second quarter ended 30 June 2023

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(The figures have not been audited)

	NOTE	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 MONTHS)	
		CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
		QUARTER	CORRESPONDING QUARTER	TO DATE	CORRESPONDING PERIOD
		30 JUNE 2023	30 JUNE 2022	30 JUNE 2023	30 JUNE 2022
		RM'000	RM'000	RM'000	RM'000
Revenue		92,859	94,287	305,767	280,194
Cost of sales		(68,155)	(65,000)	(230,200)	(194,986)
Gross profit		24,704	29,287	75,567	85,208
Change in fair value of other investments		6,625	-	28,532	-
Gain on sales of other investments		5,861	-	5,861	-
Operating expenses		(13,277)	(13,051)	(42,387)	(39,446)
Finance costs		(1,321)	(1,243)	(3,948)	(4,103)
Other operating income		887	856	3,154	2,662
Profit before tax		23,479	15,849	66,779	44,321
Tax expense	B5	(2,380)	(4,329)	(9,217)	(11,943)
Profit for the period		21,099	11,520	57,562	32,378
Other comprehensive income					
Foreign exchange translation difference		615	221	996	347
Total comprehensive income		21,714	11,741	58,558	32,725
Profit for the period attributable to:					
Owners of the Company		20,655	10,477	55,473	29,115
Non-controlling Interest		444	1,043	2,089	3,263
Profit for the period		21,099	11,520	57,562	32,378
Total comprehensive income for the period attributable to:					
Owners of the Company		21,086	10,637	56,157	29,366
Non-controlling Interest		628	1,104	2,401	3,359
Total comprehensive income		21,714	11,741	58,558	32,725
Basic earnings per share (sen)	B11	3.95	2.07	10.60	5.84
Diluted earnings per share (sen)	B11	3.94	2.07	10.59	5.84

This Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2022.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023
(The figures have not been audited)

	NOTE	AS AT 30 JUNE 2023 RM'000	AS AT 30 SEPT 2022 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		114,128	114,928
Right-of-use assets		156	48
Investment properties		76,906	76,906
Inventories		143,458	130,661
Deferred tax assets		4,973	5,284
		<u>339,621</u>	<u>327,827</u>
Current assets			
Inventories		188,679	275,403
Contract assets		9,185	7,760
Contract costs		142	822
Trade and other receivables		122,167	92,159
Prepayments		1,119	954
Short-term investments - quoted shares		121,700	-
Current tax assets		1,168	1,367
Cash and cash equivalents		77,174	102,339
		<u>521,334</u>	<u>480,804</u>
TOTAL ASSETS		<u>860,955</u>	<u>808,631</u>
EQUITY			
Share capital		285,449	277,744
Treasury shares		(4,964)	(11,023)
Reserves and retained earnings		367,983	311,847
Total equity attributable to owners of the Company		<u>648,468</u>	<u>578,568</u>
Non-controlling interest		<u>19,888</u>	<u>20,486</u>
TOTAL EQUITY		<u>668,356</u>	<u>599,054</u>
LIABILITIES			
Non-current liabilities			
Loans and borrowings	B7	22,229	31,169
Trade payables		5,613	5,613
Lease liabilities		136	22
Deferred tax liabilities		6,086	5,456
		<u>34,064</u>	<u>42,260</u>
Current liabilities			
Loans and borrowings	B7	97,119	99,172
Trade and other payables		42,092	46,840
Contract liabilities		17,690	19,541
Lease liabilities		26	28
Provision for warranties		455	515
Current tax liabilities		1,153	1,221
		<u>158,535</u>	<u>167,317</u>
TOTAL LIABILITIES		<u>192,599</u>	<u>209,577</u>
TOTAL EQUITY AND LIABILITIES		<u>860,955</u>	<u>808,631</u>
Net assets per share (RM)		<u>1.2388</u>	<u>1.1382</u>

This Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2022.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 9 MONTHS ENDED 30 JUNE 2023
(The figures have not been audited)

NOTE	----- Non-distributable -----				Distributable		TOTAL RM'000	NON- CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	TREASURY SHARES RM'000	TRANSLATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	REVALUATION RESERVE RM'000	RETAINED EARNINGS RM'000			
At 1 October 2022	277,744	(11,023)	2,329	55	11,538	297,925	578,568	20,486	599,054
Total comprehensive income for the financial period									
- Foreign exchange translation reserve	-	-	684	-	-	-	684	313	997
- Profit for the financial period	-	-	-	-	-	55,473	55,473	2,089	57,562
Total comprehensive income for the financial year	-	-	684	-	-	55,473	56,157	2,402	58,559
<i>Contribution by and (distributions to) owners of the Company</i>									
- Issuance of ordinary shares pursuant to ESOS	A6 150	-	-	-	-	-	150	-	150
- Transfer from share option reserve	21	-	-	(21)	-	-	-	-	-
- Own shares disposed	7,534	25,543	-	-	-	-	33,077	-	33,077
- Own shares acquired	-	(19,484)	-	-	-	-	(19,484)	-	(19,484)
Total transactions with owners of the Company	7,705	6,059	-	(21)	-	-	13,743	-	13,743
Dividends paid by subsidiaries to non-controlling interest	-	-	-	-	-	-	-	(3,000)	(3,000)
At 30 June 2023	285,449	(4,964)	3,013	34	11,538	353,398	648,468	19,888	668,356

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2022.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 9 MONTHS ENDED 30 JUNE 2022

(The figures have not been audited)

NOTE	< ----- Non-distributable ----- >				Distributable		NON- CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	TREASURY SHARES RM'000	TRANSLATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	RETAINED EARNINGS RM'000	TOTAL RM'000		
	At 1 October 2021	268,408	(11,023)	1,805	1,256	271,938		
Total comprehensive income for the financial period								
- Foreign exchange translation reserve	-	-	251	-	-	251	96	347
- Profit for the financial period	-	-	-	-	29,115	29,115	3,263	32,378
Total comprehensive income for the financial year	-	-	251	-	29,115	29,366	3,359	32,725
<i>Contribution by and (distributions to) owners of the Company</i>								
- Dividends to owners of the Company	-	-	-	-	-	(10,914)	-	(10,914)
- Issuance of ordinary shares pursuant to ESOS	7,780	-	-	-	-	7,780	-	7,780
- Transfer from share option reserve	1,084	-	-	(1,143)	59	-	-	-
Total transactions with owners of the Company	8,864	-	-	(1,143)	59	(3,134)	-	(3,134)
Dividends paid by subsidiaries to non-controlling interest	-	-	-	-	-	-	(9,918)	(9,918)
At 30 June 2022	277,272	(11,023)	2,056	113	301,112	558,616	20,516	579,132

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2022.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 9 MONTHS ENDED 30 JUNE 2023

(The figures have not been audited)

	9 MONTHS ENDED 30 JUNE 2023 RM'000	9 MONTHS ENDED 30 JUNE 2022 RM'000
Cash flows from operating activities		
Profit before tax	66,779	44,321
Adjustments	(28,742)	4,876
Operating profit before changes in working capital	38,037	49,197
Changes in working capital:		
Contract assets	(1,425)	(1,721)
Contract liabilities	(1,851)	2,548
Contract costs	680	372
Inventories	73,010	7,343
Prepayments	(165)	60
Trade and other payables	(4,726)	(7,295)
Trade and other receivables	(30,158)	(25,621)
Cash generated from operations	73,402	24,883
Provision for warranties utilised	(220)	(249)
Tax paid net of refund	(8,145)	(10,420)
Net cash from operating activities	65,037	14,214
Cash flows from investing activities		
Acquisition of property, plant and equipment	(784)	(1,043)
Investment in quoted shares	(98,818)	-
Proceeds from sales of quoted shares	11,511	-
Interest received	962	1,248
Dividend received	117	-
Proceeds from disposal of property, plant and equipment	468	-
Net cash (used in)/from investing activities	(86,544)	205
Cash flows from financing activities		
Dividends paid to non-controlling interest	(3,000)	(9,918)
Dividends paid to owners of the Company	-	(10,914)
Repayment of borrowings - net	(10,993)	(55)
Interest paid	(3,799)	(3,825)
Interest paid in relation to lease liabilities	(3)	(1)
Payment of lease liabilities	(24)	(21)
Proceeds from issuance of ordinary shares pursuant to ESOS	150	7,780
Proceeds from sales of treasury shares	33,077	-
Purchase of treasury shares	(19,484)	-
Net cash used in financing activities	(4,076)	(16,954)
Net decrease in cash and cash equivalents	(25,583)	(2,535)
Cash and cash equivalents at beginning of financial period	102,339	104,450
Effect of exchange rate fluctuation on cash held	418	108
Cash and cash equivalents at end of financial period	77,174	102,023

This Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2022.

Fiamma Holdings Berhad ((Registration No: 198201008992 (88716-W)) (“Fiamma” or “the Company”))

Notes to the interim financial statements for the quarter ended 30 June 2023

A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting

The unaudited interim financial statements have been prepared in accordance with MFRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial statements should be read in conjunction with the audited consolidated financial statements of the Group as at and for the financial year ended 30 September 2022.

AI. Accounting Policies

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of Companies Act 2016 in Malaysia. The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Notes to the Interim Financial Statements

A1. Accounting Policies (continued)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendment to MFRS 16, Leases – *Lease Liability in a Sale and Leaseback*
- Amendment to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*

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

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

The Group plans to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 October 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022;
- from the annual period beginning on 1 October 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023; and
- from the annual period beginning on 1 October 2024 for the amendments that are effective for annual periods beginning on or after 1 January 2024.

The initial application of the abovementioned accounting standards, interpretations and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group.

A2. Report of the Auditors to the Members of Fiamma

The report of the auditors to the members of Fiamma and its subsidiaries on the financial statements for the financial year ended 30 September 2022 were not subject to any qualification and did not include any adverse comments made under Section 266 (3) of the Companies Act 2016.

A3. Seasonality or Cyclicity of Interim Operations

The business of the Group was not subject to material seasonal or cyclical fluctuations.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the financial year under review.

Notes to the Interim Financial Statements

A5. *Material Changes in Estimates of Amounts Reported*

There were no material changes in estimates used in reporting the current quarter as compared to the financial statements of the Group for the financial year ended 30 September 2022.

A6. *Debt and Equity Securities*

- (a) During the current financial quarter and current financial period, a total of 10,000 and 268,000 new ordinary shares were issued pursuant to the exercise of Employees' Share Option Scheme ("ESOS") at an option price of RM0.56 per ordinary share.
- (b) The owners of the Company, by a special resolution passed at the Annual General Meeting held on 23 February 2023, approved the Company's plan to repurchase its own shares.

During the current financial period, the Company repurchased 20,000,000 of its issued shares from the open market at an average price of RM0.974 per share including transaction cost. The total consideration paid was approximately RM19.48 million. The shares repurchased are held as treasury shares in accordance with Section 127 of the Companies Act 2016. The repurchase transactions were financed by internally generated funds.

During the current financial quarter, the Company sold 34,851,100 of its treasury shares for a total consideration of approximately RM33.08 million in the open market at an average price of RM0.949 per share.

As at 30 June 2023, the Company held 6,773,300 of its own shares, representing 1.28% of the total number of issued shares of the Company. These shares were being held and retained as treasury shares.

There were no other issuance, cancellation, resale and repayments of debt and equity securities for the current financial quarter ended 30 June 2023.

A7. *Dividend Paid*

No dividend was paid during the current quarter.

Notes to the Interim Financial Statements

A8. *Operating Segment Information*

The Group has three (3) reportable segments, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed based on the Group's management and internal reporting structure. For each of the strategic business units, the Group Chief Executive Officer (the chief operating decision maker) reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Groups' reportable segments:

Trading and services	Distribution and servicing of electrical home appliances, sanitaryware, kitchen and wardrobe system and built-in furniture, other household products, bathroom accessories, medical devices and healthcare products
Property development	Property development
Investment holding and property investment	Investment in quoted and unquoted shares and property investment

Notes to the Interim Financial Statements

A8. Operating Segment Information (continued)

The reportable segment information for the Group is as follows:

	Trading & Services RM'000	Property Development RM'000	Investment Holding & Property Investment RM'000	Total RM'000
For the financial period ended 30 June 2023				
External revenue	212,464	90,202	3,101	305,767
Inter/Intra segment revenue	17,237	-	24,012	41,249
Total reportable revenue	229,701	90,202	27,113	347,016
Segment profit	31,196	3,777	59,569	94,542
Segment assets	413,242	353,108	584,326	1,350,676
Elimination of inter-segment transactions or balances				(489,721)
				860,955
Segment liabilities	(104,748)	(200,464)	(139,906)	(445,118)
Elimination of inter-segment transactions or balances				252,519
				(192,599)
<i>Reconciliation of profit</i>				
				30 June 2023
				RM'000
Total profit for reportable segments				94,542
Elimination of inter-segment profits				(22,963)
Depreciation				(1,960)
Interest expense				(3,802)
Interest income				962
				66,779

Notes to the Interim Financial Statements

A9. *Events Subsequent to the end of the Financial Period*

Treasury Shares

Subsequent to the financial quarter end, the Company sold 429,800 treasury shares at an average price of RM0.937 per share for a total consideration of approximately RM403,000.

Subsequent to the said disposal, the Company held 6,343,500 of its own shares, representing 1.20% of the total number of issued shares of the Company.

There were no other material events as at 17 August 2023, being the date not earlier than 7 days from the date of this announcement that will affect the financial results of the financial quarter under review.

A10. *Changes in Composition of the Group*

There were no changes in the composition of the Group for the current quarter, including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

Notes to the Interim Financial Statements

B. Compliance with Bursa Securities Listing Requirements.

B1. Review of the Performance of the Group

	9 months ended	
	30 June 2023	30 June 2022
	RM'000	RM'000
Revenue	305,767	280,194
Profit before tax	66,779	44,321

The Group recorded a higher revenue of RM305.77 million in the current financial period compared with RM280.19 million in the preceding financial year corresponding period. Profit before tax (“PBT”) for the current financial period of RM66.78 million was also higher compared with RM44.32 million in the preceding financial year corresponding period. The higher PBT was mainly attributable to the change in fair value of other investments of RM28.53 million and gain on sales of other investments of RM5.86 million.

The Group’s revenue is derived primarily from trading and services segment which contributed 69.5% of the Group’s revenue in the current financial period. The segment recorded a lower revenue of RM212.46 million in the current financial period compared with RM260.89 million in the preceding financial year corresponding period. Consequently, PBT for the current financial period of RM29.25 million was lower compared with RM43.03 million in the preceding financial year corresponding period.

The property development segment contributed 29.5% of the Group’s revenue in the current financial period. The segment recorded a higher revenue of RM90.21 million in the current financial period compared with RM16.42 million in the preceding financial year corresponding period. Hence, this segment recorded PBT of RM1.50 million in the current financial period compared with loss before tax of RM0.36 million in the preceding financial year corresponding period.

The investment holding and property investment segment contributed 1.0% of the Group’s revenue in the current financial period. The segment recorded a higher revenue of RM3.10 million in the current financial period compared with RM2.88 million in the preceding financial year corresponding period. PBT of RM36.03 million in the current financial period was higher compared with RM1.65 million in the preceding financial year corresponding period. The higher PBT was attributable to the change in fair value of other investments of RM28.53 million and gain on sales of other investments of RM5.86 million.

Notes to the Interim Financial Statements

B2. Comparison with Preceding Quarter's Results

	3 months ended	
	30 June 2023	31 Mar 2023
	RM'000	RM'000
Revenue	92,859	125,128
Profit before tax	23,479	22,721

The Group recorded a lower revenue of RM92.86 million in the current quarter ended 30 June 2023 compared with RM125.13 million in the previous quarter ended 31 March 2023. However, the Group recorded a higher PBT of RM23.48 million compared with RM22.72 million in the previous quarter ended 31 March 2023. The higher PBT was mainly attributable to the change in fair value of other investments of RM6.62 million and gain on sales of other investments of RM5.86 million.

B3. Prospects

The Malaysian economy expanded moderately in the second quarter of 2023 (2.9%; 1Q 2023: 5.6%), weighed mainly by slower external demand. Domestic demand remained the key driver of growth, supported by private consumption and investment, underpinned by capacity expansion, progress of multi-year projects and higher fixed asset spending by the government. Fresh food and fuel contributed to the decline. Headline inflation during the quarter continued to moderate to 2.8% (1Q 2023: 3.6%).

Global developments continued to be the dominant factor in driving domestic financial conditions during the quarter. Global financial market sentiments were dampened by concerns over a slower global economic outlook, and weaker-than-expected rebound in China's economy. This was further compounded by concerns over the US debt ceiling crisis during the first two months of the quarter, alongside ongoing financial market expectations of continued monetary policy tightening in advanced economies. Lower commodity prices and global semiconductor demand also weighed on domestic financial markets.

The global economy is expected to grow at a slower pace in 2023. However, headwinds from persistently elevated inflation and higher interest rates remain. While China's reopening remains supportive of the global economy, the slower than-expected pace of recovery in recent months will weigh on the global growth.

The balance of risks to global growth remains tilted to the downside, mainly from a slower momentum in major economies, higher-than-expected inflation, escalation of geopolitical tensions and a sharp tightening in financial conditions.

For the second half of 2023, the Malaysian economy is expected to expand at a moderate pace. While the growth outlook is subject to some downside risks stemming from weaker-than-expected global growth, upside risks mainly emanate from domestic factors such as stronger-than-expected tourism activity and faster implementation of projects. Nonetheless, risks to the inflation outlook remain subject to the changes to domestic policy on subsidies and price controls, as well as global commodity prices and financial market developments.

(Source: Economic and Financial Developments in Malaysia in the Second Quarter of 2023 and Quarterly Bulletin, Bank Negara Malaysia)

Notes to the Interim Financial Statements

B3. Prospects (continued)

With the above outlook, the Directors expect the performance for the financial year 2023 to be challenging. Nevertheless, the Group will continue to remain focused on its existing core businesses.

For the trading and services segment, Fiamma will continue to build on its supply chain system and core competencies to remain a market leader for its products. It will continue to invest in brand building and promotional activities to strengthen and expand its distribution network in Malaysia for its various brands of home appliances, sanitaryware, kitchen and wardrobe system and built-in furniture, medical devices and healthcare products and source for new products and business opportunities that are in synergy with the Group's products and activities.

For the property development segment, the on-going residential developments in Kota Tinggi, Johor, as well as the completed and unsold residential and commercial developments, will contribute to the Group's revenue in financial year 2023 and the coming financial years.

The proposed residential developments in Jalan Sungai Besi and Jalan Yap Kwan Seng, both in Kuala Lumpur, are expected to contribute to the Group's future income stream once the proposed developments are launched and sold.

Notes to the Interim Financial Statements

B4. Profit Forecast or Profit Guarantee

Not applicable.

B5. Tax Expense

Tax expense comprises the following:

	9 months ended 30 June 2023 RM'000
Current tax expense	8,259
Deferred tax expense	941
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	9,200
Under-provision in prior year	17
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	9,217
	<hr/> <hr/>
	RM'000
Profit before tax	66,779
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Tax at Malaysian tax rate of 24%	16,027
Non-taxable income	(8,254)
Non-deductible expenses and other tax effects	1,427
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Tax expense	9,200
Under-provision in prior year	17
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Tax expense	9,217
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B6. Status of Corporate Proposal

The Group has not announced any corporate proposals, which have not been completed at the date of this announcement.

Notes to the Interim Financial Statements

B7. Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2023 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Non-current			
Repayable after 12 months			
Term loan	22,229	-	22,229
	=====	=====	=====
Current			
Repayable within 12 months			
Term loan	11,979	-	11,979
Revolving credit	48,000	-	48,000
Bills payable	-	37,140	37,140
Sub-total	59,979	37,140	97,119
	=====	=====	=====
Total	82,208	37,140	119,348
	=====	=====	=====

B8. Derivatives

The details of the Group's foreign currency forward contracts as at 30 June 2023 are as follows:

	Notional amount RM'000	Fair value RM'000	Difference RM'000
Foreign currency forward contracts			
US Dollar	351	352	1
Chinese Yuan Renminbi	16,630	16,641	11
	-----	-----	-----
	16,981	16,993	12
	=====	=====	=====

The above instruments were executed with established financial institutions in Malaysia. There is no cash requirement for these contracts.

The Group uses appropriate financial instruments, such as foreign currency forward contracts, to hedge against specific exposures including foreign currency risks.

With the adoption of MFRS 139, the difference between the notional value and fair value of the contracts amounting to RM12,000 has been recognised in the financial statements.

Notes to the Interim Financial Statements

B9. Changes in Material Litigation

There was no impending material litigation as at 17 August 2023, being the date not earlier than 7 days from the date of this announcement.

B10. Dividend

No dividend was recommended for the current quarter under review.

B11. Earnings per share

Basic earnings per share

The calculation of basic earnings per share was based on the profit attributable to the owners of the Company and a weighted average number of ordinary shares outstanding, is as follows:

	3 months ended 30 June 2023 RM'000	9 months ended 30 June 2023 RM'000
Profit for the financial period attributable to owners of the Company	20,655	55,473
	'000	'000
Weighted average number of ordinary shares at 30 June 2023	523,448	523,419
Basic earnings per share (sen)	3.95	10.60
	'000	'000
Weighted average number of ordinary shares at 30 June 2023 (basic)	523,448	523,419
Effects of share options	176	198
Weighted average number of ordinary shares at 30 June 2023 (diluted)	523,624	523,617
Diluted earnings per share (sen)	3.94	10.59

Notes to the Interim Financial Statements

B12. Profit before tax

	9 months ended 30 June 2023 RM'000
Profit before tax is arrived at after charging:	
Depreciation and amortisation	1,960
Interest expense	3,802
Inventories written down and written off, net	917
Allowance for impairment loss for trade receivables – net	150
Loss on foreign exchange – realised and unrealised	80
Loss on derivative financial instruments – realised and unrealised	2
	<hr/> <hr/>
and after crediting:	
Interest income	962
Change in fair value of other investments	28,532
Gain on sales of other investments	5,861
Gain on disposal of property, plant and equipment	265
Bad debts recovery	8
Gain on foreign exchange – realised and unrealised	278
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B13. Capital Commitments

Capital expenditure for property, plant and equipment not provided for in the interim financial statements is as follows:

	30 June 2023 RM'000
Approved and contracted for	1,074
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This announcement is dated 24 August 2023.