



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

	(Unaudited) As At <b>30.06.24</b> RM'000	(Audited) As At <b>31.12.23</b> RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	72,025	73,213
Right-of-use assets	5,261	5,396
Investment properties	155,751	156,461
	<u>233,037</u>	<u>235,070</u>
<b>Current assets</b>		
Inventories	32,836	31,747
Trade receivables	18,729	18,902
Other receivables, deposits and prepayments	3,370	3,098
Current tax assets	1,299	2,050
Other investments	14,477	4,919
Cash and bank balances	25,123	32,273
	<u>95,834</u>	<u>92,989</u>
<b>TOTAL ASSETS</b>	<u>328,871</u>	<u>328,059</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	115,002	115,002
Retained earnings	122,067	118,360
	<u>237,069</u>	<u>233,362</u>
Non-controlling interests	42,172	41,594
<b>Total equity</b>	<u>279,241</u>	<u>274,956</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Term loans	19,886	0
Lease liabilities	100	96
Deferred tax liabilities	3,929	4,099
	<u>23,915</u>	<u>4,195</u>
<b>Current liabilities</b>		
Trade payables	2,585	3,259
Other payables	22,641	25,479
Term loans	0	19,886
Lease liabilities	120	191
Current tax liabilities	369	93
	<u>25,715</u>	<u>48,908</u>
<b>Total liabilities</b>	<u>49,630</u>	<u>53,103</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>328,871</u>	<u>328,059</u>
Net Assets per Share (RM)	0.77	0.76
Net Assets (RM'000)	279,241	274,956

(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 2023)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE SIX-MONTHS ENDED 30 JUNE 2024**

	Current Quarter		Cumulative Quarter	
	3 months ended	3 months ended	6 months ended	6 months ended
	30.06.24	30.06.23	30.06.24	30.06.23
	RM'000	RM'000	RM'000	RM'000
Revenue	39,219	36,124	86,802	89,731
Cost of sales	(29,633)	(28,305)	(67,957)	(72,082)
<b>Gross profit</b>	<u>9,586</u>	<u>7,819</u>	<u>18,845</u>	<u>17,649</u>
Other operating income	554	1,410	2,218	4,031
Operating expenses	(6,757)	(6,485)	(13,547)	(13,005)
Reversal of impairment losses on trade receivables	737	0	892	0
Finance costs	(138)	(129)	(276)	(258)
<b>Profit before tax</b>	<u>3,982</u>	<u>2,615</u>	<u>8,132</u>	<u>8,417</u>
Tax expense	(858)	(842)	(2,044)	(2,258)
<b>Profit for the period</b>	<u>3,124</u>	<u>1,773</u>	<u>6,088</u>	<u>6,159</u>
<b>Other comprehensive income, net of tax</b>	0	0	0	0
<b>Total comprehensive income for the period</b>	<u><u>3,124</u></u>	<u><u>1,773</u></u>	<u><u>6,088</u></u>	<u><u>6,159</u></u>
<b>Profit for the period attributable to:</b>				
- Owners of the parent	2,872	1,428	5,510	5,508
- Non-controlling interests	<u>252</u>	<u>345</u>	<u>578</u>	<u>651</u>
<b>Total comprehensive income for the period attributable to:</b>				
- Owners of the parent	2,872	1,428	5,510	5,508
- Non-controlling interests	<u>252</u>	<u>345</u>	<u>578</u>	<u>651</u>
<b>Earnings per ordinary share attributable equity holders of the Company:</b>				
Basic and diluted earnings per share (sen)	<u>0.80</u>	<u>0.40</u>	<u>1.53</u>	<u>1.53</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 2023)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX-MONTHS ENDED 30 JUNE 2024

	Share Capital RM'000	Distributable 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 2023	115,002	111,728	226,730	40,244	266,974
Profit for the financial period	0	5,508	5,508	651	6,159
Other comprehensive income, net of tax	0	0	0	0	0
Total comprehensive income for the period	0	5,508	5,508	651	6,159
<b>As at 30 June 2023</b>	<b>115,002</b>	<b>117,236</b>	<b>232,238</b>	<b>40,895</b>	<b>273,133</b>
As at 1 January 2024	115,002	118,360	233,362	41,594	274,956
Profit for the financial period	0	5,510	5,510	578	6,088
Other comprehensive income, net of tax	0	0	0	0	0
Total comprehensive income for the period	0	5,510	5,510	578	6,088
<b>Transaction with owners</b>					
Dividend	0	(1,803)	(1,803)	0	(1,803)
Total transaction with owners	0	(1,803)	(1,803)	-	(1,803)
<b>As at 30 June 2024</b>	<b>115,002</b>	<b>122,067</b>	<b>237,069</b>	<b>42,172</b>	<b>279,241</b>

(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 2023)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX-MONTHS ENDED 30 JUNE 2024**

	<b>6 months ended</b>	
	<b>30.06.24</b>	<b>30.06.23</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	8,132	8,417
Adjustments for :		
Reversal of impairment losses on trade receivables	(892)	0
Impairment losses on trade receivables	0	390
Depreciation of property, plant and equipment	1,985	2,362
Depreciation of investment properties	1,393	1,384
Depreciation of right-of-use assets	188	191
Interest expense	276	258
Interest income	(558)	(857)
Net unrealised gain on foreign exchange	(234)	(170)
Property, plant and equipment written off	359	0
Gain on disposal of property, plant and equipment	0	(48)
Operating profit before working capital changes	10,649	11,927
(Increase)/Decrease in inventories	(1,089)	4,676
Decrease/(Increase) in trade and other receivables	840	(6,492)
Decrease in trade and other payables	(3,536)	(715)
Cash generated from operations	6,864	9,396
Interest paid	0	(1)
Interest received	558	857
Tax paid	(1,187)	(1,904)
Net cash from operating activities	6,235	8,348
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	61	48
Purchase of property, plant and equipment	(614)	(518)
Purchase of investment properties	(1,286)	(2,470)
Net purchase of other investments	(9,558)	0
Net cash used in investing activities	(11,397)	(2,940)
<b>Cash flows from financing activities</b>		
Dividend paid	(1,803)	0
Repayments of interest on term loans	(270)	(252)
Repayments of lease liabilities	(126)	(130)
Net cash used in financing activities	(2,199)	(382)
<b>Net increase in cash and cash equivalents</b>	<b>(7,361)</b>	<b>5,026</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>211</b>	<b>120</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>12,273</b>	<b>34,568</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b>5,123</b>	<b>39,714</b>



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX-MONTHS ENDED 30 JUNE 2024 (Continued)**

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

	<b>As at 30.06.24 RM'000</b>	<b>As at 30.06.23 RM'000</b>
Cash and bank balances	1,209	1,800
Deposits with licensed banks	23,914	57,914
	<u>25,123</u>	<u>59,714</u>
Less: Deposits pledged as securities	(20,000)	(20,000)
	<u>5,123</u>	<u>39,714</u>

**Reconciliation of liabilities arising from financing activities**

	<b>Lease liabilities RM'000</b>	<b>Term loans RM'000</b>
As at 1 January 2024	287	19,886
Cash flows		
- repayments	(126)	(270)
Non-cash flows		
- addition of lease liabilities	53	0
- unwinding of interest	6	270
As at 30 June 2024	<u>220</u>	<u>19,886</u>

	<b>Lease liabilities RM'000</b>	<b>Term loans RM'000</b>
As at 1 January 2023	276	19,886
Cash flows		
- repayments	(130)	(252)
Non-cash flows		
- addition of lease liabilities	74	0
- unwinding of interest	5	252
As at 30 June 2023	<u>225</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 2023)



## 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 2023.

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 2023.

The Group had adopted the following Amendments to Standards, with a date of initial application of 1 January 2024.

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*

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 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*  
MFRS 18 *Presentation and Disclosure in Financial Statements*  
Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*  
MFRS 19 *Subsidiaries without Public Accountability: Disclosures*

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 2023 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.

#### 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.



## NOTES TO THE INTERIM FINANCIAL REPORT

### A7. Dividend paid

A single tier interim dividend of 0.5 sen per ordinary share for the financial year ending 31 December 2024 has been paid on 17 July 2024.

### A8. Other Operating Income

	Current Quarter 30.06.2024 RM'000	Previous Year Corresponding Quarter 30.06.2023 RM'000	6 months Cumulative 30.06.2024 RM'000	Previous Year Corresponding Period 30.06.2023 RM'000
Interest income	298	464	558	857
(Loss)/Gain on disposal of property, plant and equipment	(61)	0	0	48
Foreign exchange gain	0	94	259	500
Rental income	119	99	235	365
Transportation charges	164	753	1,097	2,261
Others	34	0	69	0
Total other operating income	554	1,410	2,218	4,031

### A9. Operating Expenses

	Current Quarter 30.06.2024 RM'000	Previous Year Corresponding Quarter 30.06.2023 RM'000	6 months Cumulative 30.06.2024 RM'000	Previous Year Corresponding Period 30.06.2023 RM'000
Depreciation of property, plant and equipment	994	317	1,291	645
Depreciation of investment properties	698	702	1,393	1,384
Depreciation of right-of-use assets	69	72	140	143
Property, plant and equipment written off	359	0	359	0
Salaries, allowances and bonus	2,409	2,362	4,648	4,647
Transportation	1,379	1,343	3,562	3,317
General repairs and maintenance	255	193	482	363
Impairment losses on trade receivables	0	662	0	390
Others	594	834	1,672	2,116
Total operating expenses	6,757	6,485	13,547	13,005

### A10. Finance Costs

	Current Quarter 30.06.2024 RM'000	Previous Year Corresponding Quarter 30.06.2023 RM'000	6 months Cumulative 30.06.2024 RM'000	Previous Year Corresponding Period 30.06.2023 RM'000
Interest on term loans	135	127	270	252
Interest on lease liabilities	3	2	6	5
Others	0	0	0	1
Total finance costs	138	129	276	258

### 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.



NOTES TO THE INTERIM FINANCIAL REPORT

A11. Segmental Reporting (cont'd)

The reportable segments are summarised as follows: (cont'd)

(ii) Solar

Trading of photovoltaic products, generate and supply the renewable energy.

(iii) Renting of Properties

Rental income from investment properties

	<b>PVC</b>	<b>Solar</b>	<b>Renting of</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>Properties</b>	<b>RM'000</b>
			<b>RM'000</b>	<b>RM'000</b>
<b>1 April 2024 to 30 June 2024</b>				
<b>Revenue</b>				
Total revenue	42,017	436	2,352	44,805
Inter-segment revenue	(5,586)	0	0	(5,586)
Revenue from external customers	<b>36,431</b>	<b>436</b>	<b>2,352</b>	<b>39,219</b>
<b>Results</b>				
Segment results	2,717	133	716	3,566
Other operating income	478	12	64	554
Finance costs	(3)	(21)	(114)	(138)
Profit before tax	3,192	124	666	3,982
Income tax expense	(668)	(30)	(160)	(858)
Profit for the period	<b>2,524</b>	<b>94</b>	<b>506</b>	<b>3,124</b>

	<b>PVC</b>	<b>Solar</b>	<b>Renting of</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>Properties</b>	<b>RM'000</b>
			<b>RM'000</b>	<b>RM'000</b>
<b>1 April 2023 to 30 June 2023</b>				
<b>Revenue</b>				
Total revenue	41,498	522	2,132	44,152
Inter-segment revenue	(8,028)	0	0	(8,028)
Revenue from external customers	<b>33,470</b>	<b>522</b>	<b>2,132</b>	<b>36,124</b>
<b>Results</b>				
Segment results	436	233	937	1,606
Other operating income	1,106	6	26	1,138
Finance costs	(2)	(25)	(102)	(129)
Profit before tax	1,540	214	861	2,615
Income tax expense	(584)	(52)	(206)	(842)
Profit for the period	<b>956</b>	<b>163</b>	<b>654</b>	<b>1,773</b>

	<b>PVC</b>	<b>Solar</b>	<b>Renting of</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>Properties</b>	<b>RM'000</b>
			<b>RM'000</b>	<b>RM'000</b>
<b>1 January 2024 to 30 June 2024</b>				
<b>Revenue</b>				
Total revenue	98,504	915	4,515	103,934
Inter-segment revenue	(17,132)	0	0	(17,132)
Revenue from external customers	<b>81,372</b>	<b>915</b>	<b>4,515</b>	<b>86,802</b>
<b>Results</b>				
Segment results	4,252	327	1,611	6,190
Other operating income	2,079	23	116	2,218
Finance costs	(6)	(45)	(225)	(276)
Profit before tax	6,325	305	1,502	8,132
Income tax expense	(1,610)	(73)	(361)	(2,044)
Profit for the period	<b>4,715</b>	<b>232</b>	<b>1,141</b>	<b>6,088</b>





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
<b>1 January 2024 to 30 June 2024</b>				
<b>Assets</b>	<b>202,662</b>	<b>21,267</b>	<b>104,942</b>	<b>328,871</b>
<b>Liabilities</b>	<b>22,737</b>	<b>4,532</b>	<b>22,361</b>	<b>49,630</b>
<b>1 January 2023 to 30 June 2023</b>				
<b>Revenue</b>				
Total revenue	106,360	1,146	4,263	111,769
Inter-segment revenue	(22,038)	0	0	(22,038)
Revenue from external customers	84,322	1,146	4,263	89,731
<b>Results</b>				
Segment results	2,445	466	1,733	4,644
Other operating income	3,969	13	49	4,031
Finance costs	(6)	(53)	(199)	(258)
Profit before tax	6,408	426	1,583	8,417
Income tax expense	(1,804)	(96)	(358)	(2,258)
Profit for the period	4,604	329	1,226	6,159
<b>Assets</b>	<b>195,503</b>	<b>26,818</b>	<b>99,761</b>	<b>322,082</b>
<b>Liabilities</b>	<b>22,444</b>	<b>5,616</b>	<b>20,889</b>	<b>48,949</b>

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 2023.

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 30 June 2024.

A16. Capital Commitments

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

**30.06.2024**  
**RM'000**

15,222



NOTES TO THE INTERIM FINANCIAL REPORT

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 6 months ended		Changes + / -	
	30.06.24 RM'000	30.06.23 RM'000			30.06.24 RM'000	30.06.23 RM'000		
			RM'000	%	RM'000	RM'000	RM'000	%
Revenue	39,219	36,124	3,095	8.57	86,802	89,731	(2,929)	(3.26)
Gross profit	9,586	7,819	1,767	22.60	18,845	17,649	1,196	6.78
Profit before interest and tax	3,822	2,280	1,542	67.63	7,850	7,818	32	0.41
Profit before tax	3,982	2,615	1,367	52.28	8,132	8,417	(285)	(3.39)
Profit for the period	3,124	1,773	1,351	76.20	6,088	6,159	(71)	(1.15)
Profit attributable to owners of the parent	2,872	1,428	1,444	101.12	5,510	5,508	2	0.04

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

For the current period ended 30 June 2024, the Group recorded a revenue of RM86.8 million and profit before tax of RM8.1 million. The major contributor of the Group's revenue was from PVC segment for the period ended 30 June 2024. When compared to corresponding period ended 30 June 2023, the revenue was recorded at RM89.7 million and profit before tax of RM8.4 million.

Performance of the respective operating business segments for the current period ended 30 June 2024 as compared to the previous year corresponding period is summarised as follows:-

- (1) PVC - A slightly decrease in profit before tax by RM0.1 million from RM6.4 million to RM6.3 million mainly due to lower revenue.
- (2) Solar - The decrease in profit before tax by RM121,000 from RM426,000 to RM305,000 was mainly due to lower sale of solar energy.
- (3) Renting of properties - A slightly decrease in profit before tax by RM0.1 million from RM1.6 million to RM1.5 million mainly due to higher operating expenses.

**b) Current Quarter vs. Previous Year Corresponding Quarter**

For the current quarter ended 30 June 2024, the Group recorded a revenue of RM39.2 million and profit before tax of RM4.0 million. When compared to corresponding quarter of 30 June 2023, the revenue was recorded at RM36.1 million and profit before tax of RM2.6

Performance of the respective operating business segments for the current quarter ended 30 June 2024 as compared to the previous year corresponding quarter is summarised as follows:-

- (1) PVC - The increase in profit before tax by RM1.7 million from RM1.5 million to RM3.2 million was mainly due to higher revenue particularly in the first quarter ended 31 March 2024.
- (2) Solar - A slightly decrease in profit before tax by RM90,000 from RM214,000 to RM124,000 mainly due to decrease of sale of solar energy.
- (3) Renting of properties - The decrease in profit before tax by RM195,000 from RM861,000 to RM666,000 mainly due to higher operating expenses.



NOTES TO THE INTERIM FINANCIAL REPORT

**B2. Variation of Results Against Preceding Quarter**

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

	<b>Current Quarter 01.04.24-30.06.24 RM'000</b>	<b>Preceding Quarter 01.01.24-31.03.24 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	39,219	47,583	(8,364)	(17.58)
Gross profit	9,586	9,259	327	3.53
Profit before interest and tax	3,822	4,028	(206)	(5.11)
Profit before tax	3,982	4,150	(168)	(4.05)
Profit for the period	3,124	2,964	160	5.40
Profit attributable to owners of the parent	2,872	2,638	234	8.87

The Group revenue decreased by RM8.4 million in the current quarter, representing 17.6% decrease from RM47.6 million in the preceding quarter due to lower revenue contributed by the PVC segments.

The Group's profit before tax for the current quarter is RM4.0 million compared to profit before tax RM4.2 million as recorded in the preceding quarter. This was mainly due to sales mix in the current quarter of 2024.

**B3. Prospects**

The Board of Directors foresees the performance of the Group for 2nd half of FY 2024 continue to be challenging. Fluctuation in foreign currency, higher utility and operating cost will result in higher cost of living and further reducing consumers purchasing power. Global issues such as rising shipping costs and unstable political situation continue to affect overall business environment. For 1st half of FY 2024, the Group had focused on export markets due to favourable USD. For 2nd half, slower pace is expected due to various external

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 healthy cash flow.

For the industrial land acquired on August 2021, the Group is planning to set up a new warehouse, factory and a worker's dormitory. The Group is also planning 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 building to rent out existing tenants.

**B4. Variance of Actual and Forecast Revenue**

Not applicable.



NOTES TO THE INTERIM FINANCIAL REPORT

**B5. Income Tax Expense**

	<b>Current Quarter 30.06.2024 RM'000</b>	<b>Previous Year Corresponding Quarter 30.06.2023 RM'000</b>	<b>6 months Cumulative 30.06.2024 RM'000</b>	<b>Previous Year Corresponding Period 30.06.2023 RM'000</b>
<b>Current tax expense</b>				
- current	916	938	2,171	2,368
- prior years (under provision)	43	0	43	0
<b>Deferred tax expense</b>				
- origination and reversal of temporary differences	(101)	(96)	(170)	(110)
Total tax expense	<u>858</u>	<u>842</u>	<u>2,044</u>	<u>2,258</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.

**B8. Trade Receivables**

	<b>At end of current financial quarter 30.06.2024 RM'000</b>	<b>At end of previous financial year 31.12.2023 RM'000</b>
Trade receivables	20,003	21,068
Less : Impairment losses	<u>(1,274)</u>	<u>(2,166)</u>
	<u>18,729</u>	<u>18,902</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:

	<b>At end of current financial quarter 30.06.2024 RM'000</b>	<b>At end of previous financial year 31.12.2023 RM'000</b>
Not past due	9,494	10,992
Past due		
1 to 30 days	5,951	5,358
31 to 60 days	2,072	1,823
61 to 90 days	1,119	750
More than 90 days	<u>1,367</u>	<u>2,145</u>
	10,509	10,076
Impairment	<u>20,003</u>	<u>21,068</u>
	<u>(1,274)</u>	<u>(2,166)</u>
	<u>18,729</u>	<u>18,902</u>

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



## NOTES TO THE INTERIM FINANCIAL REPORT

### 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 30.06.2024		
	Current RM'000	Non-current RM'000	Total RM'000
<b>Secured</b>			
Term loans	0	19,886	19,886
	<u>0</u>	<u>19,886</u>	<u>19,886</u>
	As at 30.06.2023		
	Current RM'000	Non-current RM'000	Total RM'000
<b>Secured</b>			
Term loans	19,886	0	19,886
	<u>19,886</u>	<u>0</u>	<u>19,886</u>

Classification of borrowings as non-current liability as at 30 June 2024 is based on the approved extension period for term loans repayment.

### 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		6 Months	
	Current Quarter 30.06.24	30.06.23	Cumulative To Date 30.06.24	30.06.23
Profit for the period attributable to ordinary equity holders of the Company (RM'000)	2,872	1,428	5,510	5,508
Number of ordinary shares in issue ('000)	360,668	360,668	360,668	360,668
<b>Basic Earnings Per Share based on number of ordinary shares in issue</b>	<b>0.80</b>	<b>0.40</b>	<b>1.53</b>	<b>1.53</b>

#### (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.



## NOTES TO THE INTERIM FINANCIAL REPORT

### **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 second quarter ended 30 June 2024 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 August 2024**