

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024**

| | Note | Individual Quarter | | Cumulative Quarter | |
|---|------|----------------------|----------------------|----------------------|----------------------|
| | | 31.03.2024 RM'000 | 31.03.2023 RM'000 | 31.03.2024 RM'000 | 31.03.2023 RM'000 |
| Revenue | | 88,408 | 79,103 | 88,408 | 79,103 |
| Effects of MFRS 15 | | (7,766) | (5,408) | (7,766) | (5,408) |
| Net Revenue | 8 | 80,642 | 73,695 | 80,642 | 73,695 |
| Cost of sales | | (57,535) | (54,547) | (57,535) | (54,547) |
| Gross profit | | 23,107 | 19,148 | 23,107 | 19,148 |
| Other income | | 4,769 | 1,510 | 4,769 | 1,510 |
| Selling & distribution expenses | | (7,284) | (4,728) | (7,284) | (4,728) |
| Administrative expenses | | (9,308) | (6,600) | (9,308) | (6,600) |
| Finance costs | 18 | (63) | (93) | (63) | (93) |
| Share of loss of associate | | - | (94) | - | (94) |
| Profit before tax | 17 | 11,221 | 9,143 | 11,221 | 9,143 |
| Income tax expense | 19 | (1,997) | (1,265) | (1,997) | (1,265) |
| Profit for the period | | 9,224 | 7,878 | 9,224 | 7,878 |
| Other comprehensive income | | | | | |
| Exchange differences on translation of foreign operations | | 23 | 358 | 23 | 358 |
| Total comprehensive income for the period | | 9,247 | 8,236 | 9,247 | 8,236 |
| Profit attributable to: | | | | | |
| Owners of the company | | 9,224 | 7,878 | 9,224 | 7,878 |
| Non-controlling interest ("NCI") | | - | - | - | - |
| Profit for the period | | 9,224 | 7,878 | 9,224 | 7,878 |
| Total comprehensive income attributable to: | | | | | |
| Owners of the company | | 9,247 | 8,236 | 9,247 | 8,236 |
| Non-controlling interest | | - | - | - | - |
| Total comprehensive income for the period | | 9,247 | 8,236 | 9,247 | 8,236 |
| Earnings per share | 25 | | | | |
| Basic (sen) | | 2.54 | 2.17 | 2.54 | 2.17 |
| Diluted (sen) | | 2.53 | 2.17 | 2.53 | 2.17 |

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

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

| | Note | 31.03.2024 RM'000 Unaudited | 31.12.2023 RM'000 Audited |
|--|------|-----------------------------------|---------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | | 191,701 | 195,999 |
| Right-of-use assets | | 16,709 | 16,887 |
| Investment properties | | 7,666 | 7,702 |
| Investment in an associate | | - | - |
| Investment in a joint venture | | 2,600 | 2,600 |
| Deferred tax assets | | 464 | 464 |
| | | <u>219,140</u> | <u>223,652</u> |
| Current assets | | | |
| Trade and other receivables | | 86,241 | 78,682 |
| Investment in quoted shares | | 9,562 | 9,240 |
| Inventories | | 31,906 | 36,430 |
| Current tax assets | | 978 | 3,106 |
| Prepayments | | 9,762 | 5,345 |
| Cash and cash equivalents | | 117,665 | 104,302 |
| | | <u>256,114</u> | <u>237,105</u> |
| Total assets | | <u><u>475,254</u></u> | <u><u>460,757</u></u> |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 24 | 186,468 | 184,890 |
| Treasury shares | | (24,627) | (24,245) |
| Translation reserve | | 8,171 | 8,148 |
| Share option reserve | 21 | 2,025 | 2,190 |
| Retained earnings | | 231,407 | 222,183 |
| Equity attributable to owners of the Company | | <u>403,444</u> | <u>393,166</u> |
| Non-controlling interests | | - | - |
| Total equity | | <u>403,444</u> | <u>393,166</u> |
| Liabilities | | | |
| Non-current liabilities | | | |
| Deferred tax liabilities | | 13,195 | 13,006 |
| | | <u>13,195</u> | <u>13,006</u> |
| Current liabilities | | | |
| Loan and borrowings | 22 | 6,546 | 3,560 |
| Trade and other payables | | 51,974 | 50,833 |
| Current tax liabilities | | 95 | 192 |
| | | <u>58,615</u> | <u>54,585</u> |
| Total liabilities | | <u>71,810</u> | <u>67,591</u> |
| Total equity and liabilities | | <u><u>475,254</u></u> | <u><u>460,757</u></u> |
| Net assets per share attributable to owners of the Company (RM) | | | |
| | | <u>1.11</u> | <u>1.08</u> |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2024

| | <-----Attributable to Owners of the Company-----> | | | | | | | |
|---|---|----------------------------------|-----------------------------------|------------------------------|--------------------------------|---------------------|--|---------------------------|
| | <----Non-distributable----> | | | Distributable | | | | |
| (Audited) | Share Capital RM'000 | Translation Reserve RM'000 | Share Option Reserve RM'000 | Treasury shares RM'000 | Retained Earnings RM'000 | Sub Total RM'000 | Non- Controlling Interests RM'000 | Total Equity RM'000 |
| At 1 January 2023 | 184,890 | 8,248 | - | (1,345) | 205,075 | 396,868 | - | 396,868 |
| Net profit for the financial year | - | - | - | - | 30,129 | 30,129 | - | 30,129 |
| Other comprehensive expense for the financial year | - | (100) | - | - | - | (100) | - | (100) |
| Total comprehensive (expense)/income for the financial year | - | (100) | - | - | 30,129 | 30,029 | - | 30,029 |
| Contributions by and distributions to owners | | | | | | | | |
| - dividend to owners of the Company | - | - | - | - | (13,021) | (13,021) | - | (13,021) |
| - share options granted under ESOS | - | - | 2,190 | - | - | 2,190 | - | 2,190 |
| - share buy-back | - | - | - | (22,900) | - | (22,900) | - | (22,900) |
| At 31 December 2023 | 184,890 | 8,148 | 2,190 | (24,245) | 222,183 | 393,166 | - | 393,166 |
| (Unaudited) | | | | | | | | |
| At 1 January 2024 | 184,890 | 8,148 | 2,190 | (24,245) | 222,183 | 393,166 | - | 393,166 |
| Net profit for the financial year | - | - | - | - | 9,224 | 9,224 | - | 9,224 |
| Other comprehensive expense for the financial year | - | 23 | - | - | - | 23 | - | 23 |
| Total comprehensive (expense)/income for the financial year | - | 23 | - | - | 9,224 | 9,247 | - | 9,247 |
| Contributions by and distributions to owners | | | | | | | | |
| - issuance of ordinary shares pursuant to ESOS | 1,578 | - | (165) | - | - | 1,413 | - | 1,413 |
| - share buy-back | - | - | - | (382) | - | (382) | - | (382) |
| At 31 March 2024 | 186,468 | 8,171 | 2,025 | (24,627) | 231,407 | 403,444 | - | 403,444 |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

KAWAN FOOD BERHAD
(Registration No: 200401001942 (640445-V))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

| | Unaudited 31.03.2024 RM'000 | Unaudited 31.03.2023 RM'000 |
|--|-----------------------------------|-----------------------------------|
| Cash flows from operating activities | | |
| Profit before tax | 11,221 | 9,143 |
| Adjustments for: | | |
| Depreciation and amortisation | 4,881 | 4,798 |
| Employee share scheme expenses | (165) | - |
| Finance income from deposits | (256) | (274) |
| Finance costs | 63 | 93 |
| (Write back)/provision for slow moving inventories | 1,343 | - |
| Provision for inventories written off | 514 | - |
| Inventories written off | 826 | 123 |
| Share of loss in an associate | - | 94 |
| Fair value (gain)/ loss on financial assets | (322) | 9 |
| Unrealised gain on foreign exchange | (1,524) | (1,191) |
| <i>Operating profit before working capital changes</i> | <u>16,581</u> | <u>12,795</u> |
| Changes in working capital: | | |
| Inventories | 1,841 | 3,624 |
| Trade and other receivables, prepayments and other financial assets | (11,976) | (2,064) |
| Trade and other payables | 1,141 | 1,791 |
| <i>Cash generated from operations</i> | <u>7,587</u> | <u>16,146</u> |
| Income tax paid | (449) | (1,445) |
| Income tax refund | 1,084 | - |
| Net cash from operating activities | <u>8,222</u> | <u>14,701</u> |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment, net of interest capitalised | (369) | (1,168) |
| Finance income from deposits | 256 | 274 |
| Net cash used in investing activities | <u>(113)</u> | <u>(894)</u> |
| Cash flows from financing activities | | |
| Dividends paid to owners of the Company | - | (13,021) |
| Share buy-back | (382) | - |
| Drawdown/(Repayment) of loans and borrowings | 2,986 | (1,773) |
| Finance cost on loans and borrowings | (63) | (93) |
| Issuance of new shares pursuant to Employees' share option scheme | 1,578 | - |
| Net cash generated from/(used in) financing activities | <u>4,119</u> | <u>(14,887)</u> |
| Net decrease in cash and cash equivalents | 12,228 | (1,080) |
| Effect of changes in foreign exchange rate | 1,135 | (147) |
| Cash and cash equivalents at beginning of year | <u>104,302</u> | <u>98,582</u> |
| Cash and cash equivalents at end of year | <u>117,665</u> | <u>97,355</u> |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

1 Basis of Preparation

The condensed consolidated interim financial statements ("interim financial statements") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS"), MFRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023. These explanatory notes attached to the interim financial statement provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

The interim financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in audited financial statements for the financial year ended 31 December 2023 except the adoption of standards, interpretations and amendments to standards that are mandatory applied beginning on 1 January 2023 did not have any material impact on the financial statements of the Group.

Effective for financial periods beginning on or after 1 January 2024

| | |
|------------------------|--|
| Amendments to MFRS 7 | Financial Instruments: Disclosures – Supplier Finance Arrangements |
| Amendments to MFRS 16 | Leases – Lease Liability in a Sale and Leaseback |
| Amendments to MFRS 101 | Presentation of Financial Statements – Classification of Liabilities as Current or Non-current |
| Amendments to MFRS 101 | Presentation of Financial Statements – Non-current Liabilities with Covenants |
| Amendments to MFRS 107 | Statement of Cash Flows – Supplier Finance Arrangements |

Effective for financial periods beginning on or after 1 January 2025

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

Effective date of these Amendments to Standards has been deferred, and yet to be announced

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

The Group and the Company will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect to the financial statements of the Group and the Company upon their initial applications.

2 Qualification of financial statements

There was no qualification made on the preceding audited financial statements.

3 Seasonal or cyclical factors

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

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and financial period ended 31 March 2024.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

5 Changes in estimates

There were no changes in estimates that have had any material effect during the current quarter and financial period ended 31 March 2024.

6 Debt and equity securities

The Company has implemented an Employee Share Option Scheme ("ESOS") of up to 15% of the Company's issued share capital (excluding treasury shares, if any) for the eligible employees of the Group effective from 2 October 2018. On 20 March 2023, the Company had announced the extension of the duration of the ESOS for another 5 years from 2 October 2023 to 1 October 2028.

The offer of ESOS options to eligible persons were as follows:

| Date of Offer | Number of Options | Vesting period | Expiry of Options |
|---------------|-------------------|-------------------|-------------------|
| 26 Jul 2023 | 250,000 | Not Applicable | 31 Dec 2026 |
| 15 Sept 2023 | 9,320,000 | after 31 Dec 2023 | 31 Dec 2026 |
| 15 Sept 2023 | 9,320,000 | after 31 Dec 2024 | 31 Dec 2026 |
| 15 Sept 2023 | 9,320,000 | after 31 Dec 2025 | 31 Dec 2026 |
| 22 Nov 2023 | 1,800,000 | Not Applicable | 31 Dec 2026 |

During the current quarter ended 31 March 2024, the Company issued 854,820 new share due to ESOS options exercised.

7 Dividends paid

The dividends for financial year ended 31 December 2024 are payable on 2 April 2024 and previous financial year were paid as below:

| | 31 Dec 2024 | 31 Dec 2023 |
|---|-------------|-------------|
| First interim dividend | | |
| For the financial year ended | 31 Dec 2024 | 31 Dec 2023 |
| Approval and declared on | 6 Mar 2023 | 22 Feb 2023 |
| Payment Date | 2 Apr 2024 | 31 Mar 2023 |
| Number of ordinary shares on which dividends were paid ('000) | 350,072 | 361,699 |
| Interim dividend per share (single-tier) | 4.2 sen | 3.6 sen |
| Net dividend paid (RM'000) | 14,703 | 13,021 |

8 Segmental information

The Group's business segments comprise mainly the manufacturing and sale of frozen food products.

Business segmental information therefore has not been prepared as all the Group's revenue, operating profit, assets employed, liabilities, depreciation and amortisation, and non-cash expenses are mainly confined to one business segment.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

| | 3 months ended | | | Year-to-date ended | | |
|---------------|----------------|---------------|-------------|--------------------|---------------|-------------|
| | 31 Mar 2024 | 31 Mar 2023 | Changes (%) | 31 Mar 2024 | 31 Mar 2023 | Changes (%) |
| | RM'000 | RM'000 | (%) | RM'000 | RM'000 | (%) |
| Malaysia | 40,200 | 34,772 | 15.6% | 40,200 | 34,772 | 15.6% |
| China | 2,917 | 1,836 | 58.9% | 2,917 | 1,836 | 58.9% |
| Rest of Asia | 9,591 | 10,874 | -11.8% | 9,591 | 10,874 | -11.8% |
| Europe | 7,490 | 11,704 | -36.0% | 7,490 | 11,704 | -36.0% |
| North America | 18,151 | 11,785 | 54.0% | 18,151 | 11,785 | 54.0% |
| Oceania | 1,916 | 2,379 | -19.5% | 1,916 | 2,379 | -19.5% |
| Africa | 377 | 345 | 9.3% | 377 | 345 | 9.3% |
| Consolidated | <u>80,642</u> | <u>73,695</u> | <u>9.4%</u> | <u>80,642</u> | <u>73,695</u> | <u>9.4%</u> |

9 Valuation of property, plant and equipment

No revaluation of property, plant and equipment were undertaken during the current quarter under review.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

10 Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the current quarter up to the date of this report.

11 Capital commitments

The capital commitments of the Group as at 31 March 2024 is as follows:

| | RM'000 |
|--------------------------------------|--------------|
| Property, plant and equipment | |
| Contracted but not provided for | <u>3,487</u> |

12 Related party transactions

The Group's related party transactions in the current quarter and the financial period ended 31 March 2024 are as follows:

| | 3 months ended 31 Mar 2024 RM'000 | Year-to-date ended 31 Mar 2024 RM'000 |
|--|--|--|
| Transaction with a company in which Gan Ka Bien, the daughter of Gan Thiam Chai and Kwan Sok Kay, being a Director of the Company has interest: Hot & Roll Holdings Sdn Bhd -Sales | <u>468</u> | <u>468</u> |
| Transactions with a company in which the daughter of Gan Thiam Chai and Kwan Sok Kay, and the son of Gan Thiam Hock has interests: GT Chain Sdn Bhd -Sales | <u>-</u> | <u>-</u> |
| Transactions with a company in which the sons and the spouse of Gan Thiam Hock, a Director of the Company has interests: MH Delight Sdn Bhd -Sales -Purchases | <u>398</u> | <u>1</u> <u>398</u> |
| Transactions with a company in which the daughters of Gan Thiam Chai and Kwan Sok Kay, including Gan Ka Bien and the son of Gan Thiam Hock have interests: Food Valley Sdn Bhd -Rental income | <u>110</u> | <u>110</u> |
| Transactions with companies in which Nareshchandra Gordhandas Nagrecha, a Major Shareholder and Former Director of the Company has interest; and Nareshchandra's associate En Abdul Razak Bin Shakor is a non independent non executive director in the Company Shana Foods Limited -Sales | <u>6,792</u> | <u>6,792</u> |
| Rubicon Food Products Limited -Sales | <u>1,206</u> | <u>1,206</u> |
| Transactions with a company in which the sons and the spouse of Gan Thiam Hock, a Director of the Company has interests: La-Vision Logistics Sdn Bhd -Provision of transportation services | <u>21</u> | <u>21</u> |

The above transactions have been entered in the normal course of business and have been established on terms and condition that are not materially different from those obtainable in similar transactions with unrelated parties.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

13 Review of performance

| | 3 months ended 31 Mar 2024 ("1Q 2024") RM'000 | 3 months ended 31 Mar 2023 ("1Q 2023") RM'000 | Changes (%) | Year-to-date ended 31 Mar 2024 (YTD 2024) RM'000 | Year-to-date ended 31 Mar 2023 ("YTD 2023") RM'000 | Changes (%) |
|--|--|--|----------------|---|---|----------------|
| Revenue | 80,642 | 73,695 | 9.4% | 80,642 | 73,695 | 9.4% |
| Profit before tax | 11,221 | 9,143 | 22.7% | 11,221 | 9,143 | 22.7% |
| Profit after tax | 9,224 | 7,878 | 17.1% | 9,224 | 7,878 | 17.1% |
| Profit attributable to owners of the Company | 9,224 | 7,878 | 17.1% | 9,224 | 7,878 | 17.1% |

Comparison between 1Q 2024 with 1Q 2023

The Group reported higher revenue of RM80.6 million for the financial quarter ended 31 March 2024, compared to revenue of RM73.7 million in the preceding corresponding financial quarter. The increase in revenue for 1Q 2024 was mainly contributed from the local market and rising demand in the North America market. The Group's profit after tax increased by 17.1% from RM7.9 million in 1Q 2023 to RM9.2 million in 1Q 2024.

14 Variance of quarterly results compared to preceding quarter

| | Current Quarter 31 Mar 2024 RM'000 | Immediate Preceding Quarter 31 Dec 2023 RM'000 | Changes % |
|--|---|--|--------------|
| Revenue | 80,642 | 76,199 | 5.8% |
| Profit before tax | 11,221 | 10,244 | 9.5% |
| Profit after tax | 9,224 | 8,858 | 4.1% |
| Profit attributable to owners of the Company | 9,224 | 8,858 | 4.1% |

For the current quarter under review, the Group reported a revenue of RM80.6 million, an increase of 5.8% from the preceding quarter of RM76.2 million. The increase in revenue was contributed by the recovery of domestic sales. The Group reported a profit after tax of RM9.2 million in current quarter, an increase of 4.1% from the preceding quarter of RM8.9 million.

15 Commentary on the prospect

The global economy is showing increasing signs of recession. As such, the Group will remain vigilant and adapt to market shifts and wider geopolitical/economic movement. However, we foresee the Malaysian economy sustaining its momentum in domestic demand and local sales to record stable growth.

The Group strives to remain competitive and seek opportunities to grow its overseas markets. The challenges of inflationary pressure on production cost remains; the Group will continue to produce quality products and improve its operational resilience.

16 Variance of actual and profit forecast

The Group did not issue any profit forecast or profit guarantee for the current financial year.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

17 Profit before tax

The following have been included in arriving at profit before tax:

| | 3 months ended 31 Mar 2024 RM'000 | 3 months ended 31 Mar 2023 RM'000 | Year-to-date ended 31 Mar 2024 RM'000 | Year-to-date ended 31 Mar 2023 RM'000 |
|--|--|--|--|--|
| Profit before tax is arrived at after charging/(crediting): | | | | |
| Finance costs | 63 | 93 | 63 | 93 |
| Depreciation and amortisation | 4,881 | 4,798 | 4,881 | 4,798 |
| Foreign exchange loss/(gain) | (2,212) | (414) | (2,212) | (414) |
| Share of loss of associate | - | 94 | - | 94 |
| Inventories written off | 826 | 123 | 826 | 123 |
| Provision for inventories written off (Write back)/provision for slow moving inventories | 1,343 | - | 1,343 | - |
| Fair value (gain)/ loss on financial assets | (322) | 9 | (322) | 9 |
| Interest income | (256) | (274) | (256) | (274) |

18 Finance cost

| | 3 months ended 31 Mar 2024 RM'000 | 3 months ended 31 Mar 2023 RM'000 | Year-to-date ended 31 Mar 2024 RM'000 | Year-to-date ended 31 Mar 2023 RM'000 |
|---|--|--|--|--|
| Interest expense of financial liabilities that are -not at fair value through profit or loss: | | | | |
| Term loans, secured | 37 | 67 | 37 | 67 |
| Other bank charges | 26 | 26 | 26 | 26 |
| | <u>63</u> | <u>93</u> | <u>63</u> | <u>93</u> |

19 Income tax expense

| | 3 months ended 31 Mar 2024 RM'000 | Year-to-date ended 31 Mar 2024 RM'000 |
|---|--|--|
| Tax expense - Current year | 1,807 | 1,807 |
| Deferred tax expense -origination and reversal of temporary differences | 190 | 190 |
| Total | <u>1,997</u> | <u>1,997</u> |

The effective tax rate for the Group for the quarter under review is lower than the statutory tax rate. This is mainly attributed to the reinvestment allowances available for set off against chargeable income.

20 Corporate Proposals

There were no corporate proposals announced as at date of this report.

21 Share Option Reserve

The fair value of equity-settled share options granted was estimated using Trinomial Option Pricing model, taking into account the terms and conditions upon which the options were granted.

The expected life of the option is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the options granted were incorporated into the measurement of fair value.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

22 Borrowings (secured)

| | As at 31 Mar 2024 RM'000 | As at 31 Mar 2023 RM'000 |
|------------------------|--------------------------------|--------------------------------|
| Short term borrowings: | | |
| in Malaysia Ringgit | - | 1,207 |
| in RMB | 6,546 | - |
| in US Dollar | - | 3,351 |
| | <u>6,546</u> | <u>4,558</u> |

23 Material litigation

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

24 Dividends

An interim single tier dividend of 4.2 sen per ordinary share totalling RM14,703,023 in respect of the financial year ended 31 December 2024 has been declared and paid on 27 March 2024.

25 Earnings per share ("EPS")

a) Basic earnings per share

| | 3 months ended 31 Mar 2024 | 3 months ended 31 Mar 2023 | Year-to-date ended 31 Mar 2024 | Year-to-date ended 31 Mar 2023 |
|--|----------------------------------|----------------------------------|--------------------------------------|--------------------------------------|
| Profit attributable to equity holders of the parent (RM'000) | 9,224 | 7,878 | 9,224 | 7,878 |
| Weighted average number of ordinary shares in issue (units) | 362,894,900 | 362,581,760 | 362,894,900 | 362,581,760 |
| Basic earnings per share (sen) | <u>2.54</u> | <u>2.17</u> | <u>2.54</u> | <u>2.17</u> |

b) Diluted earnings per share

| | 3 months ended 31 Mar 2024 | 3 months ended 31 Mar 2023 | Year-to-date ended 31 Mar 2024 | Year-to-date ended 31 Mar 2023 |
|---|----------------------------------|----------------------------------|--------------------------------------|--------------------------------------|
| Profit attributable to equity holders of the parent (RM'000) | 9,224 | 7,878 | 9,224 | 7,878 |
| Weighted average number of ordinary shares in issue (units) | 362,894,900 | 362,581,760 | 362,894,900 | 362,581,760 |
| Weighted average number of ordinary shares deemed to be issued for exercise ESOS option (units) | 2,049,391 | - | 2,049,391 | - |
| Weighted average number of ordinary shares for diluted earnings per share computation (units) | <u>364,944,291</u> | <u>362,581,760</u> | <u>364,944,291</u> | <u>362,581,760</u> |
| Diluted earnings per share (sen) | <u>2.53</u> | <u>2.17</u> | <u>2.53</u> | <u>2.17</u> |

By Order of the Board

Gan Thiam Chai
Executive Chairman
Date: 16 May 2024