

**KEIN HING INTERNATIONAL BERHAD**  
[Company No. 200301013636 (616056-T)]

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

**For the 3<sup>rd</sup> quarter and financial period ended 31 January 2024 – unaudited**

	Note	3 Months Ended		Financial Period Ended	
		31 Jan 2024	31 Jan 2023	31 Jan 2024	31 Jan 2023
<i>In thousands of RM</i>					
<b>Revenue</b>		<b>75,372</b>	<b>81,641</b>	<b>230,904</b>	<b>263,331</b>
Operating profit		3,425	6,377	19,502	28,972
Finance income		416	137	1,099	302
Finance costs		(1,092)	(845)	(3,396)	(2,409)
<b>Profit before tax</b>		<b>2,749</b>	<b>5,669</b>	<b>17,205</b>	<b>26,865</b>
Tax expense	B6	(1,042)	(932)	(3,604)	(4,506)
<b>Profit for the period</b>	B5	<b>1,707</b>	<b>4,737</b>	<b>13,601</b>	<b>22,359</b>
<b><i>Items that may be reclassified subsequently to profit or loss</i></b>					
Foreign currency translation differences for foreign operations		136	(2,294)	1,284	(2,196)
<b>Total comprehensive income for the period</b>		<b>1,843</b>	<b>2,443</b>	<b>14,885</b>	<b>20,163</b>
<b>Profit attributable to:</b>					
Owners of the Company		<b>1,804</b>	<b>4,438</b>	<b>12,643</b>	<b>20,229</b>
Non-controlling interests		(97)	299	958	2,130
Profit for the period		<b>1,707</b>	<b>4,737</b>	<b>13,601</b>	<b>22,359</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		<b>1,906</b>	<b>2,746</b>	<b>13,606</b>	<b>18,607</b>
Non-controlling interests		(63)	(303)	1,279	1,556
Total comprehensive income for the period		<b>1,843</b>	<b>2,443</b>	<b>14,885</b>	<b>20,163</b>
<b>Earnings per ordinary share attributable to owners of the Company (sen):</b>					
Basic / Diluted	B11	<b>1.66</b>	<b>4.08</b>	<b>11.61</b>	<b>18.58</b>

*The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.*

**KEIN HING INTERNATIONAL BERHAD**  
[Company No. 200301013636 (616056-T)]

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**As at 31 January 2024 – unaudited**

<i>In thousands of RM</i>	Note	As at 31 Jan 2024	As at 30 Apr 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		102,637	99,082
Right-of-use assets		11,682	11,216
Investment property		9,121	9,251
Other investments		532	532
Trade and other receivables		231	439
		<u>124,203</u>	<u>120,520</u>
<b>Current assets</b>			
Inventories		28,865	34,342
Contract assets		3,079	2,517
Trade and other receivables		47,271	44,773
Current tax assets		100	94
Cash and cash equivalents		82,462	61,313
		<u>161,777</u>	<u>143,039</u>
<b>TOTAL ASSETS</b>		<b><u>285,980</u></b>	<b><u>263,559</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		54,450	54,450
Reserves		118,922	106,705
		<u>173,372</u>	<u>161,155</u>
Non-controlling interests		14,116	14,458
<b>Total equity</b>		<b><u>187,488</u></b>	<b><u>175,613</u></b>
<b>Non-current liabilities</b>			
Loans and borrowings	B8	25,155	20,746
Lease liabilities		693	486
Deferred tax liabilities		3,677	3,794
		<u>29,525</u>	<u>25,026</u>
<b>Current liabilities</b>			
Loans and borrowings	B8	27,695	24,054
Lease liabilities		857	603
Trade and other payables		39,498	37,422
Current tax liabilities		917	841
		<u>68,967</u>	<u>62,920</u>
<b>Total liabilities</b>		<b><u>98,492</u></b>	<b><u>87,946</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>285,980</u></b>	<b><u>263,559</u></b>
<b>Net assets per share attributable to owners of the Company (RM)</b>		<b><u>1.59</u></b>	<b><u>1.48</u></b>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.*

**KEIN HING INTERNATIONAL BERHAD**  
[Company No. 200301013636 (616056-T)]

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
For the financial period ended 31 January 2024 – unaudited

	Attributable to Owners of the Company					
	Non-distributable		Distributable		Non-controlling interests	Total equity
	Share capital	Translation reserve	Retained earnings	Total		
<i>In thousands of RM</i>						
<b>At 1 May 2023</b>	54,450	3,807	102,898	161,155	14,458	175,613
Profit for the period	-	-	12,643	12,643	958	13,601
Other comprehensive income for the period, net of tax	-	963	-	963	321	1,284
Total comprehensive income for the period, net of tax	-	963	12,643	13,606	1,279	14,885
Changes in ownership interests in a subsidiary	-	-	789	789	(789)	-
Voluntary winding up of a subsidiary	-	-	-	-	(359)	(359)
Dividend paid	-	-	(2,178)	(2,178)	(473)	(2,651)
<b>At 31 Jan 2024</b>	<b>54,450</b>	<b>4,770</b>	<b>114,152</b>	<b>173,372</b>	<b>14,116</b>	<b>187,488</b>
<b>At 1 May 2022</b>	54,450	3,798	82,227	140,475	12,339	152,814
Profit for the period	-	-	20,229	20,229	2,130	22,359
Other comprehensive income for the period, net of tax	-	(1,622)	-	(1,622)	(574)	(2,196)
Total comprehensive income for the period, net of tax	-	(1,622)	20,229	18,607	1,556	20,163
Dividend paid	-	-	(1,633)	(1,633)	(455)	(2,088)
<b>At 31 Jan 2023</b>	<b>54,450</b>	<b>2,176</b>	<b>100,823</b>	<b>157,449</b>	<b>13,440</b>	<b>170,889</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.*

**KEIN HING INTERNATIONAL BERHAD**  
[Company No. 200301013636 (616056-T)]

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
For the financial period ended 31 January 2024 – unaudited

<i>In thousands of RM</i>	Financial Period Ended	
	31 Jan 2024	31 Jan 2023
<b>Cash flows from operating activities</b>		
Profit before tax	17,205	26,865
Adjustments for:		
Non-cash items	9,860	5,641
Non-operating items	2,297	2,107
Operating profit before changes in working capital	29,362	34,613
Changes in working capital:		
Inventories	5,652	(2,334)
Contract assets	(523)	(924)
Trade and other receivables	(1,744)	238
Trade and other payables	1,911	(5,738)
Cash generated from operations	34,658	25,855
Interest paid	(90)	(74)
Income tax paid	(3,656)	(3,418)
<b>Net cash from operating activities</b>	<b>30,912</b>	<b>22,363</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(7,414)	(13,835)
Proceeds from disposal of property, plant and equipment	329	4,484
Interest received	1,099	302
<b>Net cash used in investing activities</b>	<b>(5,986)</b>	<b>(9,049)</b>
<b>Cash flows from financing activities</b>		
Proceeds from/(Repayment of) term loans	4,933	(101)
Repayment of hire purchase liabilities	(2,926)	(1,809)
Proceeds from other borrowings	1,745	2,973
Payment of lease liabilities	(753)	(857)
Payment to non-controlling interest due to voluntary winding up of a subsidiary	(359)	-
Dividend paid	(2,651)	(2,088)
Interest paid	(3,306)	(2,334)
<b>Net cash used in financing activities</b>	<b>(3,317)</b>	<b>(4,216)</b>
<b>Net increase in cash and cash equivalents</b>	<b>21,609</b>	<b>9,098</b>
Effect of exchange rate fluctuations on cash held	55	325
<b>Cash and cash equivalents at beginning of financial year</b>	<b>60,492</b>	<b>41,569</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>82,156</b>	<b>50,992</b>
<b>Cash and cash equivalents at end of financial period comprise:</b>		
Cash and bank balances	61,589	39,818
Deposits placed with licensed banks (net of pledged deposits)	20,567	11,665
Bank overdrafts	-	(491)
	<b>82,156</b>	<b>50,992</b>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.*

## **PART A: NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

### **A1. Basis of preparation**

The condensed consolidated interim financial statements of the Group 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 (“Bursa Securities’ Listing Requirements”).

The condensed consolidated interim financial statements should also be read in conjunction with the audited consolidated financial statements of the Group for the last financial year ended 30 April 2023. These explanatory notes attached to the condensed consolidated 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 last financial year ended 30 April 2023.

### **A2. Changes in accounting policies**

The Group has adopted the MFRSs, Amendments to MFRSs and IC Interpretation (if applicable) which become effective during the current financial year. The adoption of these pronouncements did not have any material impact on the financial statements of the Group.

At the date of authorization of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

#### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

- 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: Disclosure – Supplier Finance Agreements*

#### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

#### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

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

The initial applications of these MFRSs, Amendments and Interpretations, if applicable, are not expected to have material financial impacts to the current and prior periods' consolidated financial statements of the Group upon their first adoption. The MFRSs, Amendments and Interpretations which were issued but not yet effective have not been early adopted by the Group.

**A3. Seasonal and cyclical factors**

The Group's business operation results were not materially affected by any major seasonal and/or cyclical factors.

**A4. Unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows during the current 3<sup>rd</sup> quarter and financial period ended 31 January 2024.

**A5. Material changes in estimates**

There were no changes in estimates that have had material effect for the current 3<sup>rd</sup> quarter and financial period ended 31 January 2024.

**A6. Issuances and repayment of debt and equity securities**

There were no issuance, repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares or resale of treasury shares during the current 3<sup>rd</sup> quarter and financial period under review.

**A7. Dividend Paid**

No interim dividend was paid during the current 3<sup>rd</sup> quarter and financial period ended 31 January 2024 (2023: Nil).

**A8. Segmental information**

Segmental information is presented in respect of the Group's business segments as follows:-

***Results for the financial period ended 31 January 2024***

	<u>Manufacturing</u>	<u>Trading</u>	Investment <u>Holding</u>	<u>Adjustment</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	226,676	4,228	-	-	230,904
Inter-segment	14,354	86	-	(14,440)	-
<b>Total revenue</b>	<b>241,030</b>	<b>4,314</b>	<b>-</b>	<b>(14,440)</b>	<b>230,904</b>
<b>Segment results</b>	<b>18,790</b>	<b>(488)</b>	<b>1,432</b>	<b>(232)</b>	<b>19,502</b>
Finance income					1,099
Finance costs					(3,396)
<b>Profit before tax</b>					<b>17,205</b>
Tax expense					(3,604)
Profit for the period					13,601

#### A9. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the current 3<sup>rd</sup> quarter under review.

#### A10. Changes in the composition of the Group

There were no changes in the composition of the Group during the current 3<sup>rd</sup> quarter and financial period ended 31 January 2024 save as disclosed below.

- (i) On 5 May 2023, the Company entered into a Transfer Agreement with Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV") to transfer the entire charter and contributed capital in Kein Hing Thai Nguyen (Vietnam) Co., Ltd. ("KHTV") to KHMV as an internal restructuring exercise so that KHTV would become a direct subsidiary of KHMV. The Transfer of Capital was completed on 16 June 2023.
- (ii) Sanko Kein Hing Sdn. Bhd. ("SKH"), a 51%-owned subsidiary of the Company has been fully wound up/dissolved in accordance with Section 459(5) of the Companies Act 2016 with effect from 5 January 2024.

#### A11. Changes in contingent liabilities

There were no changes in contingent liabilities or contingent assets of a material nature since the last annual reporting period.

#### A12. Capital commitments

Capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at end of the reporting period were as follows:-

	<b>As at 31 Jan 2024 RM'000</b>
Total approved and contracted for	<u>930</u>

#### A13. Fair Value Information

The Group uses the following hierarchy for determining the fair value of financial instruments carried at fair value and amortised cost, the different levels have been identified as follows:

**Level 1** – Fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

**Level 2** – Fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

**Level 3** – Fair value is estimated using unobservable inputs for the financial assets and liabilities.

	Fair value of financial instruments carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
<b>Financial assets</b>						
Other investments	-	532	-	532	532	532
	-	532	-	532	532	532

	Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
<b>Financial liabilities</b>						
Secured term loans	-	-	27,858	27,858	27,858	27,858
Hire purchase liabilities	-	-	5,586	5,586	5,586	5,586
	-	-	33,444	33,444	33,444	33,444



**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of performance**

Financial review for the current 3<sup>rd</sup> Quarter and financial period ended 31 January 2024:

	3rd Quarter Ended		Changes	
<i>(In thousands of RM)</i>	<u>31 Jan 2024</u>	<u>31 Jan 2023</u>		
<b>Revenue</b>	<b>75,372</b>	<b>81,641</b>	<b>(6,269)</b>	<b>-8%</b>
Operating Profit	3,425	6,377	(2,952)	-46%
<b>Profit Before Tax ("PBT")</b>	<b>2,749</b>	<b>5,669</b>	<b>(2,920)</b>	<b>-52%</b>
Profit After Tax	1,707	4,737	(3,030)	-64%
<b>Profit Attributable to Owners of the Company</b>	<b>1,804</b>	<b>4,438</b>	<b>(2,634)</b>	<b>-59%</b>

	Financial Period Ended		Changes	
<i>(In thousands of RM)</i>	<u>31 Jan 2024</u>	<u>31 Jan 2023</u>		
<b>Revenue</b>	<b>230,904</b>	<b>263,331</b>	<b>(32,427)</b>	<b>-12%</b>
Operating Profit	19,502	28,972	(9,470)	-33%
<b>Profit Before Tax ("PBT")</b>	<b>17,205</b>	<b>26,865</b>	<b>(9,660)</b>	<b>-36%</b>
Profit After Tax	13,601	22,359	(8,758)	-39%
<b>Profit Attributable to Owners of the Company</b>	<b>12,643</b>	<b>20,229</b>	<b>(7,586)</b>	<b>-38%</b>

The changes in revenue contributed by Malaysia operation and Vietnam operation respectively for the current 3<sup>rd</sup> quarter and financial period under review are as follows:

	3rd Quarter Ended		Changes	
<i>(In thousands of RM)</i>	<u>31 Jan 2024</u>	<u>31 Jan 2023</u>		
Malaysia Operation	35,525	35,740	(215)	-1%
Vietnam Operation	39,847	45,901	(6,054)	-13%
<b>Total Revenue</b>	<b>75,372</b>	<b>81,641</b>	<b>(6,269)</b>	<b>-8%</b>

	<b>Financial Period Ended</b>		<b>Changes</b>	
<i>(In thousands of RM)</i>	<b><u>31 Jan 2024</u></b>	<b><u>31 Jan 2023</u></b>		
Malaysia Operation	107,786	116,772	(8,986)	-8%
Vietnam Operation	123,118	146,559	(23,441)	-16%
<b>Total Revenue</b>	<b><u>230,904</u></b>	<b><u>263,331</u></b>	<b>(32,427)</b>	<b>-12%</b>

For the current 3<sup>rd</sup> quarter, the Group revenue dropped by approximately RM6.3 million or - 8% mainly due to demand slowdown particularly in Vietnam Operation where it encountered weak demand for parts used in printer products during the current quarter under review.

Due to the decline in customer demand, the Group revenue for the financial period also dropped by approximately RM32.4 million or -12% as compared with that of last year's corresponding period. The pent-up demand experienced in last year also contributed to this adverse variance.

As for the ratios of revenue from Malaysia Operation and Vietnam Operation for the 3<sup>rd</sup> quarter and financial period, they also changed to 47% : 53% (Q3 2023 – 44% : 56%) and 47% : 53% (YTD 2023 – 44% : 56%) respectively.

Due to lower revenue, the Group's PBT for the current 3<sup>rd</sup> quarter and financial period decreased by approximately RM2.9 million and RM9.7 million respectively. Included in the last year 3<sup>rd</sup> quarter's PBT, there was a one-off gain on disposal of properties (before RPGT) of RM3.9 million.

In addition, the PBT was also distorted by the foreign exchange gain/(loss) as shown below:

	<b>3rd Quarter Ended</b>		<b>Variance</b>	
<i>(In thousands of RM)</i>	<b><u>31 Jan 2024</u></b>	<b><u>31 Jan 2023</u></b>		
Net foreign exchange loss	(71)	(1,187)	1,116	94%

  

	<b>Financial Period Ended</b>		<b>Variance</b>	
<i>(In thousands of RM)</i>	<b><u>31 Jan 2024</u></b>	<b><u>31 Jan 2023</u></b>		
Net foreign exchange gain	3,326	613	2,713	443%

The equity attributable to owners of the Group stood at RM173.4 million as at 31 January 2024 (As at 30.4.2023: RM161.2 million), which translated into Net Assets per share of RM1.59 (As at 30.4.2023: RM1.48).

The Group's cash and cash equivalents increased from RM61.3 million as at 30 April 2023 to RM82.5 million as at 31 January 2024 mainly attributed to the net cash from operating activities during the financial period under review. The Group prudent management always maintains sufficient cash and available funds through an adequate amount of committed credit facilities and cash reserves.

## B2. Variation of results against preceding quarter

Financial review for the current 3<sup>rd</sup> Quarter (compared with immediate preceding 2<sup>nd</sup> Quarter of the financial year):

	Quarter Ended		Changes	
	31 Jan 2024	31 Oct 2023		
<i>(In thousands of RM)</i>				
<b>Revenue</b>	<b>75,372</b>	<b>74,923</b>	<b>449</b>	<b>1%</b>
Operating Profit	3,425	7,646	(4,221)	-55%
<b>Profit Before Tax ("PBT")</b>	<b>2,749</b>	<b>6,896</b>	<b>(4,147)</b>	<b>-60%</b>
Profit After Tax	1,707	5,513	(3,806)	-69%
<b>Profit Attributable to Owners of the Company</b>	<b>1,804</b>	<b>5,103</b>	<b>(3,299)</b>	<b>-65%</b>

The revenue contributed by Malaysia operation and Vietnam operation respectively were as follows:

	Quarter Ended		Changes	
	31 Jan 2024	31 Oct 2023		
<i>(In thousands of RM)</i>				
Malaysia Operation	35,525	35,088	437	1%
Vietnam Operation	39,847	39,835	12	0.03%
<b>Total Revenue</b>	<b>75,372</b>	<b>74,923</b>	<b>449</b>	<b>1%</b>

The Group revenue improved slightly by 1%. However, the Group PBT decreased by approximately RM 4.1 million or -60% mainly distorted by the changes in the net foreign exchange gain/loss as shown below. The initial set up costs incurred by the new factory of Kein Hing Thai Nguyen (Vietnam) Co., Ltd also impacted the PBT as it is still under gestation period and has not yet reached the optimal production level.

	Quarter Ended		Variance	
	31 Jan 2024	31 Oct 2023		
<i>(In thousands of RM)</i>				
Net foreign exchange gain/(loss)	(71)	2,361	(2,432)	-103%

## B3. Prospects

In the January 2024 World Economic Outlook ("WEO") Update, the International Monetary Fund ("IMF") forecasted that global growth will be 3.1% in 2024 and 3.2% in 2025, with the 2024 forecast 0.2% point higher than that in the October 2023 WEO on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. With the likelihood of a hard landing receding as adverse supply shocks unwind, risks to the global outlook are broadly balanced. However, there are still downside risks mainly due to the wars and the cost-of-living crisis. It may also mean that below the surface, turbulence is building, and the situation is quite fragile.

In view of the global uncertainties and several adverse risks to global growth, both Malaysia Operation and Vietnam Operation are expected to encounter some fluctuation in customer demand in the coming months. The Group will be actively monitoring and assessing the economic impact arising from these downside risks in order to mitigate any adverse impact on its business operation for the financial year ending 30 April 2024.

**B4. Variance of actual and forecast profit**

The Group did not provide any financial estimate, forecast or projection, or profit guarantee for the financial year ending 30 April 2024.

**B5. Profit for the period**

Profit for the period / year is arrived at after charging/(crediting):-	<b>3<sup>rd</sup> Quarter Ended 31 Jan 2024 RM'000</b>	<b>Period Ended 31 Jan 2024 RM'000</b>
Depreciation and amortisation	3,291	9,975
Finance costs	1,092	3,396
Property, plant and equipment written off	1	23
Write-down of inventories	29	132
Gain on disposal of property, plant and equipment	(45)	(270)
Net foreign exchange loss/(gain)	71	(3,326)
Finance income	(416)	(1,099)

**B6. Income tax expense**

	<b>3<sup>rd</sup> Quarter Ended 31 Jan 2024 RM'000</b>	<b>Period Ended 31 Jan 2024 RM'000</b>
Current tax expense		
- <i>Malaysian income tax</i>	671	3,093
- <i>Foreign income tax</i>	83	619
- <i>Under provision in prior year</i>	313	9
	<u>1,067</u>	<u>3,721</u>
Deferred tax expense	<u>(25)</u>	<u>(117)</u>
<b>Total</b>	<u><u>1,042</u></u>	<u><u>3,604</u></u>

The effective tax rate of the Group for the financial period was lower than the statutory income tax rate of 24% mainly due to the tax incentive enjoyed by foreign subsidiaries.

**B7. Status of corporate proposal announced**

There were no corporate proposals announced but not completed as at the date of this report.

## B8. Group loans and borrowings (secured)

The Group's loans and borrowings as at 31 January 2024 (compared with that of the last financial year) were as follows:

	As at 31 January 2024					
	Long Term (Secured)		Short Term (Secured)		Total Borrowings (Secured)	
	Foreign	RM	Foreign	RM	Foreign	RM
	Denomination	Denomination	Denomination	Denomination	Denomination	Denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Term loans	22,638	-	5,220	-	27,858	-
Hire purchase	-	2,517	-	3,069	-	5,586
Bankers' acceptance	-	-	-	3,741	-	3,741
Bills payable	-	-	15,315	350	15,315	350
Bank overdrafts	-	-	-	-	-	-
Total	22,638	2,517	20,535	7,160	43,173	9,677
<b>Grand Total</b>		<b>25,155</b>		<b>27,695</b>		<b>52,850</b>
		-		-		-

	As at 30 April 2023					
	Long Term (Secured)		Short Term (Secured)		Total Borrowings (Secured)	
	Foreign	RM	Foreign	RM	Foreign	RM
	Denomination	Denomination	Denomination	Denomination	Denomination	Denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Term loans	18,785	-	3,617	-	22,402	-
Hire purchase	-	1,961	-	2,553	-	4,514
Bankers' acceptance	-	-	-	4,494	-	4,494
Bills payable	-	-	12,475	400	12,475	400
Bank overdrafts	-	-	-	515	-	515
Total	18,785	1,961	16,092	7,962	34,877	9,923
<b>Grand Total</b>		<b>20,746</b>		<b>24,054</b>		<b>44,800</b>

The Group's loans and borrowings are denominated in Ringgit Malaysia except for certain term loans and bills payable amounting to approximately RM10.0 million (as at 30 April 2023: RM10.7 million) and RM33.2 million (as at 30 April 2023: RM24.1 million) which are denominated in US Dollar and Vietnam Dong respectively. The repayment of these foreign denomination loans and borrowings will be funded by the net cash generated from operating activities in their own foreign denomination respectively.

## B9. Changes in material litigation

Neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or any of its subsidiaries and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or any of its subsidiaries.

**B10. Dividend payable**

No interim dividend was declared during the current 3<sup>rd</sup> quarter and financial period ended 31 January 2024 (2023: NIL).

The first and final single tier dividend of 2.0 sen per share totalling RM2,178,000 in respect of the last financial year ended 30 April 2023 (2022: 1.5 sen per share totalling RM1,633,500) was paid on 21 November 2023.

**B11. Basic earnings per ordinary share**

The basic earnings per ordinary share is calculated by dividing profit attributable to owners of the Company for the period by the weighted average number of ordinary shares in issue during the current 3<sup>rd</sup> quarter under review as follows:-

	<b>3<sup>rd</sup> Quarter Ended 31 Jan 2024 RM'000</b>	<b>3<sup>rd</sup> Quarter Ended 31 Jan 2023 RM'000</b>
Earnings		
Profit attributable to Owners of the Company	<u>1,804</u>	<u>4,438</u>
Weighted average number of ordinary shares in issue ('000)	<u>108,900</u>	<u>108,900</u>
<b>Basic earnings per ordinary share (sen)</b>	<u>1.66</u>	<u>4.08</u>

**B12. Auditors' report on preceding annual financial statements**

The independent auditors' report on the audited annual financial statements of the Group and of the Company for the last financial year ended 30 April 2023 was unmodified.

**B13. Authorisation for issue**

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 March 2024.

By Order of the Board,

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**Yap Toon Choy**  
Group Managing Director  
26 March 2024