

FIAMMA HOLDINGS BERHAD

Quarterly Report on consolidated results for the fourth quarter ended 30 September 2023

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(The figures have not been audited)

	NOTE	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 MONTHS)	
		CURRENT YEAR QUARTER 30 SEPT 2023 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 SEPT 2022 RM'000	CURRENT YEAR TO DATE 30 SEPT 2023 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30 SEPT 2022 RM'000
Revenue		102,274	89,785	408,041	369,979
Cost of sales		(74,357)	(62,403)	(304,557)	(257,390)
Gross profit		27,917	27,382	103,484	112,589
Change in fair value of other investments		(5,295)	-	23,237	-
Gain on sales of other investments		9,163	-	15,024	-
Operating expenses		(16,086)	(14,723)	(58,473)	(54,183)
Finance costs		(1,562)	(1,375)	(5,510)	(5,478)
Other operating income		1,031	1,000	4,185	3,677
Profit before tax		15,168	12,284	81,947	56,605
Tax expense	B5	(3,997)	(3,554)	(13,214)	(15,497)
Profit for the period		11,171	8,730	68,733	41,108
Other comprehensive income					
Foreign exchange translation difference		(92)	382	904	729
Revaluation of property, plant and equipment		-	11,538	-	11,538
Total comprehensive income		11,079	20,650	69,637	53,375
Profit for the period attributable to:					
Owners of the Company		10,474	7,727	65,947	36,842
Non-controlling Interest		697	1,003	2,786	4,266
Profit for the period		11,171	8,730	68,733	41,108
Total comprehensive income for the period attributable to:					
Owners of the Company		10,409	19,538	66,566	48,904
Non-controlling Interest		670	1,112	3,071	4,471
Total comprehensive income		11,079	20,650	69,637	53,375
Basic earnings per share (sen)	B11	1.98	1.52	12.44	7.36
Diluted earnings per share (sen)	B11	1.97	1.52	12.43	7.35

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 SEPTEMBER 2023
(The figures have not been audited)

	NOTE	AS AT 30 SEPT 2023 RM'000	AS AT 30 SEPT 2022 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		113,763	114,928
Right-of-use assets		147	48
Investment properties		76,906	76,906
Inventories		263,234	130,661
Deferred tax assets		4,665	5,284
		<u>458,715</u>	<u>327,827</u>
Current assets			
Inventories		157,680	275,403
Contract assets		8,683	7,760
Contract costs		163	822
Trade and other receivables		104,717	92,159
Prepayments		1,244	954
Short-term investments - quoted shares		94,513	-
Current tax assets		932	1,367
Cash and cash equivalents		121,733	102,339
		<u>489,665</u>	<u>480,804</u>
TOTAL ASSETS		<u>948,380</u>	<u>808,631</u>
EQUITY			
Share capital		286,848	277,744
Treasury shares		-	(11,023)
Reserves and retained earnings		378,392	311,847
Total equity attributable to owners of the Company		<u>665,240</u>	<u>578,568</u>
Non-controlling interest		<u>20,557</u>	<u>20,486</u>
TOTAL EQUITY		<u>685,797</u>	<u>599,054</u>
LIABILITIES			
Non-current liabilities			
Loans and borrowings	B7	19,160	31,169
Trade payables		5,613	5,613
Lease liabilities		129	22
Deferred tax liabilities		6,680	5,456
		<u>31,582</u>	<u>42,260</u>
Current liabilities			
Loans and borrowings	B7	113,652	99,172
Trade and other payables		95,849	46,840
Contract liabilities		19,341	19,541
Lease liabilities		26	28
Provision for warranties		425	515
Current tax liabilities		1,708	1,221
		<u>231,001</u>	<u>167,317</u>
TOTAL LIABILITIES		<u>262,583</u>	<u>209,577</u>
TOTAL EQUITY AND LIABILITIES		<u>948,380</u>	<u>808,631</u>
Net assets per share (RM)		<u>1.2546</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 12 MONTHS ENDED 30 SEPTEMBER 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	-	-	619	-	-	-	619	285	904	
- Profit for the financial period	-	-	-	-	-	65,947	65,947	2,786	68,733	
Total comprehensive income for the financial year	-	-	619	-	-	65,947	66,566	3,071	69,637	
<i>Contribution by and (distributions to) owners of the Company</i>										
- Issuance of ordinary shares pursuant to ESOS	A6 153	-	-	-	-	-	153	-	153	
- Transfer from share option reserve	21	-	-	(21)	-	-	-	-	-	
- Own shares disposed	8,930	30,507	-	-	-	-	39,437	-	39,437	
- Own shares acquired	-	(19,484)	-	-	-	-	(19,484)	-	(19,484)	
Total transactions with owners of the Company	9,104	11,023	-	(21)	-	-	20,106	-	20,106	
Dividends paid by subsidiaries to non-controlling interest	-	-	-	-	-	-	-	(3,000)	(3,000)	
At 30 September 2023	286,848	-	2,948	34	11,538	363,872	665,240	20,557	685,797	

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 12 MONTHS ENDED 30 SEPTEMBER 2022

(The figures have not been audited)

	<----- Non-distributable ----->					Distributable			
	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	TOTAL RM'000	NON- CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
At 1 October 2021	268,408	(11,023)	1,805	1,256	-	271,938	532,384	27,075	559,459
Total comprehensive income for the financial period									
- Foreign exchange translation reserve	-	-	524	-	-	-	524	205	729
- Revaluation of property, plant equipment	-	-	-	-	11,538	-	11,538	-	11,538
- Profit for the financial period	-	-	-	-	-	36,842	36,842	4,266	41,108
Total comprehensive income for the financial year	-	-	524	-	11,538	36,842	48,904	4,471	53,375
<i>Contribution by and (distributions to) owners of the Company</i>									
- Dividends to owners of the Company	-	-	-	-	-	(10,914)	(10,914)	-	(10,914)
- Issuance of ordinary shares pursuant to ESOS	8,194	-	-	-	-	-	8,194	-	8,194
- Transfer from share option reserve	1,142	-	-	(1,201)	-	59	-	-	-
Total transactions with owners of the Company	9,336	-	-	(1,201)	-	(10,855)	(2,720)	-	(2,720)
Dividends paid by subsidiaries to non-controlling interest	-	-	-	-	-	-	-	(11,060)	(11,060)
At 30 September 2022	277,744	(11,023)	2,329	55	11,538	297,925	578,568	20,486	599,054

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 12 MONTHS ENDED 30 SEPTEMBER 2023

(The figures have not been audited)

	12 MONTHS ENDED 30 SEPT 2023 RM'000	12 MONTHS ENDED 30 SEPT 2022 RM'000
Cash flows from operating activities		
Profit before tax	81,947	56,605
Adjustments	(31,002)	5,994
Operating profit before changes in working capital	50,945	62,599
Changes in working capital:		
Contract assets	(923)	(4,342)
Contract liabilities	(200)	2,053
Contract costs	659	408
Inventories	(15,554)	1,236
Prepayments	(290)	(107)
Trade and other payables	49,047	(8,603)
Trade and other receivables	(12,709)	(20,868)
Cash generated from operations	70,975	32,376
Provision for warranties utilised	(256)	(272)
Tax paid net of refund	(10,449)	(15,914)
Net cash from operating activities	60,270	16,190
Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,084)	(1,210)
Investment in quoted shares	(116,947)	-
Proceeds from sales of quoted shares	60,695	-
Acquisition of a subsidiary, net of cash and cash equivalents acquired	(499)	-
Interest received	1,352	1,661
Dividend received	521	-
Proceeds from disposal of property, plant and equipment	476	51
Net cash (used in)/from investing activities	(55,486)	502
Cash flows from financing activities		
Dividends paid to non-controlling interest	(3,000)	(11,060)
Dividends paid to owners of the Company	-	(10,914)
Drawdown/(Repayment) of borrowings - net	2,471	(198)
Interest paid	(5,321)	(5,111)
Interest paid in relation to lease liabilities	(4)	(2)
Payment of lease liabilities	(32)	(24)
Proceeds from issuance of ordinary shares pursuant to ESOS	153	8,194
Proceeds from sales of treasury shares	39,437	-
Purchase of treasury shares	(19,484)	-
Net cash from/(used in) financing activities	14,220	(19,115)
Net increase/(decrease) in cash and cash equivalents	19,004	(2,423)
Cash and cash equivalents at beginning of financial period	102,339	104,450
Effect of exchange rate fluctuation on cash held	390	312
Cash and cash equivalents at end of financial period	121,733	102,339

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 September 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 5,000 and 273,000 new ordinary shares, respectively, 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 were 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 6,773,300 of its treasury shares for a total consideration of approximately RM6.36 million in the open market at an average price of RM0.939 per share. During the current financial period, the Company sold 41,624,400 of its treasury shares for a total consideration of approximately RM39.44 million in the open market at an average price of RM0.947 per share.

Following the sale, the Company did not hold any treasury shares as at 30 September 2023.

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

A7. *Dividend Paid*

No dividend was paid during the current quarter.

Notes to the Interim Financial Statements

A8. *Operating Segment Information*

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 September 2023				
External revenue	285,254	118,200	4,587	408,041
Inter/Intra segment revenue	22,815	-	24,489	47,304
Total reportable revenue	308,069	118,200	29,076	455,345
Segment profit	40,406	6,688	64,478	111,572
Segment assets	405,927	328,257	678,528	1,412,712
Elimination of inter-segment transactions or balances				(464,332)
				948,380
Segment liabilities	(90,906)	(175,110)	(223,345)	(489,361)
Elimination of inter-segment transactions or balances				226,778
				(262,583)
<i>Reconciliation of profit</i>				
				30 Sept 2023
				RM'000
Total profit for reportable segments				111,572
Elimination of inter-segment profits				(23,067)
Depreciation				(2,585)
Interest expense				(5,325)
Interest income				1,352
				81,947

Notes to the Interim Financial Statements

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

There were no material events as at 16 November 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*

- (a) Ebac Home Pte. Ltd., a wholly-owned subsidiary of the Company incorporated in Singapore, had been struck off from the register and dissolved on 4 September 2023 following the publication of the notice of striking-off on the Gazette on 4 July 2023.
- (b) On 23 August 2023, the Company had entered into a Share Sale Agreement to acquire 100% equity interest in Sinaran Urusjuta Sdn. Bhd. for a total cash consideration of RM500,000.
- (c) The Company had on 26 October 2023 incorporated a wholly-owned subsidiary, Gurney Vista Estates Sdn. Bhd., with an issued share capital of RM1,000.00 comprising 1,000 ordinary shares.

There were no other 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

	12 months ended	
	30 Sept 2023	30 Sept 2022
	RM'000	RM'000
Revenue	408,041	369,979
Profit before tax	81,947	56,605

The Group recorded a higher revenue of RM408.04 million in the current financial period compared with RM369.98 million in the preceding financial year corresponding period. Profit before tax (“PBT”) for the current financial period of RM81.95 million was higher compared with RM56.61 million in the preceding financial year corresponding period. The higher PBT was mainly attributable to the change in fair value of other investments of RM23.24 million and gain on sales of other investments of RM15.02 million.

The Group’s revenue is derived primarily from trading and services segment which contributed 69.9% of the Group’s revenue in the current financial period. The segment recorded a lower revenue of RM285.25 million in the current financial period compared with RM339.76 million in the preceding financial year corresponding period. Consequently, PBT for the current financial period of RM38.72 million was lower compared with RM53.31 million in the preceding financial year corresponding period.

The property development segment contributed 29.0% of the Group’s revenue in the current financial period. The segment recorded a higher revenue of RM118.20 million in the current financial period compared with RM26.29 million in the preceding financial year corresponding period. Hence, this segment recorded a higher PBT of RM3.37 million in the current financial period compared with RM1.00 million in the preceding financial year corresponding period.

The investment holding and property investment segment contributed 1.1% of the Group’s revenue in the current financial period. The segment recorded a higher revenue of RM4.59 million in the current financial period compared with RM3.93 million in the preceding financial year corresponding period. PBT of RM39.86 million in the current financial period was higher compared with RM2.30 million in the preceding financial year corresponding period. The higher PBT was attributable to the change in fair value of other investments of RM23.24 million and gain on sales of other investments of RM15.02 million.

Notes to the Interim Financial Statements

B2. Comparison with Preceding Quarter's Results

	3 months ended	
	30 Sept 2023	30 June 2023
	RM'000	RM'000
Revenue	102,274	92,859
Profit before tax	15,168	23,479

The Group recorded a higher revenue of RM102.27 million in the current quarter ended 30 September 2023 compared with RM92.86 million in the previous quarter ended 30 June 2023. However, the Group recorded a lower PBT of RM15.17 million compared with RM23.48 million in the previous quarter ended 30 June 2023. The lower PBT was mainly attributable to the reversal of fair value gains recognised in prior periods upon sales of a portion of other investments and fair value loss recognised on other investments.

B3. Prospects

The Malaysian economy expanded by 3.3% in the third quarter of 2023 (2Q 2023: 2.9%). Growth was anchored by resilient domestic demand. Household spending remained supported by continued growth in employment and wages. Meanwhile, investment activity was underpinned by the progress of multi-year projects and capacity expansion by firms. On a quarter-on-quarter seasonally adjusted basis, the economy grew by 2.6% (2Q 2023: 1.5%). Overall, the Malaysian economy expanded by 3.9% in the first three quarters of 2023. Headline inflation continued to moderate to 2% (2Q 2023: 2.8%) during the quarter.

The global economy is expected to grow at a slower pace in 2024. Global inflation would likely moderate further, with commodity prices posing a clear upside risk. Global trade recovery is likely to be gradual given persistent headwinds from trade restrictions and ongoing shift in consumption from goods to services. Downside risks stem mainly from higher-than-expected inflation, escalation of geopolitical tensions and a sharp tightening in financial market conditions.

Going forward, growth of the Malaysian economy will be driven largely by resilient domestic expenditure, with some support from electrical and electronics (“E&E”) exports recovery. Household spending will be supported by steady growth in employment and wage growth. Budget 2024 measures will also provide additional impetus to economic activity.

The growth outlook is subject to downside risks from weaker-than expected external demand, and larger and protracted declines in commodity production. Nevertheless, stronger-than-expected tourism activity, a stronger recovery from the E&E downcycle, and faster implementation of projects provide upside to Malaysia’s economic outlook. Risks to the inflation outlook remain highly subject to 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 Third 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 remaining financial year 2023 and financial year 2024 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 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:

	12 months ended 30 Sept 2023 RM'000
Current tax expense	11,371
Deferred tax expense	1,843
	<u>13,214</u>
Under-provision in prior year	-
	<u>13,214</u>
	<u><u>RM'000</u></u>
Profit before tax	81,947
Tax at Malaysian tax rate of 24%	19,667
Non-taxable income	(9,183)
Non-deductible expenses and other tax effects	2,730
	<u>13,214</u>
Tax expense	13,214
Under-provision in prior year	-
	<u>13,214</u>
Tax expense	<u><u>13,214</u></u>

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 September 2023 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Non-current			
Repayable after 12 months			
Term loan	19,160	-	19,160
	=====	=====	=====
Current			
Repayable within 12 months			
Term loan	12,095	-	12,095
Revolving credit	75,000	-	75,000
Bills payable	-	26,557	26,557
Sub-total	87,095	26,557	113,652
	=====	=====	=====
Total	106,255	26,557	132,812
	=====	=====	=====

B8. Derivatives

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

	Notional amount RM'000	Fair value RM'000	Difference RM'000
Foreign currency forward contracts			
US Dollar	495	510	15
Chinese Yuan Renminbi	7,098	7,133	35
	-----	-----	-----
	7,593	7,643	50
	=====	=====	=====

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 RM50,000 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 16 November 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 Sept 2023 RM'000	12 months ended 30 Sept 2023 RM'000
Profit for the financial period attributable to owners of the Company	10,474	65,947
	'000	'000
Weighted average number of ordinary shares at 30 September 2023	530,222	530,200
Basic earnings per share (sen)	1.98	12.44
	'000	'000
Weighted average number of ordinary shares at 30 September 2023 (basic)	530,222	530,200
Effects of share options	166	192
Weighted average number of ordinary shares at 30 September 2023 (diluted)	530,388	530,392
Diluted earnings per share (sen)	1.97	12.43

Notes to the Interim Financial Statements

B12. Profit before tax

	12 months ended 30 Sept 2023 RM'000
Profit before tax is arrived at after charging:	
Depreciation and amortisation	2,585
Impairment loss on goodwill	499
Interest expense	5,325
Inventories written down and written off, net	704
Allowance for impairment loss for trade receivables – net	151
Loss on foreign exchange – realised and unrealised	94
Loss on derivative financial instruments – realised and unrealised	36
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and after crediting:	
Interest income	1,352
Change in fair value of other investments	23,237
Gain on sales of other investments	15,024
Gain on disposal of property, plant and equipment	265
Bad debts recovery	8
Gain on foreign exchange – realised and unrealised	393
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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 Sept 2023 RM'000
Approved and contracted for	1,570
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This announcement is dated 23 November 2023.