



# **CHUAN HUAT RESOURCES BERHAD**

*(Registration No. 199401005050 (290729-W))*

*(Incorporated in Malaysia)*

**Condensed Consolidated Financial Statements  
For the Third Quarter and Nine Months Period Ended  
31 March 2023**

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Financial Position  
As at 31 March 2023**

	Unaudited As at 31/03/23 (RM'000)	Audited As at 30/06/22 (RM'000)
<b>ASSETS</b>		
<b>Non-Current assets</b>		
Property, plant & equipment	125,974	128,051
Investment properties	93,177	67,097
Intangible assets	1,200	-
Right-of-use assets	96,637	99,111
Other investments	40	40
	317,028	294,299
<b>Current assets</b>		
Inventories	115,916	120,381
Trade receivables	167,542	159,129
Non-current asset held for sale	-	6,915
Other receivables, deposits and prepayments	18,314	15,773
Cash & cash equivalents	23,377	32,170
	325,149	334,368
	<b>642,177</b>	<b>628,667</b>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
Share Capital	84,335	84,335
Reserves	231,348	233,424
	315,683	317,759
<b>Non-controlling interest</b>	14,410	14,362
<b>Total equity</b>	330,093	332,121
<b>Non-current liabilities</b>		
Borrowings	28,273	14,865
Lease liabilities	2,988	3,238
Deferred tax liabilities	29,467	29,514
	60,728	47,617
<b>Current liabilities</b>		
Trade & other payables	33,418	35,542
Borrowings	216,090	211,364
Lease liabilities	1,241	2,022
Taxation	607	1
	251,356	248,929
<b>Total liabilities</b>	312,084	296,546
	<b>642,177</b>	<b>628,667</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.87	1.88

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

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Comprehensive Income**  
**For the third quarter and nine months period ended 31 March 2023**

	Quarter Ended		Year-To-Date Ended	
	3 months ended		9 months ended	
	31/03/23 (RM'000)	31/03/22 (RM'000)	31/03/23 (RM'000)	31/03/22 (RM'000)
<b>Revenue</b>	172,026	157,267	490,293	448,894
Operating expenses	(170,633)	(155,971)	(482,501)	(432,757)
Other income	586	314	2,318	2,542
<b>Operating profit</b>	<b>1,979</b>	<b>1,610</b>	<b>10,110</b>	<b>18,679</b>
Depreciation of property, plant and equipment	(1,137)	(1,184)	(3,417)	(3,471)
Depreciation of Right-of-use assets	(812)	(497)	(2,779)	(2,339)
Interest expenses	(2,373)	(1,446)	(6,286)	(4,105)
Interest income	416	52	1,378	424
Provision for and write off of receivables	252	(710)	707	(906)
Provision for and write off of inventories	-	-	-	-
Gain on disposal of quoted or unquoted investments or properties	-	-	-	-
Realised foreign exchange	-	-	-	-
Foreign exchange (loss)/gain	40	-	74	4
<b>(Loss) / Profit before tax</b>	<b>(1,635)</b>	<b>(2,175)</b>	<b>(213)</b>	<b>8,286</b>
Taxation	(460)	128	(1,752)	(2,855)
<b>(Loss) / Profit for the period</b>	<b>(2,095)</b>	<b>(2,047)</b>	<b>(1,965)</b>	<b>5,431</b>
Other Comprehensive loss net of tax	-	39	-	29
<b>Total Comprehensive (Loss) / Income for the period</b>	<b>(2,095)</b>	<b>(2,008)</b>	<b>(1,965)</b>	<b>5,460</b>
<b>Profit attributable to:-</b>				
Owner of the parent	(1,825)	(1,707)	(2,057)	5,387
Non-controlling interest	(270)	(340)	92	44
	<b>(2,095)</b>	<b>(2,047)</b>	<b>(1,965)</b>	<b>5,431</b>
<b>Comprehensive Income / (Loss) attributable to:-</b>				
Owner of the parent	(1,825)	(1,668)	(2,057)	5,416
Non-controlling interest	(270)	(340)	92	44
Comprehensive Income/(Loss) for the period	<b>(2,095)</b>	<b>(2,008)</b>	<b>(1,965)</b>	<b>5,460</b>
<b>Earnings per share attributable to owners of the company (sen):-</b>				
Basic earnings / (loss) per share	(1.08)	(1.01)	(1.22)	3.19

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

**Condensed Consolidated Statement of Changes in Equity**  
**For the financial period ended 31 March 2023**

	Share Capital (RM'000)	Capital Reserve (RM'000)	Non-Distributable Exchange Translation Reserve (RM'000)	Revaluation Reserve (RM'000)	Distributable Retained Earnings (RM'000)	Total (RM'000)	Non- Controlling interest (RM'000)	Total Equity (RM'000)
<b>(Unaudited)</b>								
<b>GROUP</b>								
At 1 July 2022	84,335	21,923	3,710	110,029	97,762	317,759	14,362	332,121
Profit for the year	-	-	-	-	(2,056)	(2,056)	48	(2,008)
Deferred tax on revaluation land & buildings	-	-	-	-	-	-	-	-
Other comprehensive loss	-	-	(20)	-	-	(20)	-	(20)
Total comprehensive income for the period	-	-	(20)	-	(2,056)	(2,076)	48	(2,028)
Dividend	-	-	-	-	-	-	-	-
At 31 March 2023	84,335	21,923	3,690	110,029	95,706	315,683	14,410	330,093

**Audited**

**GROUP**

At 1 July 2021	84,335	21,923	379	108,454	93,840	<b>308,931</b>	14,575	<b>323,506</b>
Profit for the year	-	-	-	-	6,983	<b>6,983</b>	(153)	<b>6,830</b>
Deferred tax on revaluation land & buildings	-	-	-	1,575	-	<b>1,575</b>	-	<b>1,575</b>
Other comprehensive loss	-	-	3,331	-	-	<b>3,331</b>	-	<b>3,331</b>
Total comprehensive income for the period	-	-	3,331	1,575	6,983	<b>11,889</b>	<b>(153)</b>	<b>11,736</b>
Dividend	-	-	-	-	(3,061)	<b>(3,061)</b>	(60)	<b>(3,121)</b>
At 30 June 2022	84,335	21,923	3,710	110,029	97,762	<b>317,759</b>	14,362	<b>332,121</b>

*The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes to these interim financial statements.*

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Cash Flows**  
**For the financial period ended 31 March 2023**

	<b>9 months 31/03/23 (RM'000)</b>	<b>9 months 31/03/22 (RM'000)</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Cash flows from operating activities</b>		
Profit/(loss) before tax	(213)	8,286
<u>Adjustment for non-cash items :-</u>		
Depreciation of property, plant and equipment	3,417	3,471
Depreciation of Right-of-use assets	2,779	2,339
Interest expenses	6,310	4,104
Interest income	(1,378)	(424)
Impairment loss on trade receivables	282	1,799
Reversal of impairment losses on trade receivables	(930)	(906)
Non-cash items	(199)	712
Operating profit before working capital changes	10,068	19,381
Decrease / (Increase) in inventories	4,466	(19,502)
(Increase) in trade and other receivables	(10,406)	(26,375)
Increase in trade and other payables	(2,124)	(2,299)
Cash generated from/(used in) operations	2,004	(28,795)
Interest received	1,332	412
Interest paid	(5,873)	(3,586)
Tax paid, net of refund	(1,009)	(1,299)
<b>Net cash from operating activities</b>	<b>(3,546)</b>	<b>(33,268)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(465)	(657)
Purchase of right-of-use assets	(311)	-
Purchase of intangible assets	(1,200)	-
Purchase of investment properties	(26,080)	(538)
Proceeds from disposal of property, plant and equipment	252	41
Proceeds from disposal of investment properties	6,774	582
Interest received	45	12
<b>Net cash outflow from investing activities</b>	<b>(20,985)</b>	<b>(560)</b>
<b>Cash flows from financing activities</b>		
Net proceeds from /(repayments to) term loans	13,881	(1,882)
Payments of lease liabilities	(1,979)	(2,107)
Net (repayment)/ drawdown of short term borrowings	3,833	45,356
Dividend paid to owners of the company	-	(3,061)
Interest paid on term loans	(250)	(230)
Interest paid on lease liabilities	(188)	(346)
(Increase)/Decrease in fixed deposit pledged	90	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>15,387</b>	<b>37,730</b>
Effects of changes in exchange rates	20	(29)
Net Increase/(Decrease) in cash & cash equivalents	(9,144)	3,903
Cash & cash equivalents at beginning of the financial period	30,874	20,815
<b>Cash &amp; cash equivalents at end of the financial year</b>	<b>21,750</b>	<b>24,689</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying Notes to the Interim Financial Report and the audited financial statements of the Company for the financial year ended 30 June 2022

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER AND NINE MONTHS PERIOD 31 MARCH 2023**

**1. Basis of preparation**

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended **30 June 2022** which were prepared under the Malaysian Financial Reporting Standards ("MFRS") and amendments to standards to be applied by all Entities Other Than Private Entities.

These interim financial statements of the Group are not audited and have been prepared in accordance with the requirements of MFRS 134 – *Interim Financial Reporting* and the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended **30 June 2022**.

**2. Significant accounting policies**

The accounting policies applied by the Group in these interim consolidated interim financial statements are consistent with the audited financial statements for the financial year ended 30 June 2022, except for the adoption of the following newly-issued MFRS for the financial periods beginning on or after 1 January 2022:

Effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, MFRS 9, MFRS 16 and MFRS 141 contained in the document entitled "*Annual Improvements to MFRS Standards 2018–2020*"
- Amendments to MFRS 3 - *Business Combinations – Reference to the Conceptual Framework*
- 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*

The adoption of the above Standards and Amendments do not have any significant impact on the financial statements of the Group.

**Standards and amendments in issue but not yet effective**

As at the date of authorisation of these interim financial statements, the Group have not made early adoption of the following MFRSs and Amendments to MFRSs which have been issued and will be effective for the financial periods as stated below:-

Effective for annual periods beginning on or after 1 January 2023

- MFRS 17 – *Insurance Contracts*
- Amendments to MFRS 17 – *Insurance Contracts - Initial Applications* MFRS 17 and MFRS 9 - *Comparative Information*
- Amendments to MFRS 101 – *Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies*
- Amendments to MFRS 108 – *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*

## **2. Significant accounting policies (cont'd)**

- Amendments to MFRS 112 – *Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16 – *Leases – Lease liabilities in a Sale and Leaseback*

Effective date deferred to a date to be determined by MASB

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

The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and Amendments will have no material impact on the financial statements of the Group in the period of initial application.

## **3. Auditors' Report in respect of the 2022 Annual Financial Statements**

The auditors' report on the financial statements for the financial period ended 30 June 2022 was not qualified.

## **4. Seasonality or Cyclicity of Interim Operations**

The Group's performance was not affected by any significant seasonal or cyclical factors in the current quarter under review.

## **5. Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period ended 31 March 2023.

## **6. Changes in Estimates**

There were no material changes in estimates that have had a material effect during the financial period ended 31 March 2023.

## **7. Debt and Equity Securities**

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities during the financial period ended 31 March 2023.

## **8. Dividends**

No dividend has been declared for period ended 31 March 2023.



(Incorporated in Malaysia)

**9. Segment Information**

	Current year quarter 3 months 31/03/23 (RM'000)	Preceding year quarter 3 months 31/03/22 (RM'000)	Current year to date 9 months 31/03/23 (RM'000)	Preceding year to date 9 months 31/03/22 (RM'000)
<b><u>Segment Revenue</u></b>				
Trading of steel & building materials	150,515	140,336	418,149	390,343
Steel Service Centre	43,871	37,719	121,307	103,907
Trading of IT related products	9,470	10,436	28,693	32,151
Food & Beverage	2,479	2,739	8,761	5,859
Others	541	811	1,615	1,761
Total revenue including inter-segment sales	206,876	192,041	578,525	534,021
Elimination of inter segment sales	(34,850)	(34,775)	(88,232)	(85,127)
<b>Total revenue</b>	<b>172,026</b>	<b>157,266</b>	<b>490,293</b>	<b>448,894</b>
<b><u>Profit/ (loss) before taxation</u></b>				
Trading of steel & building materials	591	(1,096)	5,837	5,933
Steel Service Centre	(503)	(273)	(2,795)	3,432
Trading of IT related products	(884)	(456)	(2,095)	377
Food & Beverage	(173)	(120)	(30)	(652)
Others	(666)	(230)	(1,130)	(804)
<b>Total Profit before taxation</b>	<b>(1,635)</b>	<b>(2,175)</b>	<b>(213)</b>	<b>8,286</b>

(Incorporated in Malaysia)

### 10. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment for financial period ended 31 March 2023 remain unchanged from the previous audited financial statements as at 30 June 2022 respectively.

### 11. Material Events Subsequent to the Balance Sheet Date

There were no material events which occurred subsequent to the balance sheet date until the date of this announcement.

### 12. Contingent Liabilities/Contingent Assets

	31/03/23 (RM'000)	30/06/22 (RM'000)	Changes (RM'000)
Corporate guarantees in respect of Banking facilities granted to subsidiary Companies	244,363	226,229	18,134
Corporate guarantees in respect of the Supply of goods to subsidiary companies	26,120	2,029	24,091

### 13. Capital Commitments

The Group has commitments as follows:

	31/03/23 (RM'000)	30/06/22 (RM'000)	Changes (RM'000)
Capital expenditure approved and contracted for	936	936	-

### 14. Related Party Transactions

The related parties of the Group and of the Company comprise the following:

Related companies being subsidiary companies of Chuan Huat Resources Berhad (CHRB) are as follow:-.

- i) Chuan Huat Metal Sdn Bhd (CHM), a 80% owned subsidiary
- ii) Pineapple Resources Berhad, a 63.85% owned subsidiary and it's subsidiary companies (PRB Group)
- iii) Keyline Consulting Sdn Bhd (KLC), a 70% owned subsidiary
- iv) CHRB Building Materials Sdn Bhd (CHRB BM), a 60% owned subsidiary
- v) CH Sweestech Door Sdn Bhd ("CHSD"), a 52.5% owned subsidiary

Other related parties being companies in which a Substantial shareholder or a Director of the Company and subsidiary companies have interest.

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**14. Related Party Transactions (cont'd)**

The significant related party transactions are as follows:

	Current year to date 9 months 31/03/23 (RM'000)	Preceding Year to date 9 months 31/03/22 (RM'000)
<b>a) Sale of goods to</b>		
i) <u>Subsidiaries</u>		
CHM	1,390	2,344
CHRB BM	816	883
KLC	146	-
<b>b) Purchase of goods from</b>		
i) <u>Subsidiaries</u>		
KLC	414	825
CHM	-	16
CHRB BM	12	5
ii) <u>Subsidiaries</u>		
Rental income received from subsidiaries	129	128
Security, water & electricity charges received from subsidiaries	36	36
Management fee and incentive received from subsidiaries	242	62

In the opinion of the Directors, the above related party transactions have been entered into in the normal course of business and have been established under terms that are no more favourable than those arranged with independent third parties.

**15. Cash and Cash Equivalents**

	As at 31/03/23 (RM'000)	As at 30/06/22 (RM'000)
Fixed deposit with a licensed bank	-	89
Cash and bank balances	23,377	32,081
Bank overdraft	(1,627)	(1,207)
	21,750	30,963
Less : Fixed Deposits pledged	-	(89)
	21,750	30,874

(Incorporated in Malaysia)

**16. Review of Performance**

The Group's revenue for the current quarter increased by 9.39% to RM172 million as compared to RM157 million in the preceding quarter whilst the profit before taxation, improved from a loss of RM2.17 million to a loss of RM1.63 million, representing an improvement of 24.83%.

The Group's revenue for the current year 9 months period increased by 9.22% to RM490 million as compared to RM448 million in the preceding year, whilst the bottom line reported a loss of RM0.21 million from a profit before taxation of RM8.28 million previously.

	Current year quarter 31.03.23 RM'000	Preceding year quarter 31.03.22 RM'000	Change %	Current year to date 9 months 31.03.23 RM'000	Preceding year to date 9 months 31.03.22 RM'000	Change %
<b>Revenue</b>						
Trading of steel & building materials	133,272	123,505	7.91	375,895	354,195	6.13
Steel Service Centre	26,522	20,188	31.38	76,102	55,700	36.63
Trading of IT related products	9,470	10,436	-9.26	28,693	32,151	-10.76
Food and Beverage	2,479	2,739	-9.49	8,761	5,859	49.53
Others	283	398	-28.89	842	989	-14.86
<b>Total</b>	<b>172,026</b>	<b>157,266</b>	<b>9.39</b>	<b>490,293</b>	<b>448,894</b>	<b>9.22</b>
<b>Profit before taxation</b>						
Trading of steel & building materials	591	(1,096)	153.92	5,837	5,933	-1.62
Steel Service Centre	(503)	(273)	-84.25	(2,795)	3,432	-181.44
Trading of IT related products	(884)	(456)	-93.86	(2,095)	377	-655.70
Food and beverage	(173)	(120)	-44.17	(30)	(652)	95.40
Others	(666)	(230)	-189.57	(1,130)	(804)	-40.55
<b>Total</b>	<b>(1,635)</b>	<b>(2,175)</b>	<b>24.83</b>	<b>(213)</b>	<b>8,286</b>	<b>-102.57</b>

## 16. Review of Performance (cont'd)

The reasons for the changes in the various sectors are as follows:

### i) Trading of steel and building materials

#### **Current quarter against preceding quarter (3 months)**

The increase in revenue was mainly due to the increase in the selling price of steel products which also improved the bottom line accordingly.

#### **Current 9 months year to date against preceding year 9 months year to date**

Whilst revenue increased by 6.13%, the bottom line was maintained, mainly due to the resumption of projects.

### ii) Steel Service Centre

#### **Current quarter against preceding quarter (3 months)**

Although the revenue increased by 31.38%, the bottom line reported a bigger loss due to closing stock value variance.

#### **Current 9 months year to date against preceding year 9 months year to date**

For the similar reasons as the above, turnover increased by 36.63% but bottom line reported a loss of RM2.79 million from a profit of RM3.43 million previously due mainly to the stiff selling margins and closing stock value variance.

### iii) Trading of IT related products

#### **Current quarter against preceding quarter (3 months)**

The drop in revenue was due to the slower sales from physical stores and further margins erosion which resulted a bigger loss accordingly.

#### **Current 9 months year to date against preceding year 9 months year to date**

The drop in revenue was mainly due to the shift of customers from the physical stores in Aeon and Lotus's to online coupled with a slowdown in the IT products industry. The stiff competition on online sales together with further margins erosion and high operating costs of the physical stores affected the bottom line which reported a loss from a profit previously over the same period.

### iv) Food and Beverage (F&B) Division

#### **Current quarter against preceding quarter (3 months)**

The lower revenue and bottom line were from the closure of Thai Hou Sek restaurant in Mid Valley.

#### **Current 9 months year to date against preceding year 9 months year to date**

The increase in revenue was attributed to the new Bhai Jim Jum outlet in Mytown Shopping Mall and the relaxation of the Covid-19 MCO restrictions which saw an increase in customers returning to dine-in compared with the preceding year period. The bottom line reported an almost break even result due to the increase in revenue.

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**17. Material changes in Profit/(Loss) Before Taxation ("PBT/LBT) against preceding quarter**

	Current year quarter 3 months 31/03/23 (RM'000)	Immediate preceding quarter 3 months 31/12/22 (RM'000)	Change %
<b>Revenue</b>			
Trading of steel & building materials	133,272	110,208	20.93
Steel Service Centre	26,522	26,373	0.56
Trading of IT related products	9,470	9,501	-0.33
Food and Beverage	2,479	2,843	-12.80
Others	283	282	0.35
<b>Total</b>	<b>172,026</b>	<b>149,207</b>	<b>15.29</b>
<b>Profit / (Loss) before taxation</b>			
Trading of steel & building Materials	591	2,106	-71.94
Steel Service Centre	(503)	(775)	35.10
Trading of IT related products	(884)	(551)	-60.44
Food and Beverage Division	(173)	31	-658.06
Others	(666)	(154)	-332.47
<b>Total</b>	<b>(1,635)</b>	<b>657</b>	<b>-348.86</b>

The reasons for the changes in various sector are as follow:

**i) Trading of steel & building materials**

The huge drop in profit was due to lower selling margin and closing stock valuation variance.

**ii) Steel service centre**

No material changes.

**iii) Trading of IT related products**

The higher loss was mainly due to lower selling price and lower margins from online sales coupled with lower sales and high operating costs of the physical stores in Aeon and Lotus's.

**iv) Food and Beverage (F&B) Division**

The loss was due to closure of Thai Hou Sek outlet in Mid Valley Mall.

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### 18. Commentary on Prospects

With the unity government in place after the conclusion of GE15, the domestic economy is projected to improve with more spending and injection of foreign investments into the country. The Government's recent announcement of the resumption of the MRT3 line and the Pan Borneo Highway projects and the relaxation on the intake of foreign workers will further spur the construction industry. The diminishing threat of the Covid-19 pandemic will boost the revival of the tourism and hospitality industry which will augur well for the Food and Beverage industry. We are cautiously optimistic on the overall performance of the Group for the rest of the financial year.

### 19. Profit Forecast and Profit Guarantee

The Group is not subject to any profit forecast or profit guarantee requirements.

### 20. Income Tax Expenses

	Current year quarter 3 months 31/03/23 (RM'000)	Preceding year quarter 3 months 31/03/22 (RM'000)	Current year to date 9 months 31/03/23 (RM'000)	Preceding year to date 9 months 31/03/22 (RM'000)
Malaysia income tax				
- current	92	(522)	1,592	1,776
- under/ (over) provision in prior years	63	301	65	301
- real property gain tax	(160)		47	
	(5)	(221)	1,704	2,077
Deferred taxation	465	93	48	778
<b>TOTAL</b>	<b>460</b>	<b>(128)</b>	<b>1,752</b>	<b>2855</b>

The effective tax rate for the financial year ended 31<sup>st</sup> March 2023 is not reflective of the statutory tax rate mainly due to the losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries, and certain expenses which are not deductible for tax purposes.

### 21. Loans and Borrowings

	As at 31/03/23 (RM'000)	As at 30/06/22 (RM'000)
<u>Amount due within one year</u>		
Bank overdrafts	1,627	1,207
Bankers' acceptance	211,355	207,861
Trust receipts	339	-
Term loans	2,769	2,296
	<u>216,090</u>	<u>211,364</u>
<u>Amount due more than one year</u>		
Term Loans	31,042	17,160
Less : amount payable within 12 months	(2,769)	(2,295)
	<u>28,273</u>	<u>14,865</u>
	<u>244,363</u>	<u>226,229</u>

## 22. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

## 23. Changes in Material Litigation

As at date of this report, there were no changes in material litigation, including the status of pending material litigation since the last annual balance sheet date of 30 June 2022.

## 24. Earnings per share

### a. Basic earnings per share

The basic earnings per share is calculated by dividing the profit attributable to owners of the parent for the period by the total number of ordinary shares of the Company in issue for the respective period as follows:

	Current year quarter 3 months 31/03/23 (RM'000)	Preceding year quarter 3 months 31/03/22 (RM'000)	Current year to date 9 months 31/03/23 (RM'000)	Preceding year to date 9 months 31/03/22 (RM'000)
(Loss) / Profit attributable to the owners of the parent (RM'000)	(1,825)	(1,707)	(2,057)	5,387
Total number of ordinary shares in issue ('000)	168,670	168,670	168,670	168,670
Basic earnings/(loss) per share (sen)	(1.08)	(1.01)	(1.22)	3.19

## 25. Authorisation for Issue



(Incorporated in Malaysia)

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This interim consolidated financial statement were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

**BY ORDER OF THE BOARD**

**DATO' LIM LOONG HENG**  
**DEPUTY MANAGING DIRECTOR**

Date: 25 May 2023