



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	(Unaudited) As At 31.12.23 RM'000	(Audited) As At 31.12.22 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	73,214	77,050
Right-of-use assets	5,396	5,515
Investment properties	156,461	117,126
	<u>235,071</u>	<u>199,691</u>
Current assets		
Inventories	31,747	35,273
Trade receivables	18,902	20,235
Other receivables, deposits and prepayments	3,099	4,554
Current tax assets	2,050	2,369
Short term funds	4,917	0
Cash and bank balances	32,274	54,568
	<u>92,989</u>	<u>116,999</u>
TOTAL ASSETS	<u>328,060</u>	<u>316,690</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	115,002	115,002
Retained earnings	118,360	111,728
	<u>233,362</u>	<u>226,730</u>
Non-controlling interests	41,594	40,244
Total equity	<u>274,956</u>	<u>266,974</u>
LIABILITIES		
Non-current liabilities		
Borrowings	0	19,886
Lease liabilities	96	92
Deferred tax liabilities	4,099	4,484
	<u>4,195</u>	<u>24,462</u>
Current liabilities		
Trade payables	3,259	2,787
Other payables	25,480	22,103
Borrowings	19,886	0
Lease liabilities	191	184
Current tax liabilities	93	180
	<u>48,909</u>	<u>25,254</u>
Total liabilities	<u>53,104</u>	<u>49,716</u>
TOTAL EQUITY AND LIABILITIES	<u>328,060</u>	<u>316,690</u>
Net Assets per Share (RM)	0.76	0.74
Net Assets (RM'000)	274,956	266,974

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE TWELVE-MONTHS ENDED 31 DECEMBER 2023

	Current Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31.12.23 RM'000	31.12.22 RM'000	31.12.23 RM'000	31.12.22 RM'000
Revenue	34,129	33,110	152,912	182,594
Cost of sales	(27,438)	(28,499)	(122,719)	(145,560)
Gross profit	<u>6,691</u>	<u>4,611</u>	<u>30,193</u>	<u>37,034</u>
Other operating income	1,170	3,699	6,653	8,227
Operating expenses	(5,932)	(6,382)	(23,886)	(29,957)
(Impairment losses on trade receivables) / Reversal of impairment losses on trade receivables	(474)	(279)	(1,381)	(190)
Finance costs	(140)	(131)	(535)	(527)
Profit before tax	<u>1,315</u>	<u>1,518</u>	<u>11,044</u>	<u>14,587</u>
Tax expense	(357)	(1,425)	(3,062)	(4,123)
Profit for the period	<u>958</u>	<u>93</u>	<u>7,982</u>	<u>10,464</u>
Other comprehensive income, net of tax	0	0	0	0
Total comprehensive income for the period	<u><u>958</u></u>	<u><u>93</u></u>	<u><u>7,982</u></u>	<u><u>10,464</u></u>
Profit for the period attributable to:				
- Owners of the parent	651	155	6,632	10,165
- Non-controlling interests	<u>307</u>	<u>(62)</u>	<u>1,350</u>	<u>299</u>
Total comprehensive income for the period attributable to:				
- Owners of the parent	651	155	6,632	10,165
- Non-controlling interests	<u>307</u>	<u>(62)</u>	<u>1,350</u>	<u>299</u>
Earnings per ordinary share attributable equity holders of the Company:				
Basic and diluted earnings per share (sen)	<u>0.18</u>	<u>0.04</u>	<u>1.84</u>	<u>2.82</u>

(The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE-MONTHS ENDED 31 DECEMBER 2023**

	Share Capital RM'000	<u>Distributable</u> Retained Earnings RM'000	Total Attributable To Owners of The Parent RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
As at 1 January 2022	115,002	105,176	220,178	40,439	260,617
Profit for the financial period	0	10,165	10,165	299	10,464
Other comprehensive income, net of tax	0	0	0	0	0
Total comprehensive income for the period	0	10,165	10,165	299	10,464
Transactions with owners					
Acquisition of shares from non-controlling interests	0	(6)	(6)	(494)	(500)
Dividends	0	(3,607)	(3,607)	0	(3,607)
Total transactions with owners	0	(3,613)	(3,613)	(494)	(4,107)
As at 31 December 2022	115,002	111,728	226,730	40,244	266,974
As at 1 January 2023	115,002	111,728	226,730	40,244	266,974
Profit for the financial period	0	6,632	6,632	1,350	7,982
Other comprehensive income, net of tax	0	0	0	0	0
Total comprehensive income for the period	0	6,632	6,632	1,350	7,982
As at 31 December 2023	115,002	118,360	233,362	41,594	274,956

(The Unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE-MONTHS ENDED 31 DECEMBER 2023**

	12 months ended	
	31.12.23	31.12.22
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	11,044	14,587
Adjustments for :		
Bad debts written off	46	26
Reversal of impairment losses on trade receivables	(365)	(10)
Impairment losses on trade receivables	1,746	200
Depreciation of property, plant and equipment	4,463	5,435
Depreciation of investment properties	2,759	2,691
Depreciation of right-of-use assets	388	382
Interest expense	534	521
Interest income	(1,555)	(997)
Net unrealised loss/(gain) on foreign exchange	80	(21)
Gain on lease modification	(6)	(2)
Impairment losses on property, plant and equipment	131	0
Gain on disposal of property, plant and equipment	(133)	(214)
Operating profit before working capital changes	19,132	22,598
Decrease/(Increase) in inventories	3,526	(4,211)
Decrease in trade and other receivables	1,361	5,342
Increase in trade and other payables	3,839	1,877
Cash generated from operations	27,858	25,606
Interest paid	0	(7)
Interest received	1,555	997
Tax paid	(3,214)	(6,419)
Net cash from operating activities	26,199	20,177
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	133	484
Purchase of property, plant and equipment	(757)	(2,420)
Purchase of investment properties	(42,094)	(4,230)
Acquisition of equity interest from non-controlling interests	0	(500)
Net purchase of short term funds	(4,917)	0
Net changes in deposits pledged as securities	0	(20,000)
Net cash used in investing activities	(47,635)	(26,666)
Cash flows from financing activities		
Dividends paid	0	(3,607)
Repayments of short term bank borrowings	0	(1,808)
Repayments of interest on term loans	(521)	(489)
Repayments of lease liabilities	(264)	(259)
Net cash used in financing activities	(785)	(6,163)
Net decrease in cash and cash equivalents	(22,221)	(12,652)
Effect of exchange rate changes on cash and cash equivalents	(73)	104
Cash and cash equivalents at beginning of the financial period	34,568	47,116
Cash and cash equivalents at end of the financial period	12,274	34,568



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE-MONTHS ENDED 31 DECEMBER 2023 (Continued)**

Cash and cash equivalents at the end of the financial period comprise of the following :

	As at 31.12.23 RM'000	As at 31.12.22 RM'000
Cash and bank balances	8,902	1,817
Deposits with licensed banks	23,372	52,751
	<u>32,274</u>	<u>54,568</u>
Less: Deposits pledged as securities	(20,000)	(20,000)
	<u>12,274</u>	<u>34,568</u>

Reconciliation of liabilities arising from financing activities

	Lease liabilities RM'000	Term loans RM'000
As at 1 January 2023	276	19,886
Cash flows		
- repayments	(264)	(521)
Non-cash flows		
- addition of lease liabilities	444	0
- unwinding of interest	13	521
- effect of modification of lease term	(182)	0
As at 31 December 2023	<u>287</u>	<u>19,886</u>

	Short term bank borrowings RM'000	Lease liabilities RM'000	Term loans RM'000
As at 1 January 2022	1,808	588	19,875
Cash flows			
- repayments	(1,808)	(259)	(489)
Non-cash flows			
- addition of lease liabilities	0	67	0
- unwinding of interest	0	14	500
- effect of modification of lease term	0	(134)	0
As at 31 December 2022	<u>0</u>	<u>276</u>	<u>19,886</u>

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022)



NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES AS PER MFRS 134

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards ('MFRS') No. 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2022.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited consolidated financial statements of the Group for the financial year ended 31 December 2022.

The Group had adopted the following Amendments to Standards, with a date of initial application of 1 January 2023.

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts- Initial Application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101 Disclosure of Accounting Policies

Amendments to MFRS 108 Definition of Accounting Estimates

Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112 International Tax Reform - Pillar Two Model Rules

Adoption of the above Amendments to Standards did not have any material effect on the financial performance or position of the Group.

At the date of authorisation 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:

Amendments to MFRS 16 Lease Liability in a Sale and Leaseback

Amendments to MFRS 101 Classification of Liabilities as Current or Non-current

Amendments to MFRS 101 Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7 Supplier Finance Arrangements

Amendments to MFRS 121 Lack of Exchangeability

Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group does not expect the adoption of the above Standards and Amendments to Standards to have a significant impact on the financial statements.

A2. Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2022 was not subject to any qualification.

A3. Seasonal and Cyclical factors

Other than solar and renting of properties segment, the Group's products are subject to some seasonality whereby will be peaks before the major festivals such as Hari Raya, Christmas day, New Year and Chinese New Year.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows because of their nature, size, or incidence for the current quarter under review and financial year to date.

A5. Material Changes in Estimates

There were no other changes in accounting estimates of amounts reported in prior interim periods or the current financial period or changes in estimates of amounts reported in prior financial years.



NOTES TO THE INTERIM FINANCIAL REPORT

A6. Issuances and repayment of debt and equity securities

For the financial year to date, there was no issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

A7. Dividend paid

There was no dividend paid during the current quarter.

A8. Other Operating Income

	Current Quarter 31.12.2023 RM'000	Current Quarter 31.12.2022 RM'000	12 months Cumulative 31.12.2023 RM'000	12 months Cumulative 31.12.2022 RM'000
Interest income	138	265	1,555	998
Gain on disposal of property, plant and equipment	0	214	133	214
Foreign exchange gain	0	21	458	21
Rental income	(109)	2,421	375	2,755
Transportation charges	1,141	778	4,132	4,239
Total other operating income	1,170	3,699	6,653	8,227

A9. Operating Expenses

	Current Quarter 31.12.2023 RM'000	Current Quarter 31.12.2022 RM'000	12 months Cumulative 31.12.2023 RM'000	12 months Cumulative 31.12.2022 RM'000
Depreciation of property, plant and equipment	346	379	1,322	1,617
Depreciation of investment properties	672	692	2,748	2,687
Depreciation of right-of-use assets	74	70	292	286
Salaries, allowances and bonus	2,337	2,338	9,277	9,272
Transportation	898	1,378	5,186	9,646
General repairs and maintenance	251	400	853	1,814
Others	1,354	1,125	4,208	4,635
Total operating expenses	5,932	6,382	23,886	29,957

A10. Finance Costs

	Current Quarter 31.12.2023 RM'000	Current Quarter 31.12.2022 RM'000	12 months Cumulative 31.12.2023 RM'000	12 months Cumulative 31.12.2022 RM'000
Interest on term loans	136	128	521	500
Interest on lease liabilities	4	3	13	14
Interest on foreign currency trust receipt	0	0	0	7
Others	0	0	1	6
Total finance costs	140	131	535	527



NOTES TO THE INTERIM FINANCIAL REPORT

A11. Segmental Reporting

The Group is principally involved in investment holding and its subsidiaries are principally engaged in manufacturing and trading of Polyvinyl Chloride ('PVC') related products and Polypropylene ('PP') Non-Woven, trading of photovoltaic products and generate and supply the renewable energy and renting of properties.

The Group has arrived at three (3) reportable segments that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which requires different business and marketing strategies.

The reportable segments are summarised as follows:

- (i) PVC
Manufacturing and trading of PVC Sheeting, PP Non-Woven, PP Transparent and Translucent Sheet, PVC Leather related products for industrial and consumer use.
- (ii) Solar
Trading of photovoltaic products, generate and supply the renewable energy.
- (iii) Renting of Properties
Rental income from investment properties

1 October 2023 to 31 December 2023

Revenue

	<u>PVC</u> RM'000	<u>Solar</u> RM'000	<u>Renting of Properties</u> RM'000	<u>Group</u> RM'000
Total revenue	31,559	425	2,145	34,129
Inter-segment revenue	0	0	0	0
Revenue from external customers	31,559	425	2,145	34,129

Results

Segment results	(517)	124	678	285
Other operating income	1,033	26	111	1,170
Finance costs	(3)	(24)	(113)	(140)
Profit before tax	513	126	676	1,315
Income tax expense	(282)	(8)	(67)	(357)
Profit for the period	231	118	609	958

1 October 2022 to 31 December 2022

Revenue

	<u>PVC</u> RM'000	<u>Solar</u> RM'000	<u>Renting of Properties</u> RM'000	<u>Group</u> RM'000
Total revenue	32,887	937	2,160	35,984
Inter-segment revenue	0	(539)	0	(539)
Revenue from external customers #	32,887	398	2,160	35,445

Results

Segment results	(653)	144	784	275
Other operating income #	1,255	19	100	1,374
Finance costs	(3)	(20)	(108)	(131)
Profit before tax	599	143	776	1,518
Income tax expense	(451)	(152)	(822)	(1,425)
Profit for the period	148	(9)	(46)	93



NOTES TO THE INTERIM FINANCIAL REPORT

A11. Segmental Reporting (Cont'd)

	<u>PVC</u> RM'000	<u>Solar</u> RM'000	<u>Renting of Properties</u> RM'000	<u>Group</u> RM'000
1 January 2023 to 31 December 2023				
Revenue				
Total revenue	142,228	2,062	8,622	152,912
Inter-segment revenue	0	0	0	0
Revenue from external customers	<u>142,228</u>	<u>2,062</u>	<u>8,622</u>	<u>152,912</u>
Results				
Segment results	594	836	3,496	4,926
Other operating income	6,426	44	183	6,653
Finance costs	(14)	(101)	(420)	(535)
Profit before tax	<u>7,006</u>	<u>779</u>	<u>3,259</u>	<u>11,044</u>
Income tax expense	(2,239)	(159)	(664)	(3,062)
Profit for the period	<u>4,767</u>	<u>620</u>	<u>2,595</u>	<u>7,982</u>
Assets	<u>203,154</u>	<u>24,109</u>	<u>100,797</u>	<u>328,060</u>
Liabilities	<u>27,049</u>	<u>5,029</u>	<u>21,026</u>	<u>53,104</u>

	<u>PVC</u> RM'000	<u>Solar</u> RM'000	<u>Renting of Properties</u> RM'000	<u>Group</u> RM'000
1 January 2022 to 31 December 2022				
Revenue				
Total revenue	175,645	2,153	7,670	185,468
Inter-segment revenue	0	(539)	0	(539)
Revenue from external customers #	<u>175,645</u>	<u>1,614</u>	<u>7,670</u>	<u>184,929</u>
Results				
Segment results	7,302	332	1,578	9,212
Other operating income #	5,746	27	129	5,902
Finance costs	(27)	(87)	(413)	(527)
Profit before tax	<u>13,021</u>	<u>272</u>	<u>1,294</u>	<u>14,587</u>
Income tax expense	(3,149)	(169)	(805)	(4,123)
Profit for the period	<u>9,872</u>	<u>103</u>	<u>489</u>	<u>10,464</u>
Assets	<u>188,148</u>	<u>22,347</u>	<u>106,195</u>	<u>316,690</u>
Liabilities	<u>24,077</u>	<u>4,457</u>	<u>21,182</u>	<u>49,716</u>

The total revenue and other operating income were different due to renting of properties was added in new principal activities.

A12. Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment by the Group since the last audited financial statements for the financial year ended 31 December 2022.



NOTES TO THE INTERIM FINANCIAL REPORT

A13. Subsequent Events

There were no material events between the end of the reporting quarter and the date of this announcement.

A14. Changes In The Composition of The Group

There were no changes in the composition of the Group for the current year to date.

A15. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities or contingent assets to be disclosed as at 31 December 2023.

A16. Capital Commitments

31.12.2023
RM'000

The amount of capital commitments in respect of property, plant and equipment for the interim financial statements:-
- Contracted but not provided for

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PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING

B1. Review of Performance

Table 1 : Financial Review for current quarter and financial period to date

	Current Quarter 3 months ended		Changes + / -		Cumulative Quarter 12 months ended		Changes + / -	
	31.12.23	31.12.22			31.12.23	31.12.22		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	34,129	33,110	1,019	3.08	152,912	182,594	(29,682)	(16.26)
Gross profit	6,691	4,611	2,080	45.11	30,193	37,034	(6,841)	(18.47)
Profit before interest and tax	1,317	1,384	(67)	(4.84)	10,024	14,117	(4,093)	(28.99)
Profit before tax	1,315	1,518	(203)	(13.37)	11,044	14,587	(3,543)	(24.29)
Profit for the period	958	93	865	930.11	7,982	10,464	(2,482)	(23.72)
Profit attributable to owners of the parent	651	155	496	320.00	6,632	10,165	(3,533)	(34.76)

a) Current Year-to date vs. Previous Year-to-date

For the period ended 31 December 2023, the Group recorded a revenue of RM152.9 million while profit before tax was recorded at RM11.0 million. The major contributor of the Group's revenue was from PVC segment for the period ended 31 December 2023. When compared to corresponding period of 31 December 2022, the revenue was recorded at RM182.6 million while profit before tax was recorded at RM14.6 million.

Performance of the respective operating business segments for the period ended 31 December 2023 as compared to the previous year corresponding period is analysed as follows:-

- 1) PVC - The decrease in profit before tax by RM6.0 million from RM13.0 million to RM7.0 million was mainly due to lower revenue and operating costs.
- 2) Solar - The increase in profit before tax by RM507,000 from RM272,000 to RM779,000 was mainly due to increase of sale of solar energy.
- (3) Renting of properties - The increase in profit before tax by RM2.0 million from RM1.3 million to profit before tax RM3.3 million was mainly due to the additional rental income by renting out the extra space to existing tenants.



NOTES TO THE INTERIM FINANCIAL REPORT

B1. Review of Performance (Cont'd)

b) Current Quarter vs. Previous Year Corresponding Quarter

For the current quarter, the Group recorded a revenue of RM34.1 million while profit before tax was recorded at RM1.3 million. When compared to corresponding quarter of 31 December 2022, the revenue was recorded at RM33.1 million while profit before tax was recorded at RM1.5 million.

Performance of the respective operating business segments for the current quarter as compared to the previous year corresponding quarter is analysed as follows:-

(1) PVC - A slightly decrease in profit before tax by RM86,000 from RM599,000 to RM513,000 was mainly due to lower revenue and operating costs.

(2) Solar - A slightly decrease in profit before tax by RM17,000 from RM143,000 to RM126,000 was mainly due to increase of operating expenses.

(3) Renting of properties - The decrease in profit before tax by RM100,000 from RM776,000 to RM676,000 was mainly due to increase of operating expenses.

B2. Variation of Results Against Preceding Quarter

Table 2 : Financial Review for current quarter and compared with immediate preceding quarter

	Current Quarter	Preceding Quarter	Changes	
	01.10.23-31.12.23	01.07.23-30.09.23	RM'000	%
	RM'000	RM'000	RM'000	
Revenue	34,129	29,052	5,077	17.48
Gross profit	6,691	5,853	838	14.32
Profit before interest and tax	1,317	889	428	48.14
Profit before tax	1,315	1,312	3	0.23
Profit for the period	958	865	93	10.75
Profit attributable to owners of the parent	651	473	178	37.63

The Group revenue increased by RM5.1 million in the current quarter, representing 17.48% increase from RM29.1 million in the preceding quarter due to higher revenue contributed by the PVC segments.

The Group's profit before tax for the current quarter is RM1.3 million compared to profit before tax RM1.3 million as recorded in the preceding quarter.



NOTES TO THE INTERIM FINANCIAL REPORT

B3. Prospects

The Board of Directors foresees the performance of the Group for 2024 continue to be poor and weak. Fluctuating currency, higher utility and operational cost as well as new taxation will continue to be dampening the economy, further reducing consumers buying power. For FY 2024, the Group will be looking to focus more on export markets due to the favourable USD. The Group will explore different opportunities in different regions. However, China's cutthroat pricing currently due to its weak economy proves to be very challenging.

For the domestic market, it is expected to be relatively weak and slow in term of consumer spending for our products. Rising cost of living remains the main issue of the Malaysian domestic consumers especially household products. However, the Group will be cautious and prudent in managing the business operations in the coming months. The Group's main objective for FY 2024 will be remain financially strong and healthy cash flow. The consumer purchasing power has been slow and will continue to be weak for FY 2024.

For the industrial land acquired on August 2021, the Group is looking to set up a new warehouse, factory and a worker's dormitory. The Group is also looking to restructure our current manufacturing facilities in order to provide leaner and more efficient way of operation. Currently, the industrial land has been amalgamated and is waiting for further approval from authorities for subdivision.

For the land recently acquired in FY 2023, the Group is currently having a feasibility study on possible developments. The land is adjacent to the Group existing industrial land. The land serves as an investment for future developments.

As for solar segment, the Company continues to generate income from the 1.18 MW solar energy arising from the solar panel installed. For renting of properties segment, the factory buildings of TS Solartech Sdn. Bhd. had been rented out. The Company will be expanding the existing site to cater for the existing tenants.

B4. Variance of Actual and Forecast Revenue

Not applicable.

B5. Income Tax Expense

	Current Quarter 31.12.2023 RM'000	Current Quarter 31.12.2022 RM'000	12 months Cumulative 31.12.2023 RM'000	12 months Cumulative 31.12.2022 RM'000
Current tax expense				
- current	594	1,149	3,496	4,479
- prior years ((over)/under provision)	(118)	351	(50)	(83)
Deferred tax expense				
- origination and reversal of temporary differences	(116)	(208)	(381)	(406)
- prior years ((over)/under provision)	(3)	133	(3)	133
Total tax expense	<u>357</u>	<u>1,425</u>	<u>3,062</u>	<u>4,123</u>

The Group's effective tax rate for the current period differs from the statutory tax rate due to certain expenses which are not deductible for tax purposes.

B6. Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and/or properties for the current quarter and financial year to date.

B7. Status of Corporate Proposal

There were no corporate proposals announced as at the date of issue of this interim financial report.



NOTES TO THE INTERIM FINANCIAL REPORT

B8. Trade Receivables

	At end of current financial quarter 31.12.2023 RM'000	At end of previous financial year 31.12.2022 RM'000
Trade receivables	21,068	21,020
Less : Impairment losses	<u>(2,166)</u>	<u>(785)</u>
	<u>18,902</u>	<u>20,235</u>

The trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from 30 to 120 days terms.

a) Ageing analysis of trade receivables of the Group is as follows:

	At end of current financial quarter 31.12.2023 RM'000	At end of previous financial year 31.12.2022 RM'000
Not past due	10,992	13,568
Past due		
1 to 30 days	5,358	4,516
31 to 60 days	1,823	1,487
61 to 90 days	750	657
More than 91 days	2,145	792
	<u>10,076</u>	<u>7,452</u>
	21,068	21,020
Impairment	<u>(2,166)</u>	<u>(785)</u>
	<u>18,902</u>	<u>20,235</u>

b) The Group assesses the impairment on trade receivable based on expected credit loss model.

B9. Related party disclosures

i) Identity of related party

- The Company has controlling related party relationship with its direct subsidiaries.

ii) The Group had no transaction with related party during the financial period.

B10. Group Borrowings

The Group's borrowings as at the end of the reporting quarter were as follows:

	As at 31.12.2023		
	Current RM'000	Non-current RM'000	Total RM'000
Secured			
Term loans	19,886	0	19,886
	<u>19,886</u>	<u>0</u>	<u>19,886</u>
	As at 31.12.2022		
	Current RM'000	Non-current RM'000	Total RM'000
Secured			
Term loans	0	19,886	19,886
	<u>0</u>	<u>19,886</u>	<u>19,886</u>



NOTES TO THE INTERIM FINANCIAL REPORT

B11. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B12. Material Litigation

The Group is not engaged in any material litigation as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B13. Earnings Per Share

(a) Basic Earnings Per Share

The basic earnings per share for the current financial quarter and current financial year-to-date had been calculated by dividing the Group's profit for the period attributable to equity holders of the Company by the number of shares in issue.

	Individual		12 Months	
	Current Quarter	Cumulative To Date	31.12.23	31.12.22
	31.12.23	31.12.22	31.12.23	31.12.22
Profit for the period attributable to ordinary equity holders of the Company (RM'000)	651	155	6,632	10,165
Number of ordinary shares in issue ('000)	360,668	360,668	360,668	360,668
Basic Earnings Per Share based on number of ordinary shares in issue	0.18	0.04	1.84	2.82

(b) Diluted Earnings Per Share

The diluted earnings per share of the Group is equal to the basic earnings per share as the Group does not have any potential dilutive ordinary shares in issue.

B14. Provision of Financial Assistance

There has been no additional financial assistance provided pursuant to Paragraph 8.23 of the Main Market Listing Requirement during the current quarter.

B15. Reviews By External Auditors

The Board had engaged the external auditors to review and report on the condensed consolidated financial statements of Tek Seng Holdings Bhd. for the fourth quarter ended 31 December 2023 in accordance with International Standard on Review Engagements 2410 (ISRE2410), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

The external auditors reported to the Board that nothing has come to their attention that causes them to believe that the said condensed consolidated financial statements were not presented fairly, in all material respects, in accordance with MFRS134 : Interim Financial Reporting in Malaysia. The report was made to the Board in accordance to the terms of reference with the external auditors and for no other purpose.

By order of the Board

TEK SENG HOLDINGS BERHAD

LOH KOK BENG
EXECUTIVE CHAIRMAN

Dated : 22 February 2024