

**POH HUAT RESOURCES HOLDINGS BERHAD [199701027671 (443169-X)]**  
**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income (Unaudited)**  
**For The Quarter Ended 31 January 2024**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31-Jan-2024	31-Jan-2023	31-Jan-2024	31-Jan-2023
	RM	RM	RM	RM
Revenue	131,139,569	119,533,268	131,139,569	119,533,268
Cost of Sales	(105,164,870)	(92,795,035)	(105,164,870)	(92,795,035)
Gross Profit	<u>25,974,699</u>	<u>26,738,233</u>	<u>25,974,699</u>	<u>26,738,233</u>
Selling and distribution expenses	(6,478,063)	(5,482,187)	(6,478,063)	(5,482,187)
Administration expenses	(7,392,922)	(6,827,631)	(7,392,922)	(6,827,631)
Other income / (expenses)	1,713,412	(5,490,236)	1,713,412	(5,490,236)
Finance costs	(118,427)	(180,929)	(118,427)	(180,929)
<b>Profit / (Loss) before tax</b>	<b>13,698,699</b>	<b>8,757,250</b>	<b>13,698,699</b>	<b>8,757,250</b>
Income tax expense	(3,395,732)	(1,931,184)	(3,395,732)	(1,931,184)
<b>Profit / (Loss) for the period</b>	<b><u>10,302,967</u></b>	<b><u>6,826,066</u></b>	<b><u>10,302,967</u></b>	<b><u>6,826,066</u></b>
Other Comprehensive Income / (Expense) net of tax				
- Foreign currency translation differences	821,129	(9,814,028)	821,129	(9,814,028)
<b>Total Comprehensive Income / (Expense) for the period</b>	<b><u>11,124,096</u></b>	<b><u>(2,987,962)</u></b>	<b><u>11,124,096</u></b>	<b><u>(2,987,962)</u></b>
<b>Profit / (Loss) after tax attributable to : Owners of the Company</b>	<b><u>10,302,967</u></b>	<b><u>6,826,066</u></b>	<b><u>10,302,967</u></b>	<b><u>6,826,066</u></b>
<b>Total Comprehensive Income / (Expense) attributable to : Owners of the Company</b>	<b><u>11,124,096</u></b>	<b><u>(2,987,962)</u></b>	<b><u>11,124,096</u></b>	<b><u>(2,987,962)</u></b>
Basic Earnings Per Share (in sen)	3.89	2.58	3.89	2.58
Diluted Earnings Per Share (in sen)	3.89	2.58	3.89	2.58

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 October 2023)

**POH HUAT RESOURCES HOLDINGS BERHAD [199701027671 (443169-X)]**  
**Condensed Consolidated Statements of Financial Position (Unaudited)**  
**As At 31 January 2024**

	As At 31-Jan-2024 RM	As At 31-Oct-2023 RM
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	128,655,416	130,460,575
Right-of-use assets	26,567,566	26,679,974
Land held for property development	19,524,842	19,524,842
Investment properties	38,389,714	37,837,742
Deferred tax assets	-	385,918
Other receivable	3,200,000	3,200,000
	<u>216,337,538</u>	<u>218,089,051</u>
<b>Current assets</b>		
Inventories	68,896,253	55,536,704
Trade and other receivables	44,978,589	34,969,406
Short term investment	80,588,866	50,123,216
Deposits, bank and cash balances	210,081,339	258,437,920
	<u>404,545,047</u>	<u>399,067,246</u>
<b>TOTAL ASSETS</b>	<b><u>620,882,585</u></b>	<b><u>617,156,297</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	164,912,803	164,912,803
Treasury shares	(2,836,481)	(2,836,481)
Translation reserve	8,905,921	8,084,792
Retained profits	369,856,933	364,853,412
<b>TOTAL EQUITY</b>	<b><u>540,839,176</u></b>	<b><u>535,014,526</u></b>
<b>Non-current liabilities</b>		
Lease liabilities	17,768,265	16,716,717
Hire Purchase payables	75,444	194,628
Deferred tax liabilities	6,914,525	6,799,891
	<u>24,758,234</u>	<u>23,711,236</u>
<b>Current liabilities</b>		
Trade and other payables	52,959,979	55,589,119
Lease liabilities	685,032	685,032
Hire Purchase payables	305,711	305,711
Current tax liabilities	1,334,453	1,850,673
	<u>55,285,175</u>	<u>58,430,535</u>
<b>TOTAL LIABILITIES</b>	<b><u>80,043,409</u></b>	<b><u>82,141,771</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>620,882,585</u></b>	<b><u>617,156,297</u></b>

(The Condensed Consolidated of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2023)

**POH HUAT RESOURCES HOLDINGS BERHAD [199701027671 (443169-X)]**  
**Condensed Consolidated Statements of Changes In Equity (Unaudited)**  
**For The Quarter Ended 31 January 2024**

	<-----Non-distributable ----->			Distributable	
	Share capital RM	Treasury shares RM	Translation reserve RM	Retained profits RM	Total equity RM
At 1 November 2022	164,912,803	(2,836,481)	3,040,290	356,690,647	521,807,259
Profit after tax for the period				6,826,066	6,826,066
Other comprehensive income for the period					
- Foreign currency translation			(9,814,028)		(9,814,028)
Total comprehensive income for the period	-	-	(9,814,028)	6,826,066	(2,987,962)
Dividends distribution to owner of the Company				-	-
<b>At 31 January 2023</b>	<b>164,912,803</b>	<b>(2,836,481)</b>	<b>(6,773,738)</b>	<b>363,516,713</b>	<b>518,819,297</b>
At 1 November 2023	164,912,803	(2,836,481)	8,084,792	364,853,412	535,014,526
Profit after tax for the period				10,302,967	10,302,967
Other comprehensive income for the period					
- Foreign currency translation			821,129		821,129
Total comprehensive income for the period	-	-	821,129	10,302,967	11,124,096
Dividends distribution to owner of the Company				(5,299,446)	(5,299,446)
<b>At 31 January 2024</b>	<b>164,912,803</b>	<b>(2,836,481)</b>	<b>8,905,921</b>	<b>369,856,933</b>	<b>540,839,176</b>

(The Condensed Consolidated Statement of Change In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 October 2023)

**POH HUAT RESOURCES HOLDINGS BERHAD [199701027671 (443169-X)]**

**Condensed Consolidated Statements of Cash Flows (Unaudited)**

**For The Quarter Ended 31 January 2024**

	<b>31-Jan-2024</b>	<b>31-Jan-2023</b>
	<b>RM</b>	<b>RM</b>
<b>Cash flows from / (for) operating activities</b>		
Profit / (Loss) before tax	13,698,699	8,757,250
Adjustments for :		
Depreciation and amortisation	2,981,678	2,910,358
(Gain) / Loss on disposal of property, plant and equipment	(11,577)	(1,800,418)
Dividend (Income)	(461,462)	(308,813)
Unrealised (gain) / loss on forex	(2,090,540)	76,601
Net interest (income) / expense	(1,452,449)	(891,996)
Operating profit/ (loss) before working capital changes	12,664,349	8,742,982
Inventories	(13,359,547)	15,363,422
Trade and other receivables	(11,118,642)	9,057,300
Trade and other payables	(2,629,143)	(25,016,969)
Cash from / (for) operations	(14,442,983)	8,146,735
Net interest received / (paid)	1,452,449	891,996
Tax (paid) / refund	(3,904,840)	(5,590,569)
<b>Net cash from / (for) operating activities</b>	<b>(16,895,374)</b>	<b>3,448,162</b>
<b>Cash flows from / (for) investing activities</b>		
Dividends received	461,462	308,813
Net (increase) / decrease in pledged fixed deposits	-	258,992
Net (increase) / decrease in fixed deposits with tenure more than 3 months	(1,076,300)	(54,727,222)
Net (increase) / decrease in other short term investments	(30,465,650)	(19,503,516)
Net (purchase) / proceeds of property, plant and equipment	2,783,776	87,479
<b>Net cash from / (for) investing activities</b>	<b>(28,296,712)</b>	<b>(73,575,454)</b>
<b>Cash flow from / (for) financing activities</b>		
Net movements in bank borrowings	-	5,752,191
(Repayment) / Addition of hire purchase payables	(119,184)	(99,489)
Net increase / (decrease) in lease liabilities	1,051,547	(639,709)
Dividends paid	(5,299,446)	(5,299,446)
<b>Net cash from / (for) financing activities</b>	<b>(4,367,083)</b>	<b>(286,453)</b>
Net increase/ (decrease) in cash and cash equivalents	(49,559,169)	(70,413,745)
Effects on foreign exchange translation	126,287	(5,867,840)
Cash and cash equivalents at beginning of the financial year	119,535,281	162,944,210
<b>Cash and cash equivalents at end of the financial period</b>	<b>70,102,399</b>	<b>86,662,625</b>
Cash and cash equivalents at end of the financial period consists of		
Bank and cash balances	210,081,339	166,625,901
Less : Fixed deposit pledged to bank	(6,609,639)	(5,903,722)
Less : Fixed deposit with tenure more than 3 months	(133,369,301)	(74,059,554)
	<b>70,102,399</b>	<b>86,662,625</b>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 October 2023)

## **NOTES TO THE INTERIM FINANCIAL STATEMENTS**

### **A1. ACCOUNTING POLICIES**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Board Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 October 2023.

The significant accounting policies and presentation adopted for the interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 October 2023 except for the changes in accounting policies and presentation resulting from the adoption of relevant MFRSs, Amendment to MFRSs and IC Interpretations that are effective for the financial period beginning on 1 November 2023.

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) do not have any material impact on the Group’s financial statements.

The Group has not applied in advance any accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the financial year ended 31 October 2023.

### **A2. SEASONAL OR CYCLICAL FACTORS**

The principal business operations of the Group have historically shown moderate seasonality, where production and sales of home furniture are generally lower in the beginning of the calendar year due to the local festive period as well as the summer holiday in the middle of the year.

### **A3. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE AND INCIDENCE**

There are no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flow of the Group during the reporting period.

### **A4. MATERIAL CHANGES IN ESTIMATES**

The Company has not issued any revenue or profit estimate, forecast or target.

### **A5. ISSUANCE, REPURCHASE AND CANCELLATION OF SHARES**

#### **Re-Purchase of Own Shares**

The Company has been authorised by shareholders to re-purchase its own shares during the last annual general meeting.

The total number of shares repurchased by the Company as at end of current reporting period are 13,327,600 ordinary shares. All the repurchased shares are held as treasury shares and treated in accordance with the requirement of Section 127 of the Companies Act 2016. None of the treasury shares are resold or cancelled during the reporting period. The repurchase transactions are financed by internally generated funds. The Company has not purchased any of its own shares during the reporting period under review.

Save for the above, the Company has not issued any shares, debts or convertible securities during the current reporting period.

**A6. DIVIDEND PAID**

The dividends paid during the financial year were as follows:

Type of Dividend	Dividend per share	For the year ended	Amount RM	Payment date
First Interim	2 sen	31-Oct-24	5,299,446	26-Jan-24

**A7. OPERATING SEGMENTS**

The Group has adopted geographical segment as its reporting format. The segment information for the current financial period is as below:

(RM'000)	Malaysia	Vietnam	Australia	Others	Total
Sales	74,166	56,974	0	0	131,140
Profit / (Loss) Before Tax	8,182	5,240	343	(66)	13,699
Profit / (Loss) After Tax	6,229	3,797	343	(66)	10,303
Assets	303,591	277,762	34,069	5,461	620,883
Liabilities	45,681	34,013	350	0	80,044

**A8. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

The valuation of the property, plant and equipment has been brought forward without amendment from the audited financial statements for the year ended 31 October 2023.

**A9. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE YEAR**

There are no material events subsequent to the current reporting period that have not been reflected in the financial statements of the current reporting period.

**A10. CHANGES IN THE COMPOSITION OF THE GROUP**

There are no other changes in the composition of the Group during the current reporting period.

## A11. CHANGES IN CONTINGENT LIABILITIES / ASSETS

There are no changes in contingent liabilities/ assets since the last financial year ended at 31 October 2023 other than corporate guarantee granted to financial institutions amounting to RM113.88 million as at current reporting period.

## A12. CAPITAL COMMITMENTS

There are no capital commitments during the current reporting period.

## A13. RELATED PARTY TRANSACTIONS

The Group related party transactions in the current quarter and financial year-to-date are as follows:

Subsidiary	Transacting Party	Relationship	Nature of Transaction	Current quarter (RM)	Financial period-to-date (RM)
Poh Huat Furniture Industries (M) Sdn Bhd	Tay Kim Huat	Director	Rental of land	60,000	60,000
Poh Huat Furniture Industries (M) Sdn Bhd	Corporate Image Office Solutions (M) Sdn Bhd	Tay Kim Huat's daughter	Sales of furniture	10,073	10,073

## BMSB LISTING REQUIREMENTS

### B1. PERFORMANCE REVIEW

Revenue	Individual quarter			Cumulative quarters		
	31-Jan-24 RM'000	31-Jan-23 RM'000	+ / - %	31-Jan-24 RM'000	31-Jan-23 RM'000	+ / - %
Malaysia	74,166	71,131	4.3	74,166	71,131	4.3
Vietnam	56,974	48,402	17.7	56,974	48,402	17.7
<b>Total</b>	<b>131,140</b>	<b>119,533</b>	<b>9.7</b>	<b>131,140</b>	<b>119,533</b>	<b>9.7</b>

For the quarter ended 31 January 2024, the Group recorded a higher turnover of RM131.14 million compared to RM119.53 million recorded in the previous corresponding quarter ended 31 January 2023. The higher turnover was mainly due the gradual pick-up in orders from our US customers for both our Vietnam and Malaysia operations as US importers began to replenish their inventories.

Shipment of furniture from our Vietnamese factories continued to improve in line with the recovery of orders from our US customers as they progressively cleared the excess inventories. Turnover from our Malaysian factories also improved as a result of stronger office furniture demand in the North America.

Profit / (Loss) Before Tax	Individual quarter			Cumulative quarters		
	31-Jan-24 RM'000	31-Jan-23 RM'000	+ / - %	31-Jan-24 RM'000	31-Jan-23 RM'000	+ / - %
Malaysia	8,182	4,459	83.5	8,182	4,459	83.5
Vietnam	5,240	4,531	15.6	5,240	4,531	15.6
Australia	343	309	11.0	343	309	11.0
Others	(66)	(542)	87.8	(66)	(542)	87.8
<b>Total</b>	<b>13,699</b>	<b>8,757</b>	<b>56.4</b>	<b>13,699</b>	<b>8,757</b>	<b>56.4</b>

Notwithstanding the higher turnover during reporting period under review, gross profit for the current reporting period dropped slightly to RM25.97 million compared to RM26.74 million achieved in the previous corresponding period ended 31 January 2023. As a percentage of sales, cost of raw materials and factory overheads were general similar during the 2 corresponding reporting periods but direct labour was significantly higher due to higher overtime expenses for the current reporting period under review. Sales and distribution and administrative costs also inched up while interest expenses dropped for the current reporting period under review.

The Group also recorded net other income of RM1.71 million for the current reporting period under review, mainly from the interest income of RM1.47 million compared to net other expenses of RM5.49 million in the previous corresponding reporting period ended 31 January 2023. This gave rise to a substantial net increase in profit before tax of RM13.70 million for the current reporting period against RM8.76 million recorded in the previous corresponding reporting period ended 31 January 2023.

## B2. MATERIAL CHANGE IN PROFIT BEFORE TAX

Profit / (Loss) Before Tax	Individual quarter	Preceding quarter	+ / - %
	31-Jan-24 RM'000	31-Oct-23 RM'000	
Malaysia	8,182	11,593	(29.4)
Vietnam	5,240	3,057	71.4
Australia	343	314	9.2
Others	(66)	114	(157.9)
<b>Total</b>	<b>13,699</b>	<b>15,078</b>	<b>(9.1)</b>

For the quarter ended 31 January 2024, the Group recorded a higher turnover of RM131.14 million compared to RM105.94 million recorded in the preceding quarter ended 31 October 2023.

The higher turnover was due to the increase in shipment of panel-based furniture from the Malaysia operations as the orders of our panel-based home products continued to improve. Turnover from our Vietnam operations also improved as we managed to ship more upper segment bedroom sets orders in line with the year-end festive peak.

In line with the higher shipment of furniture, our gross margin improved from RM17.79 million in the preceding reporting period ended 31 October 2023 to RM25.97 million due to improved factory utilisation and better selling prices of some of our products, particularly from our Vietnam operations. The profit before tax for the reporting period under review was lower at RM13.70 million compared to RM15.08 million as we received significantly higher net other income of RM10.52 million in the preceding reporting period ended 31 October 2023 compared to RM1.71 million in the current reporting period under review. The higher other income during the preceding reporting period was mainly from the higher foreign exchange gains of RM5.58 million and interest /dividend income from money market investments and fixed deposits of RM4.73 million.



### **B3. PROSPECT FOR THE CURRENT FINANCIAL YEAR**

While the global economy has recovered since the Covid-19 pandemic, uncertainties remain. The pace and sustainability of growth are subject to various factors, government policies, economic structures and geo-political uncertainties. The US economy however remains resilient and seems to have shrugged of concerns of an inflation induced recession. There appears to be less concerns of a hard landing amongst regulators and businesses given the tight labour market, sustained household income and the momentum from the federal government spendings into the election year.

The US furniture market is on slow recovery trajectory with importers and retailers clearing their excess inventories. We have received more orders in recent months. We expect this to progress in the months to come. As mentioned previously, we are working closely with our customers to develop products more suitable to the new trends and opportunities emerging from the paradigm shift brought on by changes in consumers' priority and work arrangement as well as the generational shift as millennials enter the market.

### **B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT**

There are no profit forecast or profit guarantee issued for the current reporting year.

### **B5. TAXATION**

	Current quarter RM'000	Financial period-to-date RM'000
Current taxation - Local	1,953	1,953
Current taxation - Overseas	1,443	1,443
Deferred taxation	0	0
<b>Total Taxation</b>	<b>3,396</b>	<b>3,396</b>

For the current reporting quarter ended 31 January 2024, income tax rate for our local operations was estimated at RM1.95 million which is par with the current statutory rate of 24%. Taxation for the Vietnamese subsidiary was estimated at RM1.44 million or at taxation rate of 24% against the incentive tax rate of 15% due to the interest income was charged under statutory rate of 20% and some non-tax deductible expenses in the current reporting period.

### **B6. STATUS OF CORPORATE PROPOSALS / UTILISATION OF PROCEEDS**

There are no other corporate proposals or utilisation of proceeds announced but not completed as at the date of the current reporting period.

### **B7. GROUP BANK BORROWINGS**

There are no Group borrowings as at end of the reporting period.

### **B8. MATERIAL LITIGATION**

There are no material litigation, pending or threatening, by or against the Company and its subsidiaries (as plaintiff or defendant) since the last financial year ended 31 October 2023.

## B9. DIVIDENDS

The Directors have recommended a final dividend of 2 sen per ordinary share in respect of the financial year ended 31 October 2023 for the shareholders' approval at the forthcoming Annual General Meeting of the Company on 25 April 2024. The dividend, if approved, will be paid on 3 May 2024 to depositors registered in the Records of Depositors of the Company at the close of business on 19 April 2024.

On 4 December 2023, the Directors have declared the first interim dividends of 2 sen per ordinary share in respect of the current financial quarter ended 31 January 2024, paid on 26 January 2024 to depositors registered in the Records of Depositors of the Company at the close of business on 29 December 2023. The Directors did not declare any dividends in the previous year's financial period ended 31 January 2023.

Total dividends declared were 2 sen per ordinary share in the current financial year ending 31 October 2024.

## B10. EARNINGS PER SHARE

### *Basic earnings per share*

The basic earnings per share are calculated by dividing the profit attributable to Owners of the Company by the weighted average number of ordinary shares in issued (excluding treasury shares) during the current financial year under review.

		Current quarter	Financial period-to-date
Profit attributable to			
Owners of the Company	(RM'000)	10,303	10,303
Weighted average number of shares	('000 shares)	264,972	264,972
<b>Basic earnings per share</b>	<b>(sen)</b>	<b>3.89</b>	<b>3.89</b>

### *Diluted earnings per share*

The Company has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

## B11. AUDIT QUALIFICATION REPORT

The preceding financial statements for the year ended 31 October 2023 were reported on without any qualification.

## B12. FINANCIAL INSTRUMENTS - DERIVATIVES

There are no outstanding forward foreign currency contract during the current reporting period. There are no change in financial instruments disclosure since the preceding audited financial statements for the year ended 31 October 2023.

### B13. OTHER DISCLOSURES

Items which have been included in the Condensed Consolidated Statements of Profit or Loss for the current quarter and current financial period-to-date are below: -

	Current quarter RM'000	Financial period-to-date RM'000
(a) Interest income	1,473	1,473
(b) Other income including investment income	791	791
(c) Interest expense	(21)	(21)
(d) Depreciation and amortization	(2,982)	(2,982)
(e) Provision for and write off of receivables	0	0
(f) Reversal of inventories written-off	0	0
(g) Gain / (loss) on disposal of unquoted investments / properties	12	12
(h) Impairment of assets	0	0
(i) Foreign exchange gain / (loss)	(297)	(297)
(j) Gain / (loss) on derivatives	0	0
(k) Exceptional items	0	0

For and on behalf of the Board  
**Poh Huat Resources Holdings Berhad**

**LEE AH TOO**  
Independent Non-Executive Director  
Chairman  
Audit Committee

29 March 2024  
Muar, Johor Darul Takzim.