

Condensed Consolidated Statement of Financial Position

As at 31 January 2024

(The figures have not been audited)

	As at 31-Jan-24 RM'000	(Audited) As at 31-Jul-23 RM'000
Assets		
Non-current assets		
Property, plant and equipment	75,445	69,819
Right-of-use assets	2,955	3,586
Investment property	9,345	9,345
Investment in an associate	435	436
	<u>88,180</u>	<u>83,186</u>
Current assets		
Inventories	67,340	92,954
Property development expenditure	75,242	74,851
Trade and other receivables	68,048	58,855
Derivative financial assets	688	-
Current tax assets	104	278
Fixed deposit placed at a licensed bank	727	726
Short term deposit placed at licensed banks	18,710	30,810
Cash and bank balances	7,912	8,537
	<u>238,771</u>	<u>267,011</u>
Total assets	<u><u>326,951</u></u>	<u><u>350,197</u></u>
Equity and Liabilities		
Share capital	90,644	90,644
Share options reserve	953	953
Retained earnings	82,980	81,362
Equity attributable to owners of the parent	<u>174,577</u>	<u>172,959</u>
Non-controlling interests	<u>(9,470)</u>	<u>(7,910)</u>
Total equity	<u><u>165,107</u></u>	<u><u>165,049</u></u>
Liabilities		
Non-current liabilities		
Borrowings	42,931	47,141
Deferred tax liabilities	4,357	4,123
Lease liabilities	1,627	2,321
	<u>48,915</u>	<u>53,585</u>
Current liabilities		
Trade and other payables	51,177	57,559
Borrowings	59,516	71,924
Derivative financial liabilities	27	814
Lease liabilities	1,366	1,266
Current tax liabilities	843	-
	<u>112,929</u>	<u>131,563</u>
Total liabilities	161,844	185,148
Total equity and liabilities	<u><u>326,951</u></u>	<u><u>350,197</u></u>
	RM	RM
Net assets per ordinary share	<u><u>0.98</u></u>	<u><u>0.97</u></u>

These condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 July 2023.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the financial period ended 31 January 2024
(The figures have not been audited)

	Current quarter ended		Cumulative period ended	
	31-Jan-24 RM'000	31-Jan-23 RM'000	31-Jan-24 RM'000	31-Jan-23 RM'000
Revenue	170,297	154,869	351,073	313,039
Operating expenses	(166,913)	(150,404)	(342,809)	(304,735)
Other income/(expenses), net	1,515	136	1,962	1,487
Profit from operations	4,899	4,601	10,226	9,791
Share of loss in an associate, net of tax	(1)	-	(1)	-
Profit before interest and tax	4,898	4,601	10,225	9,791
Interest expenses	(1,695)	(1,421)	(3,474)	(2,540)
Profit before tax	3,203	3,180	6,751	7,251
Tax expenses	(1,111)	(1,055)	(2,224)	(2,317)
Profit for the financial period	2,092	2,125	4,527	4,934
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the financial period	2,092	2,125	4,527	4,934
Profit/(Loss) attributable to:				
- Owners of the parent	2,873	2,912	6,087	6,442
- Non-controlling interests	(781)	(787)	(1,560)	(1,508)
	2,092	2,125	4,527	4,934
Total comprehensive income/(loss) attributable to:				
- Owners of the parent	2,873	2,912	6,087	6,442
- Non-controlling interests	(781)	(787)	(1,560)	(1,508)
	2,092	2,125	4,527	4,934
Earnings per ordinary share attributable to equity holders of the parent:				
- Basic earnings per ordinary share (sen)	1.64	1.66	3.47	3.67
- Diluted earnings per ordinary share (sen)	1.64	1.66	3.47	3.67

Condensed Consolidated Statement of Changes in Equity
For the financial period ended 31 January 2024
(The figures have not been audited)

	Share capital RM'000	Share options reserve RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
Balance as at 1 August 2022	90,172	1,153	72,308	163,633	(4,986)	158,647
Total comprehensive income for the financial period	-	-	6,442	6,442	(1,508)	4,934
Transactions with owners:						
Dividend paid	-	-	(4,912)	(4,912)	-	(4,912)
Ordinary shares issued pursuant to ESOS	411	(93)	-	318	-	318
	411	(93)	(4,912)	(4,594)	-	(4,594)
Balance as at 31 January 2023	<u>90,583</u>	<u>1,060</u>	<u>73,838</u>	<u>165,481</u>	<u>(6,494)</u>	<u>158,987</u>
Balance as at 1 August 2023	90,644	953	81,362	172,959	(7,910)	165,049
Total comprehensive income for the financial period	-	-	6,087	6,087	(1,560)	4,527
Transactions with owners:						
Dividend paid	-	-	(4,469)	(4,469)	-	(4,469)
	-	-	(4,469)	(4,469)	-	(4,469)
Balance as at 31 January 2024	<u>90,644</u>	<u>953</u>	<u>82,980</u>	<u>174,577</u>	<u>(9,470)</u>	<u>165,107</u>

These condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 July 2023.

Condensed Consolidated Statement of Cash Flow
For the financial period ended 31 January 2024
(The figures have not been audited)

	Period ended 31-Jan-24 RM'000	Period ended 31-Jan-23 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	6,751	7,251
Adjustments for:		
Interest income	(314)	(186)
Interest expenses	3,474	2,540
Depreciation of property, plant and equipment	2,195	2,027
Depreciation of right-of-use assets	631	699
Fair value gain on short term funds	-	(1)
Property, plant and equipment written off	-	1
Impairment loss on trade receivables	73	41
Share of loss in an associate	1	-
Unrealised (gain)/loss on derivative instruments	(1,475)	2,269
Unrealised loss/(gain) on foreign exchange	506	(1,979)
Operating profit before changes in working capital	<u>11,842</u>	<u>12,662</u>
Changes in working capital:		
Inventories	25,614	14,120
Property development expenditure	(391)	(312)
Trade and other receivables	(8,710)	(413)
Trade and other payables	<u>(6,823)</u>	<u>(7,912)</u>
Cash generated from operations	21,532	18,145
Tax paid	<u>(973)</u>	<u>(2,528)</u>
Net cash from operating activities	<u>20,559</u>	<u>15,617</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	314	186
Placements of fixed deposit pledged to a licensed bank	(1)	(1)
Advance to an associate	-	(2)
Purchase of property, plant and equipment	(7,821)	(3,615)
Net advances from related parties	<u>-</u>	<u>1,378</u>
Net cash used in investing activities	<u>(7,508)</u>	<u>(2,054)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(3,114)	(2,251)
Dividend paid	(4,469)	(4,912)
Net movements in borrowings	(17,509)	2,245
Payment of lease liabilities	(684)	(743)
Proceeds from ordinary shares issued pursuant to ESOS exercised	<u>-</u>	<u>318</u>
Net cash used in financing activities	<u>(25,776)</u>	<u>(5,343)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(12,725)	8,220
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>39,347</u>	<u>36,352</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>26,622</u>	<u>44,572</u>
COMPOSITION OF CASH AND CASH EQUIVALENTS:		
Fixed deposit placed at a licensed bank	727	711
Short term deposit placed at licensed banks	18,710	38,147
Cash and bank balances	<u>7,912</u>	<u>6,425</u>
	27,349	45,283
Less: Fixed deposit pledged to a licensed bank	<u>(727)</u>	<u>(711)</u>
	<u>26,622</u>	<u>44,572</u>

These condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 July 2023.

Notes to the Financial Statements
For the financial period ended 31 January 2024

A Explanatory Notes

A1 Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities")'s Listing Requirements.

The condensed financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2023. The explanatory notes to these 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 July 2023.

A2 Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 July 2023 except for the adoption of the following new/revised MFRSs, Amendments to MFRSs and Issues Committee Interpretations ("IC Interpretations"):

a) Adoption of New MFRSs and Amendments to MFRSs

	Effective Date
MFRS 17 Insurance Contracts	1 Jan 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 Jan 2023
Amendments to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 Jan 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 Jan 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 Jan 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 Jan 2023

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

b) MFRSs and Amendments to MFRSs issued but not yet effective

	Effective Date
Amendments to MFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 Jan 2024
Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangement</i>	1 Jan 2024
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 Jan 2024
Amendments to MFRS 101: <i>Non-Current Liabilities with Covenants</i>	1 Jan 2024
Amendments to MFRS 112: <i>International Tax Reform - Pillar Two Model Rules</i>	Refer paragraph 98M of MFRS 112
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.

A3 Qualification of financial statements

There was no qualification in the audited financial statements for the financial year ended 31 July 2023.

A4 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A5 Unusual items affecting assets, liabilities, equity, net income or cash flows

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

Notes to the Financial Statements
For the financial period ended 31 January 2024

A Explanatory Notes

A6 Change in estimates

There were no significant changes in estimates that have a material effect for the current quarter under review and financial period.

A7 Debt and equity securities

During the current quarter and subsequent to the financial period ended 31 January 2024 and up to the date of this report, the Company did not allot and issue any new ordinary shares pursuant to the ESOS.

As at the date of this report, the unexercised options pursuant to A-Rank's ESOS granted and accepted by eligible Directors and employees are 5,675,200 options.

Other than as disclosed above, there were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current quarter under review and financial year and up to the date of this report.

A8 Dividend paid

A first and final single-tier dividend of 2.50 sen per ordinary share, amounting to RM4.5 million in respect of the previous financial year ended 31 July 2023 was paid on 20 December 2023.

A9 Segmental information

The Group is principally engaged in investment holding, manufacturing and marketing of aluminium billets and property development. Its operating segments are presented based on products and services. The performance of each segment is measured based on the internal management report reviewed by chief operating decision maker.

(a) Business segments

	Aluminium RM'000	Property development RM'000	Total RM'000
Revenue			
Revenue from external customers	351,073	-	351,073
Results			
Profit/(Loss) from operations	10,488	(262)	10,226
Interest expense	(1,727)	(1,747)	(3,474)
Share of loss in an associate	(1)	-	(1)
Profit/(Loss) before tax	8,760	(2,009)	6,751
Tax expenses	(2,224)	-	(2,224)
Profit/(Loss) after tax	6,536	(2,009)	4,527
Assets			
Segment assets	238,996	86,728	325,724
Investment in an associate	435	-	435
Derivative financial assets	688	-	688
Current tax assets	104	-	104
	240,223	86,728	326,951
Liabilities			
Segment liabilities	28,420	22,757	51,177
Borrowings	49,373	53,074	102,447
Lease liabilities	2,993	-	2,993
Derivative financial liabilities	27	-	27
Deferred tax liabilities	4,357	-	4,357
Current tax liabilities	843	-	843
	86,013	75,831	161,844

Notes to the Financial Statements
For the financial period ended 31 January 2024

A Explanatory Notes

A9 Segmental information (Cont'd)

(b) Geographical information

The Group operates only in Malaysia.

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location of customers. The reportable segments are Malaysia, South East Asia other than Malaysia, South Asia and others⁽¹⁾.

⁽¹⁾ Other operating segments comprise countries in South Africa and Europe.

Segment assets are based on the geographical location of the assets of the Group.

	Cumulative period ended	
	31-Jan-24	31-Jan-23
	RM'000	RM'000
<u>Revenue from external customers</u>		
South East Asia other than Malaysia	60,866	77,979
South Asia	44,078	46,356
Others	821	1,847
	<u>105,765</u>	<u>126,182</u>
Oversea	245,308	186,857
Malaysia	<u>351,073</u>	<u>313,039</u>
	As at	As at
	31-Jan-24	31-Jul-23
	RM'000	RM'000
<u>Segment assets</u>		
Malaysia	319,408	341,829
South East Asia other than Malaysia	6,024	8,146
South Asia	1,519	222
	<u>326,951</u>	<u>350,197</u>

A10 Contingent liabilities

At the end of the current quarter, there are no material contingent liabilities which, upon becoming enforceable, may have a material impact on the financial position of the Group except for the following:

	As at	As at
	31-Jan-24	31-Jul-23
	RM'000	RM'000
Corporate guarantees given to financial institutions for banking facilities utilised by a subsidiary	<u>49,373</u>	<u>62,685</u>

The Company provided corporate guarantees for banking facilities granted to a subsidiary with limits of RM118.0 million and USD10.0 million (31 July 2023: RM118.0 million and USD10.0 million).

A11 Material events subsequent to the end of the current quarter

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter under review and financial period.

Notes to the Financial Statements
For the financial period ended 31 January 2024

A Explanatory Notes

A12 Capital commitments

At the end of the current quarter, the capital commitments of the Group are as follows:

	As at 31-Jan-24 RM'000	As at 31-Jul-23 RM'000
Capital expenditures in respect of purchase of property, plant and equipment:		
- Approved and contracted for	440	5,320
- Approved but not contracted for	10,891	3,420
	<u>11,331</u>	<u>8,740</u>

A13 Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review and financial period.

A14 Related party transactions

During the current quarter under review and financial period ended 31 January 2024, the material business transactions entered by the Group with related parties in which a Director has substantial financial interests were as follows:

	Current quarter ended		Cumulative period ended	
	31-Jan-24 RM'000	31-Jan-23 RM'000	31-Jan-24 RM'000	31-Jan-23 RM'000
<u>Formosa Shyen Horng Metal Sdn Bhd</u>				
- Sales to LB Aluminium Berhad	33,171	15,782	66,674	40,092
- Sales to LB Aluminium (Sarawak) Sdn Bhd	<u>5,323</u>	<u>4,194</u>	<u>9,323</u>	<u>8,074</u>

The related parties transactions described above were carried out in the ordinary course of business on normal commercial terms.

Notes to the Financial Statements
For the financial period ended 31 January 2024

B Additional information required by the Bursa Securities' Listing Requirements

B1 Review of performance

	Aluminium RM'000	Property development RM'000	Total RM'000
<u>Current quarter ended 31 January 2024 ("2024-Q2")</u>			
Revenue from external customers			
- Malaysia	121,435	-	121,435
- Oversea	48,862	-	48,862
Total revenue	170,297	-	170,297
<u>Results</u>			
Profit/(Loss) from operations	5,031	(132)	4,899
Interest expense	(827)	(868)	(1,695)
Share of loss in an associate	(1)	-	(1)
Profit/(Loss) before tax	4,203	(1,000)	3,203
Tax expenses	(1,111)	-	(1,111)
Profit/(Loss) after tax	3,092	(1,000)	2,092
<u>Current quarter ended 31 January 2023 ("2023-Q2")</u>			
Revenue from external customers			
- Malaysia	88,364	-	88,364
- Oversea	66,505	-	66,505
Total revenue	154,869	-	154,869
<u>Results</u>			
Profit/(Loss) from operations	4,773	(172)	4,601
Interest expense	(572)	(849)	(1,421)
Share of loss in an associate	-	-	-
Profit/(Loss) before tax	4,201	(1,021)	3,180
Tax expenses	(1,055)	-	(1,055)
Profit/(Loss) after tax	3,146	(1,021)	2,125
<u>Variance (2024-Q2 vs 2023-Q2)</u>			
Total Revenue	10.0%	N/A	10.0%
Profit/(Loss) from operations	5.4%	(23.3%)	6.5%
Profit/(Loss) before tax	0.0%	(2.1%)	0.7%
Profit/(Loss) after tax	(1.7%)	(2.1%)	(1.6%)

For the current quarter

The Group's revenue increased by 10.0% to RM170.3 million for the quarter under review compared to RM154.9 million for the corresponding quarter last year. The increase in revenue was contributed by higher business volume although average selling prices were lower as compared to the corresponding quarter last year.

The Group's profit before tax for the current quarter was at RM3.2 million which is similar to that of the corresponding quarter last year. The aluminium segment reported a profit before tax of RM4.2 million for the quarter under review which is the same with the corresponding quarter last year despite the increase in revenue mainly due to lower gross margins.

The property development segment incurred a loss before tax at RM1.0 million for the quarter under review which is comparable to the corresponding quarter last year.

The Group reported a profit after tax of RM2.1 million for the current quarter which is similar with that of the corresponding quarter last year.

Notes to the Financial Statements
For the financial period ended 31 January 2024

B Additional information required by the Bursa Securities' Listing Requirements

B1 Review of performance

	Aluminium RM'000	Property development RM'000	Total RM'000
Cumulative period ended 31 January 2024 ("2024-Q1 to Q2")			
Revenue from external customers			
- Malaysia	245,308	-	245,308
- Oversea	105,765	-	105,765
Total revenue	351,073	-	351,073
Results			
Profit/(Loss) from operations	10,488	(262)	10,226
Interest expense	(1,727)	(1,747)	(3,474)
Share of loss in an associate	(1)	-	(1)
Profit/(Loss) before tax	8,760	(2,009)	6,751
Tax expenses	(2,224)	-	(2,224)
Profit/(Loss) after tax	6,536	(2,009)	4,527
Cumulative period ended 31 January 2023 ("2023-Q1 to Q2")			
Revenue from external customers			
- Malaysia	186,857	-	186,857
- Oversea	126,182	-	126,182
Total revenue	313,039	-	313,039
Results			
Profit/(Loss) from operations	10,087	(296)	9,791
Interest expense	(894)	(1,646)	(2,540)
Share of loss in an associate	-	-	-
Profit/(Loss) before tax	9,193	(1,942)	7,251
Tax expenses	(2,317)	-	(2,317)
Profit/(Loss) after tax	6,876	(1,942)	4,934
Variance (2024-Q1 to Q2 vs 2023-Q1 to Q2)			
Total Revenue	12.1%	N/A	12.1%
Profit/(Loss) from operations	4.0%	(11.5%)	4.4%
Profit/(Loss) before tax	(4.7%)	3.5%	(6.9%)
Profit/(Loss) after tax	(4.9%)	3.5%	(8.2%)

For the cumulative period

For the cumulative 6-month period ended 31 January 2024, the Group recorded a revenue of RM351.1 million, an increase by 12.1% compared to RM313.0 million for the corresponding period last year. The increase in revenue was contributed by higher business volume although average selling prices were lower.

The Group's profit before tax for the 6-month period decreased by 6.9% from RM7.3 million to RM6.8 million. The decrease was attributed by the aluminium segment which reported a profit before tax of RM8.8 million for the cumulative period under review compared to RM9.2 million for the corresponding period last year due to lower margins.

The property development segment reported a loss before tax of RM2.0 million for the 6-month period compared to RM1.9 million for corresponding period last year.

The Group reported a decrease in profit after tax to RM4.5 million for the the 6-month period under review in line with the lower profit before taxation.

Notes to the Financial Statements
For the financial period ended 31 January 2024

B Additional information required by the Bursa Securities' Listing Requirements

B2 Variance of results against preceding quarter

	Aluminium RM'000	Property development RM'000	Total RM'000
<u>Current quarter ended 31 January 2024 ("2024-Q2")</u>			
Revenue from external customers			
- Malaysia	121,435	-	121,435
- Oversea	48,862	-	48,862
Total revenue	170,297	-	170,297
<u>Results</u>			
Profit/(Loss) from operations	5,031	(132)	4,899
Interest expense	(827)	(868)	(1,695)
Share of loss in an associate	(1)	-	(1)
Profit/(Loss) before tax	4,203	(1,000)	3,203
Tax expenses	(1,111)	-	(1,111)
Profit/(Loss) after tax	3,092	(1,000)	2,092
<u>Preceding quarter ended 31 October 2023 ("2024-Q1")</u>			
Revenue from external customers			
- Malaysia	123,873	-	123,873
- Oversea	56,903	-	56,903
Total revenue	180,776	-	180,776
<u>Results</u>			
Profit/(Loss) from operations	5,457	(130)	5,327
Interest expense	(900)	(879)	(1,779)
Share of loss in an associate	-	-	-
Profit/(Loss) before tax	4,557	(1,009)	3,548
Tax expenses	(1,113)	-	(1,113)
Profit/(Loss) after tax	3,444	(1,009)	2,435
<u>Variance (2024-Q1 vs 2023-Q4)</u>			
Total Revenue	(5.8%)	N/A	(5.8%)
Profit/(Loss) from operations	(7.8%)	1.5%	(8.0%)
Profit/(Loss) before tax	(7.8%)	(0.9%)	(9.7%)
Profit/(Loss) after tax	(10.2%)	(0.9%)	(14.1%)

The Group's revenue decreased by 5.8% for the quarter under review compared to RM180.8 million registered for the preceding quarter. The decrease in revenue was mainly due to lower business volume.

The Group reported profit before tax for the current quarter of RM3.2 million compared to the preceding quarter of RM3.5 million, a decrease of 9.7%. The decrease was attributed by the aluminium segment which reported a lower profit before tax of RM4.2 million for the quarter under review compared to RM4.6 million for the preceding quarter due mainly to lower margins.

The Group registered a decrease in profit after tax of 14.1% for the current quarter under review compared to RM2.4 million recorded for the preceding quarter which is in line with lower profit before tax.

Notes to the Financial Statements

For the financial period ended 31 January 2024

B Additional information required by the Bursa Securities' Listing Requirements

B3 Prospects

The global economy is expected to grow at a sustained pace in 2024. Tight monetary policy and withdrawal of fiscal support will weigh on growth. But this will be offset by a rebound in international trade and falling inflation. The global trade rebound is driven by global technology upcycle, and full recovery in tourism activity. Global inflation will moderate further, as falling commodity prices and loosening labour market translate to lower core inflation. After benefiting from reopening recovery in 2023, China's growth is expected to soften in 2024, given continued drag from the property market downturn.

For 2024, growth of the Malaysian economy is expected to trend higher, lifted by the recovery in exports and resilient domestic expenditure. Tourist arrivals and spending are expected to improve further. Moreover, investment activity would be supported by continued progress of multi-year infrastructure projects and implementation of catalytic initiatives under national master plans. Budget 2024 measures will also provide additional support to economic activity. The growth outlook remains subject to downside risks from weaker-than-expected external demand and declines in commodity production.

The Board expects the outlook for the forthcoming quarter to remain cautiously optimistic. As usual, we will continuously focus on improving cost efficiencies and operational recovery to mitigate any adverse impacts on our business.

Barring unforeseen circumstances, the Board is optimistic that the Group will remain profitable for the forthcoming quarter.

B4 Variance of actual and profit estimate

Not applicable as no profit forecast was published.

Notes to the Financial Statements
For the financial period ended 31 January 2024

B Additional information required by the Bursa Securities' Listing Requirements

B5 Notes to the Condensed Consolidated Statement of Comprehensive Income

	Current quarter ended		Cumulative period ended	
	31-Jan-24	31-Jan-23	31-Jan-24	31-Jan-23
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax for the financial period is arrived at after (crediting)/charging:				
Interest income	(136)	(133)	(314)	(186)
Interest expenses	1,695	1,421	3,474	2,540
Depreciation of:				
- property, plant and equipment	1,086	997	2,195	2,027
- right-of-use assets	349	350	631	699
Fair value gain on short term funds	-	-	-	(1)
Impairment loss on trade receivables	14	26	73	41
Property, plant and equipment written off	-	-	-	1
(Gain)/Loss on foreign exchange:				
- realised	(227)	(582)	88	(2,197)
- unrealised	(886)	(2,470)	506	(1,979)
(Gain)/Loss on derivative instruments:				
- realised	(598)	(483)	(809)	591
- unrealised	326	3,505	(1,475)	2,269

B6 Tax expenses

	Current quarter ended		Cumulative period ended	
	31-Jan-24	31-Jan-23	31-Jan-24	31-Jan-23
	RM'000	RM'000	RM'000	RM'000
Current income tax	994	527	1,990	1,209
Deferred tax	117	528	234	1,108
	<u>1,111</u>	<u>1,055</u>	<u>2,224</u>	<u>2,317</u>

B7 Status of corporate proposals

There were no corporate proposals announced pending completion.

B8 Changes in material litigation

The Group does not have any material litigation as at the date of this announcement.

Notes to the Financial Statements
For the financial period ended 31 January 2024

B Additional information required by the Bursa Securities' Listing Requirements

B9 Borrowings

	As at 31-Jan-24		As at 31-Jul-23	
	Foreign currency USD'000	Amount equivalent RM'000	Foreign currency USD'000	Amount equivalent RM'000
Short term borrowings				
- Foreign currency loans (Currency denominated in US Dollar) (Unsecured)	10,434	49,373	13,911	62,685
- Term loan (Secured)	-	<u>10,143</u>	-	<u>9,239</u>
		59,516		71,924
Long term borrowing				
- Term loan (Secured)	-	<u>42,931</u>	-	<u>47,141</u>
		<u>102,447</u>		<u>119,065</u>

All borrowings are denominated in Malaysia Ringgit except as indicated above.

B10 Dividend

The Board of Directors has not proposed any dividend for this quarter ended 31 January 2024.

B11 Earnings per ordinary share

(a) Basic

Basic earnings per ordinary share is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial period.

	Current quarter ended		Cumulative period ended	
	31-Jan-24	31-Jan-23	31-Jan-24	31-Jan-23
Profit attributable to equity holders of the parent (RM'000)	<u>2,873</u>	<u>2,912</u>	<u>6,087</u>	<u>6,442</u>
Weighted average number of ordinary in issue ('000)	<u>175,430</u>	<u>175,382</u>	<u>175,430</u>	<u>175,382</u>
Basic earnings per ordinary share	<u>1.64</u>	<u>1.66</u>	<u>3.47</u>	<u>3.67</u>

(b) Diluted

Diluted earnings per ordinary share is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares.

The adjusted weighted average number of ordinary shares in issue and issuable has been arrived at based on the assumption that ESOS are exercised at the beginning of the financial period. The ordinary shares to be issued under ESOS are based on the assumed proceeds on the difference between average share price for the financial period and exercise price.

Notes to the Financial Statements
For the financial period ended 31 January 2024

B Additional information required by the Bursa Securities' Listing Requirements

B11 Earnings per ordinary share (Cont'd)
(b) Diluted (Cont'd)

	Current quarter ended		Cumulative period ended	
	31-Jan-24	31-Jan-23	31-Jan-24	31-Jan-23
Profit attributable to equity holders of the parent (RM'000)	2,873	2,912	6,087	6,442
Weighted average number of ordinary in issue ('000)	175,430	175,382	175,430	175,382
Effects of dilution from share options Directors and employees ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares applicable to diluted earnings per ordinary share ('000)	175,430	175,382	175,430	175,382
Diluted earnings per ordinary share	1.64	1.66	3.47	3.67

B12 Authorisation for issue

The interim financial report for the financial period ended 31 January 2024 was authorised for issuance by the Board of Directors on 26 March 2024.