



PWF CORPORATION BHD.
(199701004553) (420049-H)

**Condensed Consolidated Financial Statements
for the Quarter Ended 30 June 2024**



PWF CORPORATION BHD.

**Condensed Consolidated Statement of Financial Position
As At 30 June 2024**

	30 Jun 2024 (RM'000)	31 Dec 2023 (RM'000)
ASSETS		
Non-current assets		
Property, plant and equipment	363,884	356,549
Investment properties	53,894	53,894
Investment in associates	594	594
	<u>418,372</u>	<u>411,037</u>
Current assets		
Inventories	10,894	17,735
Biological assets	59,369	53,646
Trade receivables	21,038	25,767
Other receivables, deposits and prepayments	11,636	12,830
Investment securities	197	1,189
Current tax assets	25	148
Derivative financial assets	44	-
Non-current assets held for sale	-	5,202
Short term placement with a financial institution	11,520	9,029
Cash and bank balances	15,933	27,863
	<u>130,656</u>	<u>153,409</u>
TOTAL ASSETS	<u><u>549,028</u></u>	<u><u>564,446</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	131,907	115,414
Treasury shares	(3)	(3)
ESS reserve	2,520	-
Retained profits	259,250	255,053
	<u>393,674</u>	<u>370,464</u>
Non-controlling interests	(734)	(864)
Total equity	<u><u>392,940</u></u>	<u><u>369,600</u></u>
Non-current liabilities		
Borrowings	43,266	45,809
Deferred tax liabilities	26,632	25,211
	<u>69,898</u>	<u>71,020</u>
Current liabilities		
Trade payables	36,018	43,414
Other payables and accruals	11,997	20,919
Borrowings	17,536	44,372
Dividend payable	3,179	-
Derivative financial liabilities	-	311
Current tax liabilities	17,460	14,810
	<u>86,190</u>	<u>123,826</u>
Total liabilities	<u><u>156,088</u></u>	<u><u>194,846</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>549,028</u></u>	<u><u>564,446</u></u>
Net assets per share attributable to owners of the Company (RM)	1.24	1.24

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.



PWF CORPORATION BHD.

**Condensed Consolidated Statement of Comprehensive Income
For The Financial Period Ended 30 June 2024**

	<u>2024</u> Current qtr ended 30-Jun (RM'000)	<u>2023</u> Current qtr ended 30-Jun (RM'000)	<u>2024</u> 6 months cumulative To-date (RM'000)	<u>2023</u> 6 months cumulative To-date (RM'000)
Revenue	137,686	142,230	266,739	283,374
Operating expenses	(127,302)	(132,874)	(255,546)	(264,734)
Other income	<u>3,298</u>	<u>297</u>	<u>7,396</u>	<u>1,151</u>
Profit from operations	13,682	9,653	18,589	19,791
Finance income	59	32	147	98
Finance costs	(977)	(1,215)	(1,819)	(2,434)
Share of results of an associate	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit before tax	12,764	8,470	16,917	17,455
Taxation	<u>(4,468)</u>	<u>(1,649)</u>	<u>(6,350)</u>	<u>(3,834)</u>
Profit for the financial year, representing total comprehensive income for the financial year	<u>8,296</u>	<u>6,821</u>	<u>10,567</u>	<u>13,621</u>
Profit for the financial year, representing total comprehensive income attributable to:				
Owners of the Company	8,226	6,815	10,437	13,669
Non-controlling interests	<u>70</u>	<u>6</u>	<u>130</u>	<u>(48)</u>
	<u>8,296</u>	<u>6,821</u>	<u>10,567</u>	<u>13,621</u>
Earnings per share attributable to owners of the Company (Sen)				
- Basic	<u>2.59</u>	<u>3.20</u>	<u>3.33</u>	<u>6.46</u>
- Diluted	<u>2.59</u>	<u>3.20</u>	<u>3.33</u>	<u>6.40</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.



PWF CORPORATION BHD

Condensed Consolidated Statement of Changes in Equity For The Financial Period Ended 30 June 2024

	← Attributable to Owners of the Company →				Total (RM'000)	Non-controlling Interests (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Treasury Shares (RM'000)	ESS Reserve (RM'000)	Retained Profits (RM'000)			
Balance at beginning	115,414	(3)	-	255,053	370,464	(864)	369,600
Total comprehensive income for the financial period	-	-	-	10,437	10,437	130	10,567
Transactions with owners:							
Shares issued, pursuant to:							
-Vesting of ESS shares	16,493	-	-	-	16,493	-	16,493
Share-based payment transaction:							
-Recognition of equity-settled share-based payment	-	-	2,520	-	2,520	-	2,520
Dividends	-	-	-	(6,240)	(6,240)	-	(6,240)
Balance at end	<u>131,907</u>	<u>(3)</u>	<u>2,520</u>	<u>259,250</u>	<u>393,674</u>	<u>(734)</u>	<u>392,940</u>

Condensed Consolidated Statement of Changes in Equity For The Financial Period Ended 30 June 2023

	← Attributable to Owners of the Company →				Total (RM'000)	Non-controlling Interests (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Treasury Shares (RM'000)	ESS Reserve (RM'000)	Retained Profits (RM'000)			
Balance at beginning	104,341	(1,622)	4,069	217,602	324,390	(769)	323,621
Total comprehensive income for the financial period	-	-	-	13,669	13,669	(48)	13,621
Transactions with owners:							
Shares issued, pursuant to:							
-Exercise of ESS options	6,613	-	(1,492)	-	5,121	-	5,121
-Vesting of ESS shares	4,429	-	(2,546)	-	1,883	-	1,883
Share-based payment transaction:							
-Lapsed due to resignation	-	-	(4)	4	-	-	-
Purchase of treasury shares	-	(337)	-	-	(337)	-	(337)
Dividends	-	-	-	(10,977)	(10,977)	-	(10,977)
Balance at end	<u>115,383</u>	<u>(1,959)</u>	<u>27</u>	<u>220,298</u>	<u>333,749</u>	<u>(817)</u>	<u>332,932</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.



PWF CORPORATION BHD.

**Condensed Consolidated Statement of Cash Flows
For The Financial Period Ended 30 June 2024**

	6 months ended 30 Jun 2024 (RM'000)	6 months ended 30 Jun 2023 (RM'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	16,917	17,455
Adjustments for :		
Non-cash items	25,168	19,038
Non-operating items	<u>(3,208)</u>	<u>2,158</u>
Operating profit before changes in working capital	38,877	38,651
Net changes in current assets	12,467	(7,941)
Net changes in current liabilities	<u>(16,318)</u>	<u>(16,911)</u>
Cash from operations	35,026	13,799
Income tax refunded	-	13
Income tax paid	(2,091)	(3,033)
Real property gains tax paid	(66)	-
Finance cost paid	(1,819)	(2,434)
Finance income received	<u>147</u>	<u>98</u>
Net cash from operating activities	31,197	8,443
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(18,893)	(20,800)
Dividend received	3	21
Proceeds from disposal of investment securities	168	936
Proceeds from disposal of non-current assets held for sale	9,425	-
Proceeds from disposal of property, plant and equipment	184	175
Purchase of investment securities	(83)	-
Short term fund with a licensed financial institution	1,000	-
Net cash used in investing activities	(8,196)	(19,668)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	(29,379)	6,661
Dividend paid	(3,061)	(11,576)
Proceeds from issuance of shares	-	5,121
Purchase of treasury shares	-	(337)
Net cash used in financing activities	<u>(32,440)</u>	<u>(131)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(9,439)	(11,356)
CASH AND CASH EQUIVALENTS AT BEGINNING	<u>36,892</u>	<u>27,074</u>
CASH AND CASH EQUIVALENTS AT END	<u><u>27,453</u></u>	<u><u>15,718</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.

PWF CORPORATION BHD. (199701004553) (420049-H)
(Incorporated in Malaysia)

Interim Report For The Financial Period Ended 30 June 2024

A. DISCLOSURE REQUIREMENTS AS PER MFRS 134

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2023. These explanatory notes attached to the interim financial report 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 31 December 2023.

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2023 except for adoption of new and revised MFRSs, Amendments to MFRSs and IC Interpretations effective for annual period on or after 1 January 2024. The adoption of these MFRSs and Amendments do not have any material impact to the interim financial report.

2. Auditors’ Report of the Preceding Annual Financial Statements

There was no qualification on the Group’s preceding annual financial statements.

3. Seasonal or Cyclical Factors

The business of the Group was not affected by any significant seasonal or cyclical factors in this quarter.

4. Unusual Items

There were no items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their size or incidence.

5. Material Changes in Estimates

There were no material changes in estimates that had any material effect on the quarter and financial period ended 30 June 2024.

6. Debt and Equity Securities

There was no issuance, cancellations, repurchases, resale and repayments of debts and equity security up to the date of this report other than:

- i. issuance of 8,463,000 ordinary shares at RM0.68 pursuant to vesting of ESS shares; and
- ii. issuance of 11,800,000 ordinary shares at RM0.91 pursuant to vesting of ESS shares.

7. Dividend Paid

The Company has declared and paid the following dividends in respect of the financial year ending 31 December 2024:

- i. First interim single tier dividend of 1.0 sen per ordinary share amounting to RM3,060,570 paid on 13 March 2024; and
- ii. Second interim single tier dividend of 1.0 sen per ordinary share amounting to RM3,178,570 paid on 19 July 2024.

8. Segmental Reporting

Segmental information has not been prepared due to the integrated nature of the Group's poultry business and that it operates wholly in Malaysia.

9. Subsequent Events

There were no material events subsequent to 30 June 2024 that have not been reflected in the financial statements.

10. Changes in the Composition of the Group

There have been no changes to the composition of the Group during the financial period ended 30 June 2024.

11. Contingent Assets and Contingent Liabilities

There were no material changes to the contingent assets and contingent liabilities during the reporting period.

12. Capital Commitments

Capital commitments of the Group as at end of the financial period were as follows:-

	Approved but not contracted for	Approved and contracted for
	RM'000	RM'000
Property, plant and equipment	28,252	12,891

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

1. Review of Performance

Group revenue for the current quarter decreased by 3.19% from RM142.23 million recorded in corresponding period of preceding year to RM137.69 million due to lower average selling price of broiler and eggs.

Pre-tax profit for the quarter ended 30 June 2024 increased by 50.7% from RM8.47 million recorded in corresponding period of preceding year to RM12.8 million mainly due to egg subsidy received from the Government and lower operating expenses.

2. Variation of Results for the Quarter Compared with the Preceding Quarter

Group revenue for quarter to 30 June 2024 increased marginally by 6.69% to RM137.69 million compared to RM129.05 million recorded in the immediate preceding quarter. The higher revenue was mainly due to higher average selling price of broiler offset by lower selling price of eggs.

Pre-tax profit increased by RM8.61 million to RM12.76 million compared with RM4.15 million recorded in the immediate preceding quarter mainly due to higher average selling price of broiler and egg subsidy received from the Government in the current quarter.

3. Commentary on Prospects

The Company is cautiously optimistic on the market condition in the second half of FY2024. Barring any unforeseen circumstances, we expect to deliver a satisfactory result for this period. This is supported by raw material cost, including prices of grain commodities, which has remained largely stable and the strengthening of Malaysian Ringgit which helps to reduce cost of imported raw material. Nevertheless, the Company will continue to proactively strengthen all aspects of its operations.

4. Profit Forecast

Not applicable as the Company has not issued profit forecast or profit guarantee in a public document.

5. Profit for the Period

Profit for the period is arrived at after crediting/ (charging):-

	Current Year Quarter 30-6-2024 RM'000	Current Year To Date 30-6-2024 RM'000
Depreciation and amortization	(6,119)	(11,558)
Gain on disposal of quoted and unquoted investments or properties	730	4,505
Interest expense	(977)	(1,819)
Interest income	59	147
Gain on foreign exchange	-	-
Other income (including investment income)	2,568	2,891
Provision for and write off of inventories	-	-
Provision and write off of receivables	-	-

6. Taxation

	Current Year Quarter 30-6-2024 RM'000	Preceding Year Quarter 30-6-2023 RM'000	Current Year To Date 30-6-2024 RM'000	Preceding Year To Date 30-6-2023 RM'000
Current tax	(3,236)	(2,473)	(4,863)	(3,824)
Deferred tax	(1,166)	824	(1,421)	(10)
Real property gains tax	(66)	-	(66)	-
Total	<u>(4,468)</u>	<u>(1,649)</u>	<u>(6,350)</u>	<u>(3,834)</u>

The Group's effective tax rate for the current quarter ended 30 June 2024 is inconsistent with the statutory tax rate mainly due to certain income not subject to tax, disallowable expenses for tax purpose and losses of certain subsidiaries which cannot be set off against taxable profit made by other subsidiaries.

7. Status of Corporate Proposals Announced but Not Completed

There were no corporate proposals announced during the financial period to date.

8. Borrowings

Group borrowings as at 30 June 2024 are as follows: -

	30-6-2024	31-12-2023
	RM'000	RM'000
<i>Current liabilities</i>		
Secured	6,323	7,816
Unsecured	11,213	36,556
	<u>17,536</u>	<u>44,372</u>
<i>Non-current liabilities</i>		
Secured	37,954	39,915
Unsecured	5,312	5,894
	<u>43,266</u>	<u>45,809</u>
	<u>60,802</u>	<u>90,181</u>

All borrowings are in Ringgit Malaysia.

9. Material Litigation

There was no material litigation during the financial period.

10. Proposed Dividends

The Company has on 14th August 2024 proposed a third interim single tier dividend of 1.0 sen per ordinary share for the financial year ending 31 December 2024.

11. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit attributable to owners of the Company for the period by the weighted average number of ordinary shares in issue during the financial period excluding treasury shares.

Diluted earnings per share is calculated by dividing the net profit attributable to owners of the Company for the period by the weighted average number of ordinary shares in issue excluding treasury shares after adjusting for the effects of all dilutive potential ordinary shares.

	Current Year Quarter 30-6-2024	Preceding Year Quarter 30-6-2023	Current Year To Date 30-6-2024	Preceding Year To Date 30-6-2023
Basic earnings per share				
Profit for the period (RM'000)	8,226	6,815	10,437	13,669
Weighted average number of ordinary shares in issue (in thousands)	317,857	212,720	313,382	211,661
Basic earnings per share (Sen)	2.59	3.20	3.33	6.46

Diluted earnings per share

Profit for the period (RM'000)	8,226	6,815	10,437	13,669
Weighted average number of ordinary shares in issue (basic) (in thousands)	317,857	212,720	313,382	211,661
Effect of share options (in thousands)	-	411	-	1,900
Weighted average number of ordinary shares in issue (in thousands)	317,857	213,131	313,382	213,561
Diluted earnings per share (Sen)	2.59	3.20	3.33	6.40

By Order of the Board

Ch'ng Lay Hoon
Company Secretary

Dated this 29th day of August 2024