



**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED
30 JUNE 2024**

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P.A. RESOURCES BERHAD

Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for The Fourth Quarter Ended 30 June 2024

	Fourth Quarter		Year To Date		
	Three (3) Months Ended 30-Jun-24	30-Jun-23	Twelve (12) Months Ended 30-Jun-24	30-Jun-23	
	RM'000	RM'000	RM'000	RM'000	
Revenue	146,789	104,518	564,636	461,507	
Cost of sales	(126,080)	(90,973)	(485,904)	(404,604)	
Gross profit	20,709	13,545	78,732	56,903	
Other income	1,155	3,720	4,800	4,205	
Administrative and selling expenses	(5,487)	(2,788)	(16,142)	(11,001)	
Other expenses - net	(1,189)	(776)	(6,216)	(5,311)	
Profit from operations	15,188	13,701	61,174	44,796	
Finance costs	(117)	(99)	(562)	(445)	
Profit before tax	15,071	13,602	60,612	44,351	
Income tax expense	(1,784)	(10,254)	(14,885)	(12,979)	
Profit net of tax	13,287	3,348	45,727	31,372	
Other comprehensive income, net of tax	-	-	-	-	
Total comprehensive income for the period	13,287	3,348	45,727	31,372	
Profit for the financial period, net of tax attributable to:-					
Owners of the Company	13,287	3,348	45,727	31,372	
Non-controlling interests	-	-	-	2	
	13,287	3,348	45,727	31,374	
Total comprehensive income attributable to:-					
Owners of the Company	13,287	3,348	45,727	31,372	
Non-controlling interests	-	-	-	2	
	13,287	3,348	45,727	31,374	
Earnings per ordinary share					
Basic (Sen)	Note 25	0.93	0.23	3.19	2.19
Diluted (Sen)	Note 25	0.88	0.23	3.04	2.19

P.A. RESOURCES BERHAD

Unaudited Condensed Consolidated Statements of Financial Position

	Unaudited As At 30-Jun-24 RM'000	Audited As At 30-Jun-23 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	95,298	86,766
Property, plant and equipment - Work In Progress	2,327	-
Right-of-use assets	1,938	2,269
Trade receivables	320	883
Deferred tax assets	-	919
	99,883	90,837
Current Assets		
Inventories	64,682	75,183
Trade receivables	97,016	94,264
Other receivables, deposits and prepayments	17,886	5,792
Tax recoverables	1,890	2,015
Derivative assets	1	-
Cash and bank balances	72,463	30,655
	253,938	207,909
	353,821	298,746
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity		
Share capital	207,421	205,721
Reserves	42,027	38,392
Retained earnings	67,615	35,961
Total Equity Attributable to Owners of the Company	317,063	280,074
Non-controlling interest	-	-
Total Equity	317,063	280,074
Non-Current Liabilities		
Lease liabilities	601	1,017
Borrowings	8,105	859
Deferred tax liabilities	9,187	1,241
	17,893	3,117
Current Liabilities		
Trade payables	12,151	8,691
Other payables	3,625	3,143
Borrowings	2,018	2,850
Lease liabilities	1,071	871
	18,865	15,555
Total Liabilities	36,758	18,672
TOTAL EQUITY AND LIABILITIES	353,821	298,746
Net assets per share attributable to equity holders (Sen)	21.15	18.75



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Unaudited Condensed Consolidated Statements of Changes in Equity

	←————— Attributable to Owners of the Company —————→						Non- controlling Interests ("NCI")	Total Equity	
	←————— Non-Distributable —————→								
	Share Capital RM'000	Assets Revaluation Reserve RM'000	Warrant Reserve RM'000	Capital Reserve RM'000	ESOS Reserve RM'000	Retained Earnings RM'000			Total RM'000
At 1 July 2022	172,709	15,420	9,213	12,065	8,849	3,881	222,137	3	222,140
Profit net of tax, representing total comprehensive income for the financial year	-	-	-	-	-	31,372	31,372	2	31,374
Transaction with owners of the Company									
Exercise of warrants	32,684	-	(8,885)	-	-	-	23,799	-	23,799
Expiry of warrants	328	-	(328)	-	-	-	-	-	-
Addition investments in a subsidiary from NCI	-	-	-	-	-	3	3	(5)	(2)
Capitalisation of ESOS	-	-	-	-	2,763	-	2,763	-	2,763
Forfeiture of ESOS	-	-	-	-	(570)	570	-	-	-
Total transactions with owners of the Company	33,012	-	(9,213)	-	2,193	573	26,565	(5)	26,560
Realisation of asset revaluation reserve	-	(135)	-	-	-	135	-	-	-
As at 30 June 2023	205,721	15,285	-	12,065	11,042	35,961	280,074	-	280,074

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Unaudited Condensed Consolidated Statements of Changes in Equity (“cont’d”)

←————— Attributable to Owners of the Company —————→
 ←————— Non-Distributable —————→

		Assets					
	Share Capital RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	ESOS Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000	
At 1 July 2023	205,721	15,285	12,065	11,042	35,961	280,074	
Shares issued - ESOS	1,700	-	-	(423)	-	1,277	
Profit net of tax, representing total comprehensive income for the financial year	-	-	-	-	45,727	45,727	
Performance Based ESOS	-	-	-	4,926	-	4,926	
Forfeiture - ESOS	-	-	-	(868)	868	-	
Dividends on Ordinary Shares	-	-	-	-	(14,941)	(14,941)	
 As at 30 June 2024	 207,421	 15,285	 12,065	 14,677	 67,615	 317,063	

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Unaudited Condensed Consolidated Statements of Cash Flows

	Unaudited Financial Year 30-Jun-24 RM'000	Audited Preceding Year 30-Jun-23 RM'000
Cash Flow From Operating Activities		
Profit before tax	60,612	44,351
Adjustments for:-		
Depreciation of property, plant and equipment	6,973	6,583
Depreciation of right-of-use assets	914	648
ESOS expenses	4,926	2,764
Loss / (gain) on disposal of property, plant and equipment	25	243
Allowance / (Reversal) on receivables - net	24	(5)
Interest expense	562	445
Interest income	(749)	(149)
Fair value gain on derivative - forward currency contract	(1)	-
Unrealised loss / (gain) on foreign exchange	2,391	(2,740)
Written back of trade an other payables	(70)	(101)
Inventories written down	-	613
	75,607	52,652
Operating profit before working capital changes	75,607	52,652
Changes in working capital		
Inventories	10,501	(12,836)
Receivables	(5,262)	2,198
Payables	4,012	(5,383)
	10,251	(15,991)
Cash generated from operations	84,858	36,631
Interest paid	(562)	(445)
Interest received	749	149
Tax paid - net	(5,895)	(1,682)
	79,150	34,653
Net cash generated from operating activities	79,150	34,653
Cash Flows Used In Investing Activities		
Acquisition of non-controlling interest	-	(2)
Other receivables - Industrial Lands	(4,179)	-
Addition property, plant & equipment - Work in Progress	(2,327)	-
Proceeds from disposal of property, plant & equipment	45	-
Purchase of property, plant & equipment & right-of-use assets - net	(15,575)	(8,288)
	(22,036)	(8,290)
Net cash used in investing activities	(22,036)	(8,290)

P.A. RESOURCES BERHAD

Unaudited Condensed Consolidated Statements of Cash Flows (“cont’d”)

	Unaudited Financial Year 30-Jun-24 RM'000	Audited Preceding Year 30-Jun-23 RM'000
Cash Flow Used In Financing Activities		
Net drawdown / (repayment) of borrowings	(1,439)	(16,174)
Net repayment of lease liabilities	(203)	(727)
Issuance of new shares - ESOS	1,277	-
Proceeds from exercise of warrants	-	23,799
Dividend paid	(14,941)	(6,905)
	<u>(15,306)</u>	<u>(7)</u>
Net cash used in financing activities	(15,306)	(7)
Net increase in cash and cash equivalents	41,808	26,356
Cash and cash equivalents at beginning of the financial year	30,655	4,519
Effect of exchange rate fluctuations on cash and cash equivalents	-	(220)
Cash and cash equivalent at end of the financial year	<u>72,463</u>	<u>30,655</u>

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PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

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

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 30 June 2023 except for the adoption of the following which are applicable to the financial statements and are relevant to the operations. The initial application of the new and revised MFRSs, interpretations and amendments have no material impacts to these interim financial statements.

a. Adoption of Amendments / Improvements to MFRS

Malaysian Financial Reporting Standards	Effective for annual reporting periods beginning on or after
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 4 – Extension of the Temporary Exemption from Applying MFRS 9	1 January 2023
Disclosure of Accounting Policies (Amendments to MFRS 112 – Income Tax)	1 January 2023
Deferred tax related to Assets and Liabilities arising from a Single Transactions (Amendments to MFRS 112 Income Taxes)	1 January 2023
Initial application of MFRS 17 and MFRS 19 – comparative information (Amendments to MFRS 17 Insurance Contracts)	1 January 2023

P.A. RESOURCES BERHAD

b. Standards Issued but Not Yet Effective

Malaysian Financial Reporting Standards	Effective for annual reporting periods beginning on or after
Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 Leases)	1 January 2024
Non-Current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2024
Clarification of Liabilities as Current or Non-Current (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2024
Financial Instruments: Disclosures of Financial Arrangement (Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments)	1 January 2024
Lack of Exchangeability (Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates Lack of Exchangeability)	1 January 2025
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Presentation and Disclosure in Financial Statements MFRS 18	1 January 2027
Subsidiaries without Public Accountability: Disclosures	1 January 2027

3. QUALIFICATION OF FINANCIAL STATEMENTS

There was no qualification to the preceding audited financial statements for the financial year ended 30 June 2023.

4. SEASONAL OR CYCLICAL FACTORS

The operations of the Group were not significantly affected by seasonally and cyclical factors.

5. MATERIAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no material unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial quarter under review.

P.A. RESOURCES BERHAD

6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in the estimates used for the presentation of this interim financial statement.

7. DEBT AND EQUITY SECURITIES

Except as disclosed below, there were no issuance or repayment of debt and equity securities for the financial quarter under review.

Employees' Share Option Scheme ("ESOS")

Option Price	Note	1 July 23	Granted	Exercised / Lapsed	30 June 24
RM0.450	i	51,965,000	-	(3,870,000)	48,095,000
RM0.223	ii	-	65,940,000	(5,726,215)	60,213,785
RM0.318	iii	-	10,000,000	-	10,000,000

Note i : Granted on 18 May 2021.

Note ii : Granted on 25 August 2023.

Note iii : Granted on 1 March 2024.

On 25 August 2023, the duration of ESOS, which expiring on 11 May 2026 has been extended for another 3 years to 11 May 2029 in accordance with the provision of the By-Laws 4.1 of the PARB ESOS By-Laws.

During the financial year, (i) 5,726,215 options have been exercised; and (ii) 3,870,000 options lapsed.

Save as disclosed above, there was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current financial quarter and current financial year-to-date.

8. DIVIDEND PAID

On 16 November 2023, the Company paid an interim dividend of 0.50 Sen per ordinary share totalling to RM7.4m in respect of financial year ended 30 June 2023.

On 25 March 2024, the Company paid an interim dividend of 0.5 Sen per share ordinary share totalling to RM7.5 m in respect of financial year ending 30 June 2024.

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT ("PPE")

There were no changes to the valuation of PPE since the previous audited financial statements. The Group carried out revaluation on freehold land and buildings on 30 June 2021. The next valuation will not be later than financial year ending 30 June 2026.

P.A. RESOURCES BERHAD

10. MATERIAL EVENTS SUBSEQUENT TO THE REPORTING PERIOD

There were no material events subsequent to the end of the reporting date that require disclosure or adjustments to the unaudited interim financial statements.

11. CHANGES IN COMPOSITION OF THE GROUP

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

12. MATERIAL CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material changes in contingent liabilities and contingent assets during the financial period under review.

13. MATERIAL CAPITAL COMMITMENTS

Except as disclosed below, there were no material capital commitments not provided for as at 30 June 2024.

	RM'000
Contracted but not provided for – Plant and machineries	3,441
	<u>3,441</u>

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P.A. RESOURCES BERHAD

14. SEGMENTAL INFORMATION

MFRS 8 requires separate reporting of segmental information for operating segments. Operating segments reflects the Group's management structure and the way financial information is regularly reviewed by the Group's chief operating decision maker, which is defined as the Executive Board. The Group is focused on the following segments as disclosed below: -

- a. Extrusion and fabrication : The aluminium extrusion and fabrication segments extrude a wide range of aluminium profiles for a variety of applications, ranging from simple architectural needs to high precision electronics applications. These profiles may be custom-made or of standard design. The aluminium profiles manufactured are mainly used in the product manufacturing industry which include, electrical and electronics, furniture, consumer durables and solar panel.
- b. Aluminium billets casting and tooling : Casts the standard aluminium billet for general or miscellaneous use where moderate bending and forming is permissible. The chemical properties of these billets can be specialty formulated and customised according to customer's requirements. The tooling is a service to customer to melt non-confirming profiles, trimming and remnant into aluminium billets.
- c. Money lending : Provide funding needs of the customers who purchase solar power generation devices from solar segment of the Group, these customers are primarily individuals.
- d. Other segment : All other businesses other than above (a, b and c).



P.A. RESOURCES BERHAD

Fourth Quarter Financial Year Ended 30-06-2024	Extrusion and Fabrication RM'000	Aluminium Billets Casting and Tooling RM'000	Money Lending RM'000	Other Segments RM'000	Elimination RM'000	Total RM'000
Revenue						
Inter-segment sales	88,054	383,288	-	18,500	(489,842)	-
External sales	562,145	2,389	102	-	-	564,636
Total revenue	650,199	385,677	102	18,500	(489,842)	564,636
Results						
Profit from operations	51,097	11,452	(77)	(1,298)	-	61,174
Finance costs	(383)	(179)	-	-	-	(562)
Profit before tax	50,714	11,273	(77)	(1,298)	-	60,612
Income tax expense	(11,928)	(2,934)	9	(32)	-	(14,885)
Profit net of tax	38,786	8,339	(68)	(1,330)	-	45,727
Segmental						
Assets	270,838	69,317	1,956	11,710	-	353,821
Liabilities	(26,605)	(9,791)	(8)	(354)	-	(36,758)
Other Information						
Capital expenditure	13,606	1,773	-	196	-	15,575
Capital expenditure – work in progress	988	1,339	-	-	-	2,327
Depreciation	6,701	1,176	-	10	-	7,887

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Fourth Quarter Financial Year Ended 30-06-2023	Extrusion and Fabrication RM'000	Aluminium Billets Casting and Tooling RM'000	Money Lending RM'000	Other Segments RM'000	Elimination RM'000	Total RM'000
Revenue						
Inter-segment sales	76,368	297,863		7,500	(381,731)	-
External sales	459,133	2,206	168	-	-	461,507
Total revenue	535,501	300,069	168	7,500	(381,731)	461,507
Results						
Profit from operations	37,843	8,883	(154)	(1,776)	-	44,796
Finance costs	(375)	(59)	-	(11)	-	(445)
Profit before tax	37,468	8,824	(154)	(1,787)	-	44,351
Income tax expense	(10,189)	(2,782)	(4)	(4)	-	(12,979)
Profit net of tax	27,279	6,042	(158)	(1,791)	-	31,372
Segmental						
Assets	232,990	47,593	2,528	15,635	-	298,746
Liabilities	11,737	6,630	12	293	-	18,672
Other Information						
Capital expenditure	5,158	4,892	-	-	-	10,050
Depreciation	6,365	866	-	-	-	7,231

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P.A. RESOURCES BERHAD

PART B – NOTES PURSUANT TO THE LISTING REQUIREMENTS OF BURSA SECURITIES

15. PERFORMANCE REVIEW – FOURTH QUARTER RESULTS COMPARISON

	Year To Date Revenue		Year To Date Operating Profit / (Loss)	
	30-06-24 RM'000	30-06-23 RM'000	30-06-24 RM'000	30-06-23 RM'000
Extrusion and fabrication	650,199	535,501	51,097	37,843
Aluminium billets and tolling	385,677	300,069	11,452	8,883
Money lending	102	168	(77)	(154)
Others	18,500	7,500	(1,298)	(1,776)
	1,054,478	843,238	61,174	44,796
<u>Interco transactions</u>				
Dividend from subsidiaries	(18,500)	(7,500)	-	-
Aluminium billets and tolling	(383,288)	(297,863)	-	-
Extrusion and fabrication and others	(88,054)	(76,368)	-	-
	564,636	461,507	61,174	44,796

Revenue and Operating Profit

a. Extrusion and Fabrication

A surge of revenue by RM114.7 m predominantly due to higher customers' order for both export and local sales, alongside a rise in interco. sales totalling RM11.7 m.

The operating profit increased by RM13.3m primarily due to a higher gross profit of RM19.6m. However, this growth was offset by a higher ESOS expense by RM1.5m from RM2.4m to RM3.9m, a lower unrealised and realised gain by RM2.6m from RM3.3m gain to RM0.7m, a higher depreciation charges by RM0.5m from RM6.4m to RM6.8m.

b. Aluminium Billet and Tolling

This segment registered revenue growth of RM85.6 m. After offsetting with interco transactions, the effect is negligible. The operating profit increase by RM2.6 m mainly due to higher profit from interco. sales.

P.A. RESOURCES BERHAD

c. Money Lending

Semi dormant status. Mainly collecting and recovery of existing loans. The decrease in revenue can be attributed to reduction in trade receivables balances, which occurred as a result of debt payment from the borrower.

Despite a RM66k decrease in revenue, the operating loss narrowed by RM77k. This improvement is attributed to a lower net provision for impairment loss on trade receivables, which was RM26k this year compared to RM185k in previous year.

d. Others

The revenue for current year amounted to RM18.5m for and amounted to RM7.5m for preceding year, consisted of a dividend from its wholly-owned subsidiary, which was fully eliminated at the consolidated group level. The losses from operations primarily from administrative expenses incurred by the holding company.

16. PERFORMANCE REVIEW – PRECEDING QUARTER RESULTS COMPARISON

	Quarter Ended Revenue		Quarter Ended Operating Profit / (Loss)	
	30-06-24 RM'000	31-03-24 RM'000	30-06-24 RM'000	31-03-24 RM'000
Extrusion and fabrication	173,756	159,284	13,775	15,459
Aluminium billets and tolling	107,969	113,918	1,904	3,042
Money lending	13	32	(54)	(31)
Others	8,000	10,500	(437)	(366)
	289,738	283,734	15,188	18,104
<u>Interco transactions</u>				
Dividend from subsidiaries	(8,000)	(10,500)	-	-
Aluminium billets and tolling	(107,402)	(112,746)	-	-
Extrusion and fabrication and others	(27,547)	(22,718)	-	-
	146,789	137,770	15,188	18,104

Revenue and Operating Profit

a. Extrusion and Fabrication

The RM14.5m increase in revenue was primarily due to higher local market sales orders and inter-company sales, which rose by RM16.7m and RM4.9m, respectively. However, this increase was partially offset by a RM7.1m decline in export sales.

P.A. RESOURCES BERHAD

The decrease in operating profit by RM1.7 m primarily due to preceding quarter recorded unrealised gain of RM2.8m and fair value loss on derivative of RM0.3m compared to RM82k and RM1k fair value gain on derivative in current quarter. This was offset with a higher realised gain by RM0.2m recorded in current quarter against RM0.1m in preceding quarter.

b. Aluminium Billets and Tolling

Revenue decreased by RM5.9m, but the impact was negligible after offsetting with intercompany sales. The RM1.1m decrease in operating profit was consistent with the decrease in revenue.

c. Money Lending

Semi dormant status, primarily focused on collecting and recovering existing loans. The current quarter's revenue and operating profit show comparable results to the prior quarter. The amounts are relatively small and the variance between the two (2) periods is minimal and does not warrant further detailed analysis.

d. Others

The revenue of amounted to RM8.0m for current quarter and RM10.5m for preceding quarter consisted of dividends from the Company's wholly-owned subsidiary, which was fully eliminated at the consolidated group level. The losses from operations primarily from administrative expenses incurred by the holding company.

17. PROSPECTS

Year on year, revenue increased by RM103.1m or 22.3%, reaching the RM500.0 million milestone at RM564.6m. Meanwhile, the profit after tax grew by RM14.4m or 45.8%, totalling RM45.7m. This notable growth in both revenue and profit underscores the Group's initiatives, market demand and our operational efficiencies. These financial results highlight the Group's dedication to enhancing shareholder value and ensuring sustainable long-term growth.

On 18 January 2024, the Company announced its subsidiary, P.A. Extrusion (M) SD. Bhd. ("**PAE**") renewed its supply agreement with First Solar, Inc., First Solar Malaysia Sdn. Bhd. and First Solar Vietnam Manufacturing Co. Ltd., valued at up to USD231.9 m (equivalent to RM1.076 billion) until 1 July 2025 ("**Renewal Contract**"). Capacity expansion was completed to meet the demands of this contract. Since the renewal of the contract, the Group has started to see positive outcomes, including higher revenue. The Renewal Contract will also provide a stable financial prospect for the Group and the successful completion of capacity expansion is timely to meet the increase in volume of the Renewal Contract.

Additionally, on 19 February 2024, PAE entered into agreements to acquire two (2) industrial lands for RM21.0m to construct new plant ("**Proposed Acquisitions**"). The Proposed Acquisitions was completed on 29 July 2024. Following completion, the Group has engaged consultants and initiated planning process. The Proposed Acquisition is to align the Group's growth in the mid-term. The new plant will be doubling its production capacity as well as strategically capitalising upstream and downstream business.

P.A. RESOURCES BERHAD

With the financial year now concluded, the Board is pleased to report that the Group's performance has significantly exceeded last year's revenue and profit after tax.

Barring unforeseen circumstances, the Board opines that the Group's performance for the financial year ending 2025 will be cautiously optimistic.

18. PROFIT FORECAST OR PROFIT GUARANTEE

The Group did not provide any profit forecast, profit guarantee and internal targets in any publicly available documents or announcements.

19. MATERIAL LITIGATION

There is no material litigation involving the Group, which is not in the ordinary course of business as at the date of this report.

20. TAXATION

	Fourth Quarter Ended RM'000	Year To Date RM'000
Taxation		
Income tax expense	21	6,020
Deferred tax	1,763	8,865
	<u>1,784</u>	<u>14,885</u>
Effective tax rate	<u>11.8%</u>	<u>24.6%</u>

The Group's effective tax rate is 24.6%, which is close to the statutory tax rate of 24.0%.

P.A. RESOURCES BERHAD

21. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced but not completed at the date of issuance of this Interim Financial Statements.

22. GROUP BORROWINGS

The Group's borrowings denominated in functional currency are as follows: -

	RM'000
Current - Term loans	2,018
Non-current - Term loans	8,105
Total borrowings	10,123

The bank borrowings are secured by the followings: - (a) registered legal charge on freehold land and buildings, fixed and floating charge on plant and machinery and corporate guarantee of the holding company.

23. DERIVATIVE FINANCIAL INSTRUMENTS

As at 30 June 2024, the Group has the following outstanding derivative financial instruments: -

	Principal /	Fair value	
	Notional Amount	Assets	Liabilities
	RM'000	RM'000	RM'000
Less than a year	42,454	1	-

The purpose of entering currency forward contracts is to mitigate the potential adverse effects of fluctuations in exchange rates on sales denominated in USD. The fair value gain on derivative assets has been recognised in the financial statements.

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24. DIVIDEND DECLARED

An interim dividend of 0.50 Sen per ordinary share totalling to RM7.5 m in respect of financial year ended 30 June 2024 has been declared on 28 August 2024.

25. EARNINGS PER SHARE (“EPS”)

The basic EPS for the financial period has been calculated by dividing the net profit after tax and non-controlling interest attributable to shareholders by the basic number of ordinary shares in issue. The basic EPS and diluted EPS were calculated as follows: -

a. Basic EPS

	Fourth Quarter Ended		Year To Date	
	30-06-24	30-06-23	30-06-24	30-06-23
Net profit attributable to Owners of the Company (RM'000)	<u>13,287</u>	<u>3,348</u>	<u>45,727</u>	<u>31,372</u>
Number of ordinary shares in issue ('000)	1,435,679	1,433,497	1,434,108	1,433,497
Basic EPS (Sen)	<u>0.93</u>	<u>0.23</u>	<u>3.19</u>	<u>2.19</u>

b. Diluted EPS

- Diluted EPS is calculated by dividing the profit after tax attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares.

P.A. RESOURCES BERHAD

- During the current quarter under review, the Group has no dilution in its EPS for Batch 1 but has dilution in its EPS for Batch 2 and Batch 3.

i. **Batch 1 - ESOS granted on 18 May 2021 at an offer price of RM0.45 per ordinary share**

The exercise price of the ESOS of RM0.45 exceeded the market price of ordinary shares and therefore, this ESOS Batch 1 will not have any dilutive effect on the basic earnings per ordinary shares.

ii. **Batch 2 – ESOS granted on 25 August 2023 at an offer price of RM0.223 per ordinary share**

The closing market price as at 28 June 2024 was at RM0.38 which is higher than the offer price of RM0.223 therefore it has dilution effect on the basic earnings per ordinary shares.

iii. **Batch 3 – ESOS granted on 1 March 2024 at an offer price of RM0.318 per ordinary share**

The closing market price as at 28 June 2024 was at RM0.38 which is higher than the offer price of RM0.318 therefore it has dilution effect on the basic earnings per ordinary shares.

- The effect of dilution in EPS calculated as follows: -

	Fourth Quarter Ended		Year To Date	
	30-06-24	30-06-23	30-06-24	30-06-23
Net profit attributable to Owners of the Company (RM'000)	<u>13,287</u>	<u>3,348</u>	<u>45,727</u>	<u>31,372</u>
Weighted average number of ordinary shares in issue ('000)	1,435,679	1,433,497	1,434,108	1,433,497
Effect of dilutive potential ordinary shares – ESOS ('000)	70,214	-	70,214	-
	<u>1,505,893</u>	<u>1,433,497</u>	<u>1,504,322</u>	<u>1,433,497</u>
Dilutive EPS (Sen)	<u>0.88</u>	<u>0.23</u>	<u>3.04</u>	<u>2.19</u>

* : The Group has dilution in its earnings as the market price of ordinary shares as at 28 June 2024 was at RM0.38, which exceeded the ESOS Batch 2 exercise price of RM0.223 and the ESOS Batch 3 exercise price of RM0.318.

P.A. RESOURCES BERHAD

26. NET ASSETS PER SHARE

The net assets per share is derived by dividing the Group's net asset by the number of shares in issue and is calculated as follows: -

	30-06-24	30-06-23
Net assets attributable to Owners of the Company (RM'000)	317,063	280,074
Total number of ordinary shares in issue ('000)	1,499,278	1,493,552
Net assets per share (Sen)	<u>21.15</u>	<u>18.75</u>

27. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging / (crediting): -

	Fourth Quarter Ended		Year To Date	
	30-06-24 RM'000	30-06-23 RM'000	30-06-24 RM'000	30-06-23 RM'000
Depreciation of PPE	1,764	1,628	6,973	6,583
Depreciation of right-of-use of assets	382	228	914	648
Foreign exchange losses / (gain)				
realised – net	(294)	(1,287)	(3,121)	(603)
unrealised – net	2	(3,619)	2,391	(2,740)
Interest expense				
Term loans	72	(60)	292	132
Lease liabilities	45	34	102	84
Bank overdraft	-	2	4	30
Trade line facilities and revolving Credit	-	-	164	199
Loss on disposal of PPE	-	179	25	244
ESOS expense	2,231	546	4,926	2,764
Allowance / (reversal) doubtful debts	(23)	(189)	24	(418)
Fair value (gain) / loss on derivative	(7)	-	(1)	-
Interest income	(263)	(78)	(749)	(149)