

GE-SHEN CORPORATION BERHAD
(Incorporated in Malaysia)

Interim Financial Statements

First Quarter Results
Period ended
31 March 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2024**

	Notes	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		<u>3 Months Ended 31 Mar 2024 RM'000</u>	<u>3 Months Ended 31 Mar 2023 RM'000</u>	<u>3 Months Ended 31 Mar 2024 RM'000</u>	<u>3 Months Ended 31 Mar 2023 RM'000</u>
Revenue		73,852	57,669	73,852	57,669
Other income		2,749	2,941	2,749	2,941
Changes in inventories of finished goods and work-in-progress		(245)	463	(245)	463
Raw materials used		(46,598)	(39,499)	(46,598)	(39,499)
Employee benefits		(13,776)	(12,023)	(13,776)	(12,023)
Depreciation and amortisation		(3,231)	(2,916)	(3,231)	(2,916)
Other operating expenses		(6,344)	(7,010)	(6,344)	(7,010)
Net impairment loss on financial asset		-	-	-	-
Finance costs		(1,693)	(1,471)	(1,693)	(1,471)
Profit before tax		4,714	(1,846)	4,714	(1,846)
Tax expenses	B6	(1,370)	(222)	(1,370)	(222)
Profit for the period		3,344	(2,068)	3,344	(2,068)
Other Comprehensive Income:					
Exchange differences on translating foreign operations		412	126	412	126
Total Comprehensive Income for the period		3,756	(1,942)	3,756	(1,942)
Profit after tax attributable to:					
Owners of the Company		3,069	(1,755)	3,069	(1,755)
Non-Controlling Interest		275	(313)	275	(313)
		3,344	(2,068)	3,344	(2,068)
Total Comprehensive Income attributable to:					
Owners of the Company		3,481	(1,629)	3,481	(1,629)
Non-Controlling Interest		275	(313)	275	(313)
		3,756	(1,942)	3,756	(1,942)
Earnings per share (Sen)					
Basic	B14	2.49	(1.60)	2.49	(1.60)
Diluted	B14	2.49	(1.60)	2.49	(1.60)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	Notes	<u>Unaudited</u> As at 31 Mar 2024 RM'000	<u>Audited</u> As at 31 Dec 2023 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		127,874	128,673
Right-of-use assets		16,079	16,136
Goodwill		42,819	42,819
		<u>186,772</u>	<u>187,628</u>
Current Assets			
Inventories		43,154	49,455
Trade receivables		49,783	38,569
Other receivables, deposits and prepayments		14,463	4,417
Current tax assets		1,871	1,811
Fixed deposits with licensed banks		4,345	6,150
Cash and bank balances		25,474	22,756
		<u>139,090</u>	<u>123,158</u>
Total Assets		<u><u>325,862</u></u>	<u><u>310,786</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital		84,050	75,960
Treasury shares		(159)	(159)
Reserves		72,420	71,226
Total Equity Attributable to Owners of the Company		<u>156,311</u>	<u>147,027</u>
Non-controlling interests		9,327	9,052
		<u>165,638</u>	<u>156,079</u>
Non-Current Liabilities			
Long-term borrowings	B10	65,003	55,170
Deferred taxation		2,484	2,511
		<u>67,487</u>	<u>57,681</u>
Current Liabilities			
Trade payables		18,589	22,621
Other payables and accruals		19,436	22,391
Tax payables		2,240	1,861
Short-term borrowings	B10	39,515	39,161
Bank overdrafts		12,957	10,992
		<u>92,737</u>	<u>97,026</u>
Total Liabilities		<u>160,224</u>	<u>154,707</u>
Total Equity and Liabilities		<u><u>325,862</u></u>	<u><u>310,786</u></u>
Net Assets per Ordinary Share Attributable to Owners of the Company (RM)		1.24	1.21

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the interim financial statements.

GE-SHEN CORPORATION BERHAD
Company No. 200301031393 (633814-X)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2024**

	3 Months Ended 31 Mar 2024 RM'000	3 Months Ended 31 Mar 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,714	(1,846)
Adjustments for:		
Depreciation of property, plant and equipment	3,068	2,774
Depreciation of right-of-use asset	163	142
Property, plant and equipment written off	41	-
Interest expense on lease liabilities	3	10
Other interest expense	1,690	1,462
Other receivables written off	11	-
Gain on foreign exchange - unrealised	(773)	(1,173)
Gain on disposal of property, plant and equipment	(1,141)	(2)
Loss on foreign exchange - unrealised	55	701
Interest income	(101)	(91)
Inventories written down	251	444
Operating profit before working capital changes	7,981	2,421
Net changes in inventories	6,050	(164)
Net changes in trade and other receivables	(20,830)	10,779
Net changes in trade and other payables	(9,006)	(6,732)
CASH FLOWS FROM OPERATIONS	(15,805)	6,304
Tax paid	(1,102)	(423)
Tax refunded	3	-
NET CASH FROM OPERATING ACTIVITIES	(16,904)	5,881
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	101	91
Proceeds from disposal of property, plant and equipment	1,584	5
Purchase of property, plant and equipment	(603)	(329)
NET CASH FOR INVESTING ACTIVITIES	1,082	(233)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2024 - CONTINUED**

	3 Months Ended 31 Mar 2024 RM'000	3 Months Ended 31 Mar 2023 RM'000
CASH FLOWS FOR FINANCING ACTIVITIES		
Interest paid	(1,693)	(1,370)
Net drawdown/ (repayment) of term loan	6,929	(1,229)
Net drawdown of multi currency trade loan	4,090	1,771
Net drawdown/ (repayment) of invoice financing	172	(2,172)
Decrease in pledged of fixed deposits with licensed banks	1,805	2,281
Drawdown of bankers' acceptance	9,748	10,132
Repayment of bankers' acceptance	(14,107)	(10,311)
Net drawdown/ (repayment) of revolving credits	(473)	427
Net (repayment) of hire purchase obligations	3,871	(1,041)
Proceeds from exercise of employees' share options	5,803	-
Repayment of lease liabilities	(72)	(68)
NET CASH FOR FINANCING ACTIVITIES	16,073	(1,580)
NET INCREASE IN CASH AND CASH EQUIVALENTS	251	4,068
Effect of changes in exchange rates	502	502
CASH AND CASH EQUIVALENT AS AT BEGINNING OF PERIOD	11,764	(2,315)
CASH AND CASH EQUIVALENT AS AT END OF PERIOD	12,517	2,255

Cash and cash equivalents included in the cash flows statement comprise of the followings:

	31 Mar 2024 RM'000	31 Mar 2023 RM'000
Fixed deposits with licensed banks	4,345	7,323
Cash and bank balances	25,474	14,671
Less: Bank overdrafts	(12,957)	(12,416)
Less: Fixed Deposits pledged to licensed banks	(4,345)	(7,323)
	12,517	2,255

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the interim financial statements.

GE-SHEN CORPORATION BERHAD
Company No. 200301031393 (633814-X)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2024**

	← Non-Distributable			Distributable →				
	Share Capital	Treasury Shares	Employee Share Option Reserve	Foreign Exchange Translation Reserve	Retained Profits	Attributable to Owners of the Company	Non- controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2024	75,960	(159)	2,535	3,406	65,285	147,027	9,052	156,079
Profit after tax for the financial period	-	-	-	-	3,069	3,069	275	3,344
Other comprehensive income for the financial period								
- Foreign currency translation differences	-	-	-	412	-	412	-	412
Total comprehensive income for the financial period	-	-	-	412	3,069	3,481	275	3,756
Contributions by and distributions to owners of the Company:								
- Employees' share options exercised	8,090	-	(2,287)	-	-	5,803	-	5,803
	8,090	-	(2,287)	-	-	5,803	-	5,803
As at 31 March 2024	84,050	(159)	248	3,818	68,354	156,311	9,327	165,638

GE-SHEN CORPORATION BERHAD
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2024 - CONTINUED**

	← Non-Distributable				Distributable →			
	Share Capital	Treasury Shares	Employee Share Option Reserve	Foreign Exchange Translation Reserve	Retained Profits	Attributable to Owners of the Company	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2023	61,855	(159)	2,545	2,593	56,840	123,674	4,946	128,620
Profit after tax for the financial period	-	-	-	-	(1,755)	(1,755)	(313)	(2,068)
Other comprehensive income for the financial period	-	-	-	126	-	126	-	126
- Foreign currency translation differences	-	-	-	126	-	126	-	126
Total comprehensive income for the financial period	-	-	-	126	(1,755)	(1,629)	(313)	(1,942)
Contributions by and distributions to owners of the Company:								
- Employees' share options exercised	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
As at 31 March 2023	61,855	(159)	2,545	2,719	55,085	122,045	4,633	126,678

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and accompanying explanatory notes attached to the interim financial statements.

PART A - EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134

A1. Basis of Preparation

Statement of compliance

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

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023. These 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 31 December 2023.

Significant accounting policies

- (a) The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the preparation of the financial statements of the Group for the financial year ended 31 December 2023.
- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:

MFRSs and Interpretations	Effective for financial periods beginning on or after
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 & MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2024

A2. Seasonality or Cyclical Factors

The Group's operations experience certain seasonality or cyclical factors that is common in the industry of which the Group operates in.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

During the quarter, there were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

PART A - EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134 (CONTINUED)

A4. Change in Estimates

There were no significant changes in estimates that have a material effect on the results for the quarter.

A5. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

Save for the following, there were no issuance and repayment of debts and equity securities, share buy-backs, shares cancellation, shares held as treasury shares and resale of treasury shares for the quarter under review other than the issuance of 3,940,750 new ordinary shares under the Company's Employees Share Option Scheme.

A6. Dividend Paid

There was no dividend paid during the quarter under review.

A7. Segmental Reporting

The Group is organised into the two main geographical segments and operating in manufacturing of plastic moulded products, metal stamping products and components. The segmental information has been presented as follows:-

(a) By Geographical Segment

Current Quarter

	Malaysia & Singapore	Vietnam	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
As at 31 March 2024				
Revenue				
- sales to external parties	66,555	7,297	-	73,852
- inter-segment sales	1,412	-	(1,412)	-
Total revenue	67,966	7,297	(1,412)	73,852
Segment results	5,477	997	(67)	6,407
Finance costs				(1,693)
Profit before taxation				4,714

PART A - EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134 (CONTINUED)

A7. Segmental Reporting - continued

(a) By Geographical Segment - continued

Preceding Quarter

	Malaysia & Singapore RM'000	Vietnam RM'000	Elimination RM'000	Consolidated RM'000
As at 31 December 2023				
Revenue				
- sales to external parties	65,293	7,682	-	72,975
- inter-segment sales	4,585	-	(4,585)	-
Total revenue	69,878	7,682	(4,585)	72,975
Segment results	11,557	576	(84)	12,049
Finance costs				(1,922)
Profit before taxation				10,127

Preceding Year Corresponding Quarter

	Malaysia RM'000	Vietnam RM'000	Elimination RM'000	Consolidated RM'000
As at 31 March 2023				
Revenue				
- sales to external parties	52,417	5,252	-	57,669
- inter-segment sales	4	-	(4)	-
Total revenue	52,421	5,252	(4)	57,669
Segment results	(22)	(286)	(67)	(375)
Finance costs				(1,471)
Loss before taxation				(1,846)

(b) By Industry Segment

Industrial segmental information is not applicable.

A8. Material Events Subsequent to the End of the Quarter Under Review

There was no material event subsequent to the end of the quarter that require disclosure or adjustments to the unaudited interim financial statements.

A9. Changes in the Composition of the Group

There are no material changes in the composition of the Group for the current financial period ended 31 March 2024.

A10. Changes in Contingent Liabilities or Contingent Assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter.

PART A - EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134 (CONTINUED)

A11. Capital Commitments

The amount of capital commitments not provided for in the interim financial statements are as follows:

	<u>Unaudited</u> 31 Mar 2024 RM'000	<u>Audited</u> 31 Dec 2023 RM'000
Approved and contracted for:		
Purchase of property, plant and equipment	16,297	751

A12. Related Party Transactions

Significant transactions between the Company and related parties are as follows:

	Individual Quarter ended		Cumulative Quarter ended	
	31 Mar 2024 RM'000	31 Mar 2023 RM'000	31 Mar 2024 RM'000	31 Mar 2023 RM'000
Transaction with related parties:				
Purchase of components	57	196	57	196

PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of Group's Results for the Quarter Ended 31 March 2024

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	3 Months Ended 31 Mar 2024 RM'000	3 Months Ended 31 Mar 2023 RM'000	Changes %	3 Months Ended 31 Mar 2024 RM'000	3 Months Ended 31 Mar 2023 RM'000	Changes %
Revenue	73,852	57,669	28.1	73,852	57,669	28.1
Operating Profit	6,407	(375)	1,808.5	6,407	(375)	1,808.5
Profit Before Interest and Tax	6,407	(375)	1,808.5	6,407	(375)	1,808.5
Profit Before Tax	4,714	(1,846)	355.4	4,714	(1,846)	355.4
Profit After Tax	3,344	(2,068)	261.7	3,344	(2,068)	261.7
Profit Attributable to Owners of the Company	3,069	(1,755)	274.9	3,069	(1,755)	274.9
EBITDAF	7,981	2,421	229.7	7,981	2,421	229.7

i. Quarter Ended 31 March 2024 compared to Quarter Ended 31 March 2023

In this quarter under review, Ge-Shen performed considerably better than the previous year quarter just as revenue was higher with contributions from Penang and Vietnam factories as well as from newly acquired subsidiary in Kedah, despite lower sales from both Johor factories.

The profitability of the Group increased in line with increased in sales as a result from higher economies of sales, better cost management and right size of headcount in each of the factories as well as was strengthened by forex gain and gain on disposal of fixed assets by Johor factory.

B2. Variation of Results Against Preceding Quarter

	INDIVIDUAL QUARTER		Changes %
	3 Months Ended 31 Mar 2024 RM'000	3 Months Ended 31 Dec 2023 RM'000	
Revenue	73,852	72,975	1.2
Operating Profit/(Loss)	6,407	12,049	(46.8)
Profit/(Loss) Before Interest and Tax	6,407	12,049	(46.8)
Profit/(Loss) Before Tax	4,714	10,127	(53.5)
Profit/(Loss) After Tax	3,344	6,818	(51.0)
Profit/(Loss) Attributable to Owners of the Company	3,069	5,865	(47.7)
EBITDAF	7,981	13,691	(41.7)

As compared to the preceding quarter, revenue has slight improved by 1.2% or RM0.9 million. However, the profitability was lower due to different product mix and reversal of provisions arising from year end annual review of slow-moving provisions.

**PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS
(CONTINUED)**

B3. Prospects of the Group

On the back of a reasonably good start of the year, it is anticipated that Ge-Shen Corporation will be able to continue its growth trajectory in Revenue and Profitability especially with the acquisition of Local Assembly Sdn Bhd and Amity Group.

The global economy has been gaining pace just as many of the developed economies are getting used to the inflation and higher interest rate environment. We are experiencing and witnessing some recovery in the customers purchase orders on the back of depleting inventories by major customers. The Russian-Ukraine conflict as well as Israel-Hamas placed some doubts on supply chain certainty, but have not had any major impact on our business at the moment. Global economy remains resilient despite uneven growth in various economies.

MITI reported that export oriented industries continued to experience positive growth in the 1Q2024; with continued growth in export oriented industries. The Malaysian government's initiative to attract much Foreign Direct Investments ("FDI") into Malaysia especially in the semiconductor sector, has attracted more attention of foreign companies about the significance of Malaysia in the semiconductor and EMS manufacturing sector. This helps with the business development activities to further expand our customer base. The recently announced additional hike in tariffs by the US for imports from China will have potential positive impact for the entire manufacturing ecosystem, especially in the semiconductor and EMS sectors in Malaysia and Vietnam. We are actively looking to capture some of these opportunities.

However, the attention to Malaysia has also its disadvantages as competition increases. Further headwinds to lookout for is the increase in minimum wages in both Malaysia and Vietnam. Vietnam has announced minimum wages increase of more than 6%, but in reality, wage inflation will be more than this, just as Vietnam continues to industrialize and more multinationals are setting up shop in Vietnam. The Management believes that similar trends will be apparent in Malaysia in the coming months, with the living wage discussions are taking place and a possible increase in minimum wage. The removal of subsidies in Malaysia, for petrol, and electricity may also have an impact in the overall inflation of the country, resulting in wage inflation and overall inflation, further squeezing margins. Much is to do in terms of automation and modernization and CAPEX is required to automate our manufacturing process, while investment in computer systems like ERP in our subsidiaries to automate our backend processes, especially in the newly acquired subsidiaries. The successful execution of these plans will improve the Group's overall margins in the future.

The volatility of the USD is also another to look out for, just as we close the quarter at 1 USD to 4.7285 MYR, the USD has since went up close to 4.80 and went down to approx. 4.68 within a short period of time. This volatility causes significant difficulty in planning and more importantly exchange losses, directly and indirectly. Negotiations on pricing is also made a challenge with the volatility.

Nevertheless, the Board is cautiously optimistic of the Group's performance for the rest of the year given the current acquisitions and growth plans of the Group.

**PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS
 (CONTINUED)**

B4. Profit Forecast

The Group did not publish any profit forecast during the quarter.

B5. Explanation Note on Profit Forecast

Not Applicable.

B6. Tax Expense

Tax expense comprises of the followings:

	Individual Quarter ended		Cumulative Quarter ended	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
In respect of the current period :				
Income tax	1,372	224	1,372	224
Deferred tax	(2)	(2)	(2)	(2)
Tax expenses	<u>1,370</u>	<u>222</u>	<u>1,370</u>	<u>222</u>

B7. Sale of Unquoted Investments, or Properties

There was no disposal of unquoted investments, or properties during the quarter.

B8. Purchase or Disposal of Quoted and Marketable Securities

There was no purchase or disposal of quoted and marketable securities during the quarter.

B9. Corporate Proposals

The following are the corporate proposals that have been announced by the Company which have not yet completed as at 16 May 2024, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report:

(a) On 4 March 2024, the Company entered into a conditional share sale agreement with Chai Voon Sun, Gurmakh Singh A/L Ajmer Singh and Wee Thian Song (collectively, "Vendors") for the acquisition of 400,000 ordinary shares in Local Assembly Sdn Bhd ("Local Assembly") ("Local Assembly Share(s)"), representing 40% equity interest in Local Assembly ("SSA") ("Proposed Acquisition") for a total cash consideration of RM48,000,000.00. The Proposed Acquisition is expected to be completed by the second/third quarter of 2024.

(b) On 11 March 2024, the Company entered into a binding term sheet ("TS") with Har Yeow Cheong and Mok Wai Sum (collectively, "Purchasers") for the proposed disposal of 70% equity interest in the Target Company comprising 910,000 ordinary shares ("Sale Shares") to the Purchasers for a total cash consideration of RM15,000,000.00 only ("Disposal Consideration") ("Proposed Disposal"). The Proposed Disposal is expected to be completed by the second/third quarter of 2024.

(c) On 18 March 2024, the Company entered into the non-binding term sheet with Pak Yue Leong, Tan Chung Ken, Tan Guan Lai, Tan Khay Leang, Tan Kooi Loon and Teh Sheh Chien to negotiate with detailed terms and conditions to be contained in a definitive share sale agreement in relation to the proposed acquisition of 60,000 existing ordinary shares representing 60% total equity interest in ARD; and proposed acquisition of 300,000 existing ordinary shares representing 60% total equity interest in ATSC (collectively "the Proposed Acquisitions") for a purchase consideration of RM13,500,000.00. The Proposed Acquisition is expected to be completed by the second/third quarter of 2024.

**PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS
 (CONTINUED)**

B10. Borrowings (Secured)

The Group's borrowings, all are repayable in Ringgit Malaysia, United States Dollar and Vietnamese Dong secured, as of the end of the quarter are as follows:

	<u>Unaudited</u> 31 Mar 2024 RM'000	<u>Audited</u> 31 Dec 2023 RM'000
Short term borrowings:		
Bankers' acceptance	9,598	13,958
Term loans	7,300	7,724
Revolving credits	10,150	10,623
Multi currency trade loan	6,227	2,137
Invoice Financing	1,881	1,709
	<u>35,156</u>	<u>36,151</u>
Long term borrowings:		
Term loans	60,248	52,878
	<u>60,248</u>	<u>52,878</u>
Lease liabilities:		
Current liabilities	4,359	3,010
Non-Current Liabilities	4,755	2,292
	<u>9,114</u>	<u>5,302</u>
	<u>104,518</u>	<u>94,331</u>

B11. Off Balance Sheet Financial Instrument

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

B12. Material Litigation

The directors do not have any knowledge of any material proceedings pending or threatened against the Group as the date of this report.

B13. Dividend Proposed

There was no dividend declared or proposed by the company for the current quarter ended 31 March 2024.

**PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS
 (CONTINUED)**

B14. Earnings per share (Sen)

Basic earnings per share

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	<u>31 Mar 2024</u>	<u>31 Mar 2023</u>	<u>31 Mar 2024</u>	<u>31 Mar 2023</u>
Profit attributable to ordinary shareholders (RM'000)	3,069	(1,755)	3,069	(1,755)
	<u>3,069</u>	<u>(1,755)</u>	<u>3,069</u>	<u>(1,755)</u>
Weighted average number of shares in issue ('000)*	123,371	110,019	123,371	110,019
	<u>123,371</u>	<u>110,019</u>	<u>123,371</u>	<u>110,019</u>
Basic EPS (Sen)	<u>2.49</u>	<u>(1.60)</u>	<u>2.49</u>	<u>(1.60)</u>

Diluted earnings earnings per share

	<u>Individual Quarter ended</u>		<u>Cumulative Quarter ended</u>	
	<u>31 Mar 2024</u>	<u>31 Mar 2023</u>	<u>31 Mar 2024</u>	<u>31 Mar 2023</u>
Profit attributable to ordinary shareholders (RM'000)	3,069	(1,755)	3,069	(1,755)
	<u>3,069</u>	<u>(1,755)</u>	<u>3,069</u>	<u>(1,755)</u>
Weighted average number of shares in issue ('000)*	123,371	110,019	123,371	110,019
	<u>123,371</u>	<u>110,019</u>	<u>123,371</u>	<u>110,019</u>
Diluted EPS (Sen)	<u>2.49</u>	<u>(1.60)</u>	<u>2.49</u>	<u>(1.60)</u>

* The potential conversion of ESOS are anti-dilutive as the exercise price is higher than the average market price of the Company's ordinary shares during the current financial year. Accordingly, the exercise of ESOS has been ignored in the calculation of dilutive EPS.

**PART B - ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS
(CONTINUED)**

B15. Audit Report

The auditors' report of the company for the financial year ended 31 December 2023 was not subject to any qualification.

B16. Notes to the Statement of Comprehensive Income

	Individual Quarter ended		Cumulative Quarter ended	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after crediting:				
Interest income	(101)	(91)	(101)	(91)
Gain on foreign exchange				
- realised	(367)	(1,193)	(367)	(1,193)
- unrealised	(773)	(1,173)	(773)	(1,173)
Gain on disposal of property, plant and equipment	(1,141)	(2)	(1,141)	(2)
and after charging:				
Depreciation and amortisation	3,231	2,916	3,231	2,916
Interest expenses	1,693	1,472	1,693	1,472
Loss on foreign exchange				
- realised	474	1,391	474	1,391
- unrealised	55	701	55	701
Inventories written down	251	444	251	444
Property, plant and equipment written off	41	-	41	-
Other receivables written off	11	-	11	-

Save as disclosed in the above, there were no gain/(loss) on disposal of quoted/unquoted investments, exceptional items, and other items required to be disclosed under the additional disclosure requirement for public listed companies that are listed on Main or Ace Markets of the Bursa Malaysia Securities Berhad.

B17. Authorisation for issue

The interim unaudited financial report was duly reviewed by Audit and Risk Management Committee and approved by the Board of Directors on 23 May 2024.