



**Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))**

**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

**FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2023**

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Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME

FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2023

	3 months ended		6 months ended	
	30/06/2023 RM'000	30/06/2022 RM'000	30/06/2023 RM'000	30/06/2022 RM'000
Revenue	79,628	77,105	175,216	158,641
Cost of sales	(44,499)	(41,266)	(100,750)	(90,558)
<b>Gross profit</b>	<b>35,129</b>	<b>35,839</b>	<b>74,466</b>	<b>68,083</b>
Other income	7,990	2,304	9,935	2,962
Selling & Distribution expenses	(19,392)	(17,276)	(38,956)	(34,459)
Administrative expenses	(6,905)	(6,069)	(13,415)	(11,672)
Other expenses	(706)	(8)	(890)	(180)
<b>Results from operating activities</b>	<b>16,116</b>	<b>14,790</b>	<b>31,140</b>	<b>24,734</b>
Finance income	495	324	994	596
Finance cost	(449)	(421)	(870)	(875)
Share of result of associate	28	(4)	79	(10)
<b>Profit before tax</b>	<b>16,190</b>	<b>14,689</b>	<b>31,343</b>	<b>24,445</b>
Income tax expense	(3,659)	(3,448)	(7,676)	(6,582)
<b>Profit for the period</b>	<b>12,531</b>	<b>11,241</b>	<b>23,667</b>	<b>17,863</b>
<b>Other comprehensive income, net of tax</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation differences for foreign operations	(2,020)	(204)	(2,885)	(287)
<b>Total other comprehensive income / (expenses) for the period</b>	<b>(2,020)</b>	<b>(204)</b>	<b>(2,885)</b>	<b>(287)</b>
<b>Total comprehensive income for the period</b>	<b>10,511</b>	<b>11,037</b>	<b>20,782</b>	<b>17,576</b>



**Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME (CONTINUED)**

**FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2023**

	3 months ended		6 months ended	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	RM'000	RM'000	RM'000	RM'000
<b>Attributable to:</b>				
Owners of the Company	12,378	11,076	23,193	17,590
Non-controlling interests	153	165	474	273
<b>Profit for the period</b>	<b>12,531</b>	<b>11,241</b>	<b>23,667</b>	<b>17,863</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	10,476	10,866	20,515	17,298
Non-controlling interests	35	171	267	278
<b>Total comprehensive income for the period</b>	<b>10,511</b>	<b>11,037</b>	<b>20,782</b>	<b>17,576</b>
Earnings per share (EPS) attributable to owners of the Company (sen):				
<b>Basic EPS</b>	<b>8.76</b>	<b>7.86</b>	<b>16.42</b>	<b>12.48</b>
<b>Diluted EPS</b>	<b>8.74</b>	<b>7.85</b>	<b>16.38</b>	<b>12.47</b>

Included in the profit for the period are:

	3 months ended		6 months ended	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	RM'000	RM'000	RM'000	RM'000
interest income	(495)	(324)	(994)	(596)
other income including investment income	(27)	(19)	(46)	(39)
interest expenses	449	421	870	875
depreciation and amortisation	3,976	3,800	7,798	7,680
provision for and (write back) / write off of receivables	270	196	791	377
written down and (write back) / write off of inventories	1,877	475	1,371	454
foreign exchange loss or (gain)	(7,705)	(2,388)	(10,518)	(3,621)

*The above consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2022.*



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))  
(Incorporated in Malaysia)  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
AS AT 30 JUNE 2023

	As at 30/06/2023 RM'000 <i>Unaudited</i>	As at 31/12/2022 RM'000 <i>Audited</i>
<b>ASSETS</b>		
Property, plant and equipment	165,195	134,719
Intangible assets	4,786	4,826
Investment in associates	338	258
Deferred tax assets	161	158
<b>Non-current Assets</b>	<u>170,480</u>	<u>139,961</u>
Inventories	132,112	117,259
Trade receivables	66,373	63,376
Other receivables	22,070	22,972
Amount due from affiliated companies	53	275
Amount due from an associate	1,220	438
Current tax assets	571	258
Cash & cash equivalents	135,784	129,506
<b>Current Assets</b>	<u>358,183</u>	<u>334,084</u>
<b>TOTAL ASSETS</b>	<u><b>528,663</b></u>	<u><b>474,045</b></u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	154,005	152,258
Other reserves	2,353	5,447
Retained earnings	223,554	214,454
<b>Equity Attributable to Owners of the Company</b>	<u>379,912</u>	<u>372,159</u>
Non-controlling interests	6,003	5,816
<b>Total Equity</b>	<u>385,915</u>	<u>377,975</u>
Deferred taxation	12,064	11,516
Loans and borrowings	36,366	13,451
Post-employment benefits	655	593
Lease liabilities	3,595	4,784
<b>Non-current Liabilities</b>	<u>52,680</u>	<u>30,344</u>
Trade payables	22,576	16,707
Other payables	39,565	22,630
Refund liability	1,835	1,928
Amount due to affiliated companies	5,064	8,193
Loans and borrowings	11,695	10,639
Current tax liabilities	6,090	2,233
Lease liabilities	3,243	3,396
<b>Current Liabilities</b>	<u>90,068</u>	<u>65,726</u>
<b>Total Liabilities</b>	<u><b>142,748</b></u>	<u><b>96,070</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>528,663</b></u>	<u><b>474,045</b></u>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>2.68</b>	<b>2.64</b>

*The above consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2022.*



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))  
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2023

RM'000	← Attributable to owners of the Company →						Total equity
	Share capital	Exchange fluctuation reserve	Share option reserve	Retained earnings	Total	Non-controlling interest	
<b>At 1 January 2022</b>	<b>151,963</b>	<b>662</b>	<b>2,675</b>	<b>191,202</b>	<b>346,502</b>	<b>5,361</b>	<b>351,863</b>
Foreign currency translation differences for foreign operations	-	(292)	-	-	(292)	5	(287)
Total other comprehensive income for the period	-	(292)	-	-	(292)	5	(287)
Profit for the period	-	-	-	17,590	17,590	273	17,863
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(292)</b>	<b>-</b>	<b>17,590</b>	<b>17,298</b>	<b>278</b>	<b>17,576</b>
Dividends to owners of the Company	-	-	-	(11,277)	(11,277)	-	(11,277)
Dividends to non-controlling interest	-	-	-	-	-	(40)	(40)
Issuance of ordinary shares pursuant to ESOS	206	-	-	-	206	-	206
<b>Total transactions with owners of the Company</b>	<b>206</b>	<b>-</b>	<b>-</b>	<b>(11,277)</b>	<b>(11,071)</b>	<b>(40)</b>	<b>(11,111)</b>
Transfer to share capital for share options exercised	38	-	(38)	-	-	-	-
<b>At 30 June 2022</b>	<b>152,207</b>	<b>370</b>	<b>2,637</b>	<b>197,515</b>	<b>352,729</b>	<b>5,599</b>	<b>358,328</b>
<b>At 1 January 2023</b>	<b>152,258</b>	<b>2,888</b>	<b>2,559</b>	<b>214,454</b>	<b>372,159</b>	<b>5,816</b>	<b>377,975</b>
Foreign currency translation differences for foreign operations	-	(2,678)	-	-	(2,678)	(207)	(2,885)
Total other comprehensive income for the period	-	(2,678)	-	-	(2,678)	(207)	(2,885)
Profit for the period	-	-	-	23,193	23,193	474	23,667
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(2,678)</b>	<b>-</b>	<b>23,193</b>	<b>20,515</b>	<b>267</b>	<b>20,782</b>
Dividends to owners of the Company	-	-	-	(14,169)	(14,169)	-	(14,169)
Dividend to non-controlling interest	-	-	-	-	-	(80)	(80)
Issuance of ordinary shares pursuant to ESOS	1,407	-	-	-	1,407	-	1,407
Share option granted under ESOS forfeited	-	-	(76)	76	-	-	-
<b>Total transactions with owners of the Company</b>	<b>1,407</b>	<b>-</b>	<b>(76)</b>	<b>(14,093)</b>	<b>(12,762)</b>	<b>(80)</b>	<b>(12,842)</b>
Transfer to share capital for share options exercised	340	-	(340)	-	-	-	-
<b>At 30 June 2023</b>	<b>154,005</b>	<b>210</b>	<b>2,143</b>	<b>223,554</b>	<b>379,912</b>	<b>6,003</b>	<b>385,915</b>

The above consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2022.



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2023**

	6 months ended	
	30/06/2023	30/06/2022
	RM '000	RM '000
<b>Cash flows from operating activities</b>		
Profit before tax	31,343	24,445
Other adjustments	260	5,612
<b>Operating profit before changes in working capital</b>	31,603	30,057
Net change in current assets	(18,728)	(10,854)
Net change in current liabilities	7,003	17,237
<b>Cash generated from operations</b>	19,878	36,440
Tax paid	(3,637)	(1,623)
<b>Net cash generated from operating activities</b>	16,241	34,817
<b>Cash flows from investing activities</b>		
Interest received	994	596
Proceeds from disposal of property, plant and equipment	(146)	189
Purchase of property, plant and equipment	(34,923)	(2,304)
Purchase of intangible assets	-	(6)
<b>Net cash used in investing activities</b>	(34,075)	(1,525)
<b>Cash flows from financing activities</b>		
Interest paid	(870)	(875)
Dividend to non-controlling interest	(80)	(40)
Proceeds from issuance of ordinary shares-ESOS, net of expenses	1,407	206
Drawdown of term loans / revolving credit	26,350	-
Repayment of term loans / hire purchase creditors	(3,188)	(12,492)
Payment of lease liabilities	(1,865)	(1,842)
<b>Net cash (used in) / from financing activities</b>	21,754	(15,043)
Net increase in cash and cash equivalents	3,920	18,249
Effect on foreign exchange rate changes	2,358	825
Cash and cash equivalents at 1 January	129,506	120,401
<b>Cash and cash equivalents at 30 June</b>	135,784	139,475
	<b>30/06/2023</b>	<b>30/06/2022</b>
	<b>RM '000</b>	<b>RM '000</b>
<b>Composition of cash and cash equivalents</b>		
Cash and bank balances	59,550	70,863
Fixed deposits with licensed banks	76,234	68,612
	135,784	139,475



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NOTES TO THE INTERIM FINANCIAL REPORT - 30 JUNE 2023

**A1 Basis of Preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 and IAS 34 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022. The explanatory notes attached to the condensed 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 2022.

**A2 Changes in Accounting Policies**

The accounting policies and method of computation adopted for the condensed interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2022.

Standards, Amendments and Annual Improvements to Standards that are applicable and effective to the Group beginning on 1 January 2023 are as follows:

- 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 – Classification of Liabilities as Current or Non-current and 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 and International Tax Reform - Pillar Two Model Rules

Standards, Amendments and Annual Improvements to Standards that are applicable and effective to the Group beginning on 1 January 2024 are as follows:

- Amendments to MFRS 16, Leases – Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
- Amendments to MFRS 107, Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements

Standards, Amendments and Annual Improvements to Standards that are applicable and effective to the Group beginning on or after a date yet to be confirmed are as follows:

- 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 and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 and amendments to MFRS 17 which are not applicable to the Group.
- from the annual period beginning on 1 January 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 and the Company.

**A3 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the audited financial statements for the year ended 31 December 2022 was not qualified.

**A4 Seasonal or Cyclical Factors**

The Group's operations are not materially affected by any seasonal or cyclical factors.

**A5 Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter and six months ended 30 June 2023.

**A6 Material Changes in Estimates**

There were no changes in estimates that have any material effect on the quarter and six months ended 30 June 2023.

**A7 Debt and Equity Securities**

During the quarter and six months ended 30 June 2023, the Company has issued 656,000 unit of ordinary shares pursuant to the exercise of Company's ESOS.

Exercise Price RM	No. of Shares Issued	Cash Proceeds RM
1.82	243,000	442,260
1.89	111,000	209,790
2.40	102,000	244,800
2.55	200,000	510,000

## A8 Dividends Paid

At the 22nd Annual General Meeting held on 23 May 2023, the shareholders have approved the payment of a final single-tier ordinary dividend of 7.5 sen per ordinary share and a final single-tier special dividend of 2.5 sen per ordinary share in respect of financial year ended 31 December 2022, payable on 25 July 2023.

## A9 Segment Information

The Group is organised based on three major business segments as described below. The basis of segmentation was based on information reported internally to the Managing Director of the Group.

Performance is measured based on segment profit before tax and the total of segment assets are measured based on all assets (including goodwill) of a segment that are reviewed by the Group. Segment total asset is used to measure the return of assets of each segment.

There are no changes in the segment reported in the last audited financial statements.

Year-to-date ended 30 June 2023	Investment	Trading	Manufacturing	Inter-company	Total
	holding RM'000	RM'000	RM'000	Elimination RM'000	RM'000
Revenue from external customer	-	30,553	144,663	-	175,216
Inter-segment revenue	17,155	377	20,929	(38,461)	-
Total revenue	17,155	30,930	165,592	(38,461)	175,216
Segment profit before tax	19,768	5,592	27,423	(21,440)	31,343
Segment assets	214,568	71,783	474,312	(232,000)	528,663
Segment liabilities	17,600	41,503	250,912	(167,266)	142,749

Year-to-date ended 30 June 2022	Investment	Trading	Manufacturing	Inter-company	Total
	holding RM'000	RM'000	RM'000	Elimination RM'000	RM'000
Revenue from external customer	-	25,791	132,850	-	158,641
Inter-segment revenue	12,809	462	18,716	(31,987)	-
Total revenue	12,809	26,253	151,566	(31,987)	158,641
Segment profit / (loss) before tax	15,182	2,288	22,484	(15,509)	24,445
Segment assets	211,980	64,414	418,611	(222,341)	472,664
Segment liabilities	14,641	38,176	212,238	(150,719)	114,336

Geographical segments	Total revenue	
	30/06/2023 RM'000	30/06/2022 RM'000
Malaysia	126,977	118,440
Singapore	19,158	15,429
Vietnam	9,151	10,475
Philippines	918	940
Cambodia	5,244	3,757
Myanmar	1,498	162
Brunei	2,077	1,647
Indonesia	3,029	2,457
Thailand	1,134	466
Africa	2,576	1,977
Other countries	3,454	2,891
	175,216	158,641

### Investment holding 1H23 vs 1H22

Investment holding segment profit before tax reported higher at RM19.8 million in 1H23 compared to RM15.2 million in 1H22 mainly attributed to higher dividend income received from subsidiary companies compared to the same period last year.

### Trading 1H23 vs 1H22

Trading segment reported a higher profit before tax of RM5.6 million in 1H23 compared to a profit before tax of RM2.3 million in 1H22 mainly due to foreign exchange gain resulted from weakening of the Ringgit against the US Dollar in 1H23.

### Manufacturing 1H23 vs 1H22

Manufacturing segment recorded revenue of RM165.6 million in 1H23, 9.3% higher than the revenue of RM151.6 million recorded in 1H22. The profit before tax for 1H23 recorded higher at RM27.4 million compared to RM22.5 million in 1H22 due to increase in sales from local and overseas market, and foreign exchange gain resulted from weakening of the ringgit against the US dollar in 1H23.



**A10 Valuations of Property, Plant and Equipment**

Property, plant and equipment of the Group are stated at cost less accumulated depreciation and any accumulated impairment losses where applicable.

There is no revaluation of property, plant and equipment during the quarter under review.

**A11 Subsequent Events**

There were no changes in the composition of the Group during the quarter under review.

**A12 Changes in the Composition of the Group**

There were no changes in the composition of the Group during the quarter under review.

**A13 Contingent Liabilities**

There were no significant changes in contingent liabilities since 31 December 2022.

**A14 Capital Commitment**

Capital commitment expenditure not provided for in the condensed report as at the end of the financial period were as follows:

	<b>Contracted but not provided for RM'000</b>
Plant & machinery and other assets	<u>6,140</u>

**A15 Related Party Transactions**

Significant related party transactions are as follows:

	<b>Six months ended</b>	
	<b>30/06/2023</b>	<b>30/06/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Corporation related to substantial shareholder</u>		
Purchase of pharmaceutical products	8,432	5,292
Sales of raw materials	(329)	(210)
Consultancy fees payable	<u>78</u>	<u>43</u>
<u>Companies in which certain Directors have interest</u>		
Purchase of raw materials	2,724	868
Sales of pharmaceutical products	<u>(497)</u>	<u>(881)</u>

**A16 Financial Instruments**

The carrying amounts of cash and cash equivalents, short term receivables and payables and short-term borrowings approximate their fair values due to the relatively short term nature of these financial instruments.

The fair values of other financial assets and liabilities not carried at fair value, together with the carrying amounts shown in the statements of financial position, are as follows:

	<b>As at 30/06/2023</b>		<b>As at 31/12/2022</b>	
	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Long term loans and borrowings	35,027	28,733	11,526	11,106
Long term hire purchase creditors	<u>1,339</u>	<u>1,287</u>	<u>1,925</u>	<u>1,788</u>

**B1 Review of Performance**

	3 months ended		Variance		6 months ended		Variance	
	30/06/2023 RM'000	30/06/2022 RM'000	RM'000	%	30/06/2023 RM'000	30/06/2022 RM'000	RM'000	%
Revenue	79,628	77,105	2,523	3.3	175,216	158,641	16,575	10.4
Operating profit	16,116	14,790	1,326	9.0	31,140	24,734	6,406	25.9
Profit before interest and tax	16,144	14,786	1,358	9.2	31,219	24,724	6,495	26.3
Profit before tax	16,190	14,689	1,501	10.2	31,343	24,445	6,898	28.2
Profit after tax	12,531	11,241	1,290	11.5	23,667	17,863	5,804	32.5
Profit attributable to owners of the Company	12,378	11,076	1,302	11.8	23,193	17,590	5,603	31.9

The Group's revenue increased by 10.4% to RM175.2 million from RM158.6 million when compared to the same period last year mainly due to higher sales from domestic and overseas market

For the first half of 2023, the Group recorded a profit before tax of RM31.3 million compared to RM24.4 million in the same period last year mainly due to higher sales from domestic and overseas market and foreign exchange gain resulted from weakening of the Ringgit against the US Dollar.

**B2 Comparison with the Preceding Quarter's Results**

	Qtr 2 (30/06/2023) RM'000	Qtr 1 (31/03/2023) RM'000	Variance	
			RM'000	%
Revenue	79,628	95,588	(15,960)	(16.7)
Operating profit	16,116	15,024	1,092	7.3
Profit before interest and tax	16,144	15,075	1,069	7.1
Profit before tax	16,190	15,153	1,037	6.8
Profit after tax	12,531	11,136	1,395	12.5
Profit attributable to owners of the Company	12,378	10,815	1,563	14.5

The Group's reported a lower revenue of RM79.6 million, a drop of 16.7% for the current quarter as compared to RM95.6 million for the immediate preceding quarter ("1Q23") which was mainly due to lower sales from domestic market during the quarter under review.

The Group posted a higher profit before tax of RM16.2 million as compared to RM15.2 million for the immediate preceding quarter due to higher productivity and foreign exchange gain resulted from weakening of the Ringgit against the US Dollar during the quarter under review.

**B3 Prospects of the Group**

Despite the global economy challenges and uncertainty, the Malaysia's Government is confident of achieving a positive economy growth for 2023. The domestic consumption remains a key driver to ensure that the growth momentum would continue in 2023, despite the rising cost and supply chain interruptions in pharmaceutical market.

The Group's revenue increased by 10.4% to RM175.2 million for the first half of 2023 compared with RM158.6 million revenue reported in the same period last year. The Group's profit before tax increased 28.2% to RM31.3 million from RM24.4 million compared to a year ago due to higher sales from domestic demand for pharmaceutical products and foreign exchange gain resulted from weakening of the Ringgit against the US Dollar.

Despite current challenges in 2023, the Group remains optimistic that the growth prospects of the pharmaceutical products will continue and will take cautious approaches in reviewing and monitoring market conditions to be in line with changing market trends.

**B4 Profit Forecast or Profit Guarantee**

There were no profit forecast or profit guarantee issued by the Group.

**B5 Taxation**

Details of taxation are as follows :-

	3 months ended		6 months ended	
	30/06/2023 RM'000	30/06/2022 RM'000	30/06/2023 RM'000	30/06/2022 RM'000
Current tax	3,403	3,092	7,129	5,872
Deferred tax	256	356	547	710
	<u>3,659</u>	<u>3,448</u>	<u>7,676</u>	<u>6,582</u>

Income tax is calculated at the Malaysian statutory tax rate of 24%. (2022: 24%)

The Group's effective tax rate for the current quarter was higher than the statutory tax rate principally due to certain expenses which were not deductible for tax purposes.

**B6 Corporate Proposals**

There were no corporate proposals announced by the Company as at the reporting date.

**B7 Borrowings and Debt Securities**

The details of the Group borrowings as at 30 June 2023 are as follows :

**30 June 2023**

	Denominated in Foreign Currency	RM Equivalent
	SGD'000	RM'000
<b>Current</b>		
Secured revolving credit	-	4,400
<u>Secured bank loans:</u>		
- Domestic	-	4,390
- Foreign	-	-
<u>Hire purchase creditor:</u>		
- Domestic	-	2,854
- Foreign	15	51
	<u>15</u>	<u>11,695</u>
<b>Non-current</b>		
<u>Secured bank loans:</u>		
- Domestic	-	35,027
- Foreign	-	-
<u>Hire purchase creditor:</u>		
- Domestic	-	1,290
- Foreign	14	49
	<u>14</u>	<u>36,366</u>
<b>Total borrowings</b>	<u>29</u>	<u>48,061</u>

**31 December 2022**

	Denominated in Foreign Currency	RM Equivalent
	SGD'000	RM'000
<b>Current</b>		
Secured revolving credit	-	4,400
<u>Secured bank loans:</u>		
- Domestic	-	3,060
- Foreign	-	-
<u>Hire purchase creditor:</u>		
- Domestic	-	3,131
- Foreign	15	48
	<u>15</u>	<u>10,639</u>
<b>Non-current</b>		
<u>Secured bank loans:</u>		
- Domestic	-	11,526
- Foreign	-	-
<u>Hire purchase creditor:</u>		
- Domestic	-	1,854
- Foreign	22	71
	<u>22</u>	<u>13,451</u>
<b>Total borrowings</b>	<u>37</u>	<u>24,090</u>

As at the reporting date, the Group had not issued any debt securities.

**B8 Material Litigation**

There was no material litigation against the Group as at the reporting date.

**B9 Proposed Dividend**

There was no dividend proposed in the current quarter under review.

**B10 Earnings Per Share**

	3 months ended		6 months ended	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
<b>i) Basic Earnings Per Share</b>				
Profit attributable to owners of the Company (RM'000)	12,378	11,076	23,193	17,590
Weighted average number of ordinary shares in issue ('000)	<u>141,330</u>	<u>140,928</u>	<u>141,208</u>	<u>140,914</u>
	<u>8.76</u>	<u>7.86</u>	<u>16.42</u>	<u>12.48</u>
<b>ii) Diluted Earnings Per Share</b>				
Profit attributable to owners of the Company (RM'000)	12,378	11,076	23,193	17,590
Weighted average number of ordinary shares in issue ('000)	141,330	140,928	141,208	140,914
Effect of dilution-Share options ('000)	<u>321</u>	<u>123</u>	<u>385</u>	<u>103</u>
Adjusted weighted average number of ordinary shares in issue ('000)	<u>141,651</u>	<u>141,051</u>	<u>141,593</u>	<u>141,017</u>
<b>Diluted Earnings Per Share (sen)</b>	<u>8.74</u>	<u>7.85</u>	<u>16.38</u>	<u>12.47</u>

The basic and diluted earnings per share are calculated by dividing profit for the period attributable to owners of the Company over the weighted average number of ordinary shares in issue.