

B E S H O M

THE BEST STARTS FROM HOME

Beshom Holdings Berhad

(Registration No. 202101001114 (1401412-A))

(Incorporated in Malaysia)

Unaudited Interim Financial Report

30 April 2024

BESHOM HOLDINGS BERHAD

(Registration No. 202101001114 (1401412-A))

Quarterly report on consolidated results for the financial year ended 30 April 2024

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED 30 APRIL 2024

	INDIVIDUAL PERIOD (4th Quarter)		CUMULATIVE PERIOD (4th Quarter)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/04/2024	30/04/2023	30/04/2024	30/04/2023 (Audited)
	RM'000	RM'000	RM'000	RM'000
Revenue	35,544	39,016	150,774	174,229
Cost of sales	(19,699)	(21,514)	(88,149)	(100,809)
Gross Profit	15,845	17,502	62,625	73,420
Other income	1,312	1,067	4,695	5,903
Depreciation	(1,397)	(1,397)	(5,537)	(5,505)
Administrative expenses	(5,079)	(6,208)	(18,657)	(20,521)
Selling & distribution expenses	(7,292)	(5,860)	(28,459)	(28,643)
Other expenses	(39)	86	(486)	(626)
Operating Profit	3,350	5,190	14,181	24,028
Finance income	155	140	647	612
Finance costs	(63)	(83)	(222)	(221)
Share of profit/(loss) of equity-accounted investee, net of tax	(33)	(77)	(119)	(155)
Profit before tax	3,409	5,170	14,487	24,264
Tax expenses	(377)	(2,439)	(3,550)	(7,489)
Profit after tax	3,032	2,731	10,937	16,775
Profit attributable to:				
Owners of the Company	3,063	2,778	10,857	16,285
Non-controlling interests	(31)	(47)	80	490
	3,032	2,731	10,937	16,775
Earnings Per Share attributable to owners of the Company				
- Basic (sen)	1.02	0.93	3.61	5.43

The Condensed Consolidated Statement of Profit And Loss should be read in conjunction with the audited financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the interim financial statements.

BESHOM HOLDINGS BERHAD

(Registration No. 202101001114 (1401412-A))

Quarterly report on consolidated results for the financial year ended 30 April 2024

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 APRIL 2024**

	INDIVIDUAL PERIOD (4th Quarter)		CUMULATIVE PERIOD (4th Quarter)	
	CURRENT YEAR QUARTER 30/04/2024	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2023	CURRENT YEAR TO DATE 30/04/2024	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2023 (Audited)
	RM'000	RM'000	RM'000	RM'000
Profit for the year	3,032	2,731	10,937	16,775
Other comprehensive income				
- Net change in fair value of equity investments designated at fair value through other comprehensive income	1,487	(496)	372	(496)
- Foreign currency translation differences for foreign operations	4	654	(248)	698
Total comprehensive Income for the year	4,523	2,889	11,061	16,977
Total comprehensive income attributable to:				
Owners of the Company	4,554	2,936	10,981	16,487
Non-controlling Interests	(31)	(47)	80	490
	4,523	2,889	11,061	16,977

The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the interim financial statements.

BESHOM HOLDINGS BERHAD

(Registration No. 202101001114 (1401412-A))

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2024

	AS AT CURRENT FINANCIAL QUARTER ENDED 30/04/2024 (RM'000)	AS AT PRECEDING FINANCIAL YEAR ENDED 30/04/2023 (RM'000) (Audited)
ASSETS		
Non-current assets		
<i>Property, Plant and Equipment</i>	79,453	81,976
<i>Investment properties</i>	42,859	42,791
<i>Right-of-use assets</i>	11,005	10,510
<i>Investment in jointly control entity</i>	1,727	1,846
<i>Other Investments</i>	7,572	7,300
<i>Goodwill arising from consolidation</i>	85	85
<i>Trade receivables - non current</i>	1,584	1,651
<i>Deferred tax assets</i>	1,970	2,007
	146,255	148,166
Current Assets		
<i>Inventories</i>	76,918	87,527
<i>Trade and other receivables</i>	22,841	21,863
<i>Other Investments</i>		
<i>Financial assets at fair value through profit or loss</i>	69,157	60,473
<i>Cash and Cash Equivalents</i>	34,346	35,153
	203,262	205,016
TOTAL ASSETS	349,517	353,182
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
<i>Share capital</i>	312,978	312,978
<i>Treasury Shares</i>	(120)	-
<i>Other reserves</i>	(154,687)	(154,439)
<i>Retained earnings</i>	151,926	151,122
	310,097	309,661
Non-controlling interests	11,839	12,111
Total Equity	321,936	321,772
Non-current Liabilities		
<i>Contract Liabilities</i>	204	345
<i>Lease Liabilities</i>	3,028	2,471
<i>Deferred tax</i>	351	308
	3,583	3,124
Current Liabilities		
<i>Trade & other payables</i>	21,866	25,848
<i>Short-term provisions</i>	253	350
<i>Lease Liabilities</i>	1,418	1,354
<i>Contract Liabilities</i>	384	553
<i>Current tax payables</i>	77	181
	23,998	28,286
Total Liabilities	27,581	31,410
TOTAL EQUITY AND LIABILITIES	349,517	353,182
Net assets per share attributable to owners of the Company (RM)	1.03	1.03

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 APRIL 2024

	Attributable to owners of the Company						Non-controlling interests	Total Equity	
	Non distributable				Distributable				
	Share Capital	Treasury shares	Reorganisation reserve	Exchange fluctuation reserve	Capital reserve	Retained Earnings			Total
(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	
12-month ended 30 April 2024									
Balance as at 1 May 2023	312,978	-	(155,823)	727	657	151,122	309,661	12,111	321,772
Profit for the year	-	-	-	-	-	10,857	10,857	80	10,937
Other comprehensive loss for the year	-	-	-	(248)	-	372	124	-	124
Total comprehensive (loss)/income for the year	-	-	-	(248)	-	11,229	10,981	80	11,061
Acquisition of additional interest in a subsidiary by non-controlling interest	-	-	-	-	-	79	79	(114)	(35)
Dividend	-	-	-	-	-	(10,504)	(10,504)	(238)	(10,742)
Purchase of treasury shares	-	(120)	-	-	-	-	(120)	-	(120)
Balance at end of financial year	312,978	(120)	(155,823)	479	657	151,926	310,097	11,839	321,936

	Attributable to owners of the Company						Non-controlling interests	Total Equity	
	Non distributable				Distributable				
	Share Capital	Treasury shares	Reorganisation reserve	Exchange fluctuation reserve	Capital reserve	Retained Earnings			Total
(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	
12-month ended 30 April 2023 (Audited)									
Balance as at 1 May 2022	312,978	-	(155,823)	29	657	159,214	317,055	12,044	329,099
Profit for the year	-	-	-	-	-	16,285	16,285	490	16,775
Other comprehensive income for the year	-	-	-	698	-	(496)	202	-	202
Total comprehensive income for the year	-	-	-	698	-	15,789	16,487	490	16,977
Acquisition of additional interest in a subsidiary by non-controlling interest	-	-	-	-	-	127	127	(180)	(53)
Dividend	-	-	-	-	-	(24,008)	(24,008)	(243)	(24,251)
Balance at end of financial year	312,978	-	(155,823)	727	657	151,122	309,661	12,111	321,772

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED 30 APRIL 2024

	2024 12-month ended 30/04/2024 (RM '000)	2023 12-month ended 30/04/2023 (RM '000) (Audited)
Profit before tax	14,487	24,264
Adjustment for :-		
Adjustment of right-of-use assets	(20)	-
Change in lease payments arising from rent concessions	-	(24)
Depreciation on property, plant and equipment & IP	3,904	3,781
Depreciation on right-of-use assets	1,633	1,724
Dividend income	(1,093)	(809)
Fair value gain on other investments	(1,049)	(793)
Finance costs	222	221
Finance income	(647)	(612)
Gain on disposal of other investment	(2)	(112)
Gain on disposal of property, plant and equipment & IP	(293)	(1,793)
Impairment loss on other investment	100	-
Net loss on impairment of trade and other receivables	(73)	(22)
Property, plant and equipment written off	7	71
Share of profit of equity-accounted investee, net of tax	119	155
Provision for sales campaign	904	913
Reversal of provision for goods return	-	(400)
Reversal of provision for restoration cost	-	(7)
Unrealised foreign exchange differences	(122)	29
Operating profit before changes in working capital	18,077	26,586
Changes in working capital		
<i>Inventories</i>	10,609	1,816
<i>Receipts from customers</i>	1,894	(1,025)
<i>Net Change in other receivables</i>	(1,420)	3,457
<i>Payment to suppliers, contractors and employees</i>	(6,585)	(1,016)
<i>Net Change in other payables</i>	(3,443)	(8,448)
	1,055	(5,216)
Cash generated from operations		
<i>Payment of income taxes</i>	(4,886)	(10,181)
<i>Finance cost</i>	(222)	(221)
Net cash flows from operating activities	14,024	10,968
Investing Activities		
<i>Accretion of equity interests in subsidiary</i>	(35)	(53)
<i>Acquisition of other investments</i>	(13,500)	(38,354)
<i>Purchase of property, plant and equipment & IP</i>	(3,111)	(3,285)
<i>Proceeds from disposal of other investment</i>	6,960	31,834
<i>Proceeds from disposal of property, plant and equipment & IP</i>	1,948	1,868
<i>Interest received</i>	647	612
Net cash used in investing activities	(7,091)	(7,378)
Financing Activities		
<i>Dividend paid to non-controlling interests of a subsidiary</i>	-	(243)
<i>Dividend paid</i>	(6,002)	(24,009)
<i>Purchase of Company's own share</i>	(120)	-
<i>Payment of lease liabilities</i>	(1,487)	(1,560)
Net cash used in financing activities	(7,609)	(25,812)
Net Changes in Cash & Cash Equivalents	(676)	(22,222)
Effect of exchange rate & fluctuations on cash held	(131)	11
Cash & Cash Equivalents at beginning of financial year	35,153	57,364
Cash & Cash Equivalents at end of the financial year	34,346	35,153

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the interim financial statements.

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Financial report for the fourth quarter ended 30 April 2024

PART A -- Notes To The Interim Financial Report

A1 Basis of preparation

The interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”). This interim financial statement also complies with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

The interim financial report should be read in conjunction with the most recent annual financial statements of the Group for the year ended 30 April 2023.

These explanatory notes attached to the interim 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 30 April 2023.

Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 30 April 2023 except for the adoption of new standards, amendments and interpretation that have been issued by the Malaysian Accounting Standards Board (“MASB”) which are effective for annual periods beginning on or after 1 January 2023 as stated below:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts* – Initial application of MFRS 17 and MFRS 9 – *Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements* – *Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* – *Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes* – *Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform – Pillar Two Model Rules*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024

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

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates- Lack of Exchangeability*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- Amendments to MFRS 18, *Presentation and Disclosures in Financial Statements*

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Changes in Accounting Policies (continued)

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- 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*

The Group plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 May 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 and Amendments to MFRS 17 which are not applicable to the Group.

The initial application of the abovementioned accounting standards, amendments and interpretations is not expected to have any material financial impact to the current period and prior period financial statements of the Group.

A2 Seasonal or cyclical factors of interim operations

The Group's interim business operations are not significantly affected by seasonal or cyclical factors for the quarter under review except for some seasonal consumer products, which are affected by major festive seasons.

A3 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 because of their nature, size or incidence.

A4 Changes in estimates of amounts reported previously

There were no material changes in estimates of amounts reported in prior interim period of the current or previous financial years.

A5 Issues, repurchase and repayments of debts and equity securities

There have been no other issuance, cancellation, repurchases, resale and repayments of debts and equity securities during the quarter under review except for the following:

- As at 30 April 2024, the treasury shares held were 133,300 shares with total purchase considerations of RM 119,936.
- As at 18 June 2024, the treasury shares held were 140,300 shares with total purchase considerations of RM 126,564.

The repurchase transactions were financed by internally generated funds.

A6 Dividend paid

Dividend paid during the financial year ended 30 April 2024:

- A final single tier dividend of 2 sen per share amounting to RM 6,002,065 in respect of the previous financial year ended 30 April 2023 was paid on 30 November 2023.
- An interim single tier dividend of 1.5 sen per share amounting of RM 4,501,574 in respect of current financial year ended 30 April 2024 was paid on 14 March 2024.

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A7 Segment information

Details of segmental analysis for the year ended 30 April 2024 are as follows:

	Wholesale	Multi-Level Marketing	Retail	Others	Elimination	Consolidated
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
REVENUE						
Revenue from external customers	58,321	52,058	34,729	5,666	-	150,774
Inter-segment revenue	36,723	169	-	9,160	(46,052)	-
Total revenue	95,044	52,227	34,729	14,826	(46,052)	150,774
RESULT						
Segment profit/(loss)	7,949	1,342	598	4,025	267	14,181
Finance costs						(222)
Interest income						647
Share of loss of equity-accounted investee, net of tax						(119)
Profit before taxation						14,487
Income tax expenses						(3,550)
Net profit for the year						10,937

	Wholesale	Multi-Level Marketing	Retail	Others	Elimination	Consolidated
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Segment assets	179,288	81,883	38,705	49,641	-	349,517
Segment liabilities	11,076	8,995	6,141	1,369	-	27,581

A8 Property, plant and equipment

There is no revaluation of property, plant and equipment brought forward from the previous audited financial statements.

A9 Events after the interim period that have not been reflected in the financial statements for the interim period

There were no material events subsequent to the year ended 30 April 2024.

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A10 Changes in the composition of the Group

There was no change in the composition of the Group during the quarter ended 30 April 2024 except for the following:

- (i) Hai-O Enterprise Bhd had acquired additional 6,000 shares in Hai-O Raya Bhd for a total cash consideration of RM 18,000.

A11 Contingent liabilities

The changes in contingent liabilities of the Group since the last annual Statement of Financial Position date are as follows: -

<u>Group</u>	As at 18/06/2024	As at 30/04/2024	As at 30/04/2023
	RM'000	RM'000	RM'000
Bank guarantee given to third parties in respect of services rendered to the Group	2,894	2,894	2,828

A12 Capital commitment

The capital commitment of the Group for the year ended 30 April 2024 is as follows:

	Approved, contracted but not provided for
	RM'000
Property, plant and equipment	5,022
Total	5,022

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PART B -- Explanatory Notes Pursuant To Appendix 9B of The Bursa Securities Listing Requirement

B1 A detailed analysis of the performance of key operating segments of the Group, setting out material factors affecting the earnings and/or revenue of each segment for the current quarter and financial year-to-date:

Financial review for current quarter and financial year to date

	Individual Period (4 th quarter)		Changes	Cumulative Period		Changes
	Current Year Quarter	Preceding Year Corresponding Quarter		Current Year To-date	Preceding Year Corresponding Period	
	30/04/2024 (RM '000)	30/04/2023 (RM '000)		30/04/2024 (RM '000)	30/04/2023 (RM '000)	
					(Audited)	
Revenue	35,544	39,016	(8.9%)	150,774	174,229	(13.5%)
Gross Profit	15,845	17,502	(9.5%)	62,625	73,420	(14.7%)
Operating Profit	3,350	5,190	(35.5%)	14,181	24,028	(41.0%)
Profit Before Tax	3,409	5,170	(34.1%)	14,487	24,264	(40.3%)
Profit After Tax	3,032	2,731	11.0%	10,937	16,775	(34.8%)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Company	3,063	2,778	10.3%	10,857	16,285	(33.3%)

Statement of Profit & Loss and Other Comprehensive Income

According to the Malaysian Institute of Economic Research (MIER), the Consumer Sentiment Index (CSI) has remained below 100 points for five consecutive quarters since first quarter 2023, with the latest CSI at 87.1 points in first quarter 2024 which indicated the persistency of pessimism amidst the high cost of living and weak purchasing power. For the year ended 30 April 2024, the Group posted lower revenue and pre-tax profit of RM 150.8 million and RM 14.5 million respectively, decreased by 13.5% and 40.3% as compared to the previous year's corresponding period of RM 174.2 million and RM 24.3 million respectively.

Statement of Financial Position

The equity attributable to owners of the Company as at 30 April 2024 stood at RM 310.1 million (FYE 30.4.2023: RM 309.7 million), after taking into account net profit attributable to owners of the Company amounting to RM 10.9 million, a final dividend of RM 6.0 million in respect of the previous financial year ended 30 April 2023 and interim dividend of RM 4.5 million in respect of current financial year ended 30 April 2024.

Total assets of the Group was RM 349.5 million (FYE 30.4.2023: RM 353.2 million) mainly reflecting the decrease in inventories. Total liabilities of the Group decreased by RM 3.8 million to RM 27.6 million (FYE 30.4.2023: RM 31.4 million) mainly from the decrease in trade and other payables.

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Statement of Financial Position (continued)

Net asset per share as at 30 April 2024 was RM 1.03 (FYE 30.4.2023: RM 1.03).

Statement of Cash Flow

The cash holding of the Group comprising financial assets, cash and cash equivalents amounted to RM 103.5 million as at 30 April 2024.

Net cash flow from operating activities amounted to RM 14.0 million, primarily generated from the Group's businesses which are substantially transacted in cash. Net cash used in investing activities was RM 7.1 million mainly incurred on the purchase of other investment, property, plant and equipment and investment property. Net cash used in financing activities of RM 7.6 million was mainly utilised for dividend payment of RM 6.0 million including dividend payment to non-controlling interests and payment of lease liabilities. As a result, the Group's cash and cash equivalents decreased by RM 0.8 million to RM 34.3 million as at financial year ended 30 April 2024.

Segmental Analysis

Current quarter compared to the preceding year's corresponding quarter

(i) MLM division

Despite Malaysia's GDP recorded 4.2% growth in the first quarter 2024, the growth was uneven with weak consumer confidence and willingness to spend still afflicting the MLM segment. The division's revenue fell from RM 15.3 million in the preceding year's corresponding quarter to RM 13.0 million .

In tandem with lower revenue recorded and higher provision of slow moving stock provided in the quarter under review, pre-tax profit reduced from RM 2.6 million to RM 0.3 million.

(ii) Wholesale division

The division recorded lower revenue of RM 12.0 million, decreased by 17.8% as compared to the preceding year's corresponding quarter of RM 14.6 million. Revenue recorded lower post Chinese medicated tonic sales promotion campaign in Q3 FY2024.

Despite lower revenue recorded, pre-tax profit maintained at about RM 1.9 million mainly aided by cost optimization initiative and maintainable profit registered in the quarter under review.

(iii) Retail division

Divisional revenue increased by 15.2% to RM 9.1 million for the current quarter under review as compared to the previous year's corresponding quarter of RM 7.9 million. Part of the CNY sales was crossed over to 4th quarter of this current financial year contributed to the increase in revenue, as opposed to lower base in previous year which captured the full impact of CNY in the 3rd quarter instead.

In tandem with higher revenue recorded, the division managed to turn around from breakeven into profit.

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Current financial period compared to the preceding year's corresponding period

For the financial year ended 30 April 2024, the Group recorded lower revenue and pre-tax profit of RM 150.8 million and RM 14.5 million as compared to RM 174.2 million and RM 24.3 million in the preceding year's corresponding period, representing a decrease of 13.5% and 40.3% respectively:

(i) MLM division

The division is continuously facing challenges during the financial year, the recovery of business momentum and drive among distributors are not improving despite various marketing activities being carried out. With many new market players entering into MLM industry, members' recruitment and renewal have not been encouraging. This is evident from the less encouraging response to the overseas incentive trip sales campaign launched during the financial year. In addition, divisional financial performance was further dragged by lower margin due to the increase costs in supply chain.

In view of the above, the division recorded lower revenue and pre-tax profit of RM 52.1 million and RM 1.6 million respectively for the financial year under review.

(ii) Wholesale division

The division posted lower revenue of RM 58.3 million, decreased marginally by 2.5% as compared to the preceding year of RM 59.8 million, mainly attributed to lower sales of Chinese medicated tonic due to higher stock-up by wholesalers during "last-buy" sales promotion prior to the price increased in previous year.

In comparison with higher base in the previous year's corresponding period which was partly contributed by a gain from the disposal of vintage tea amounting to RM1.7 million and higher contribution from inter-segment sales, the pre-tax profit decreased by 22.7% to RM 8.4 million.

(iii) Retail division

The retail industry in Malaysia continues to face challenges amid rising cost of living which has adversely affected the purchasing power of consumers especially spending less on non-essential goods. The division registered 11.0% decrease in revenue to RM 34.7 million as compared to RM 39.0 million in the previous year's corresponding period.

In tandem with lower revenue recorded and higher operating costs arose from higher personnel costs following the revision of minimum wages coupled with lower contribution from premium house brand products, the division recorded lower pre-tax profit of RM 0.5 million as compared to RM 2.8 million in the previous year's corresponding period.

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Current financial period compared to the preceding year's corresponding period (continued)

(iv) Other division

Revenue from the Other division is primarily derived from the rental of investment properties, manufacturing of health supplements and credit & leasing business.

During the financial year under review, pre-tax profit increased by 21.9% to RM 4.0 million mainly attributed to a gain on disposal of investment properties and cost optimisation measures carried out in other division resulted lower operating costs incurred.

B2 Material changes in the profit before taxation for the quarter under review as compared with the immediate preceding quarter

Financial review for current quarter compared with the immediate preceding quarter

	Current Year Quarter	Immediate Preceding Quarter	Changes
	30/04/2024 (RM '000)	31/01/2024 (RM '000)	
Revenue	35,544	42,157	(15.7%)
Gross Profit	15,845	16,902	(6.3%)
Operating Profit	3,350	4,265	(21.5%)
Profit Before Tax	3,409	4,341	(21.5%)
Profit After Tax	3,032	3,058	(0.9%)
Profit Attributable to Ordinary Equity Holders of the Company	3,063	3,015	1.6%

For the 4th quarter under review, the Group revenue and pre-tax profit decrease by 15.7% and 21.5% to RM 35.5 million and RM 3.4 million, respectively.

Financial review for current quarter compared with the immediate preceding quarter

(i) MLM division

Divisional revenue decreased marginally by 2.5% to RM 13.0 million, as a result of the slow-down of distributors' business activities during the Ramadan fasting month and the Hari Raya festive season. Pre-tax profit decreased from RM 0.9 million to RM 0.3 million mainly due to the higher provision of slow moving stocks provided in the quarter under review.

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Financial review for current quarter compared with the immediate preceding quarter (continued)

(ii) Wholesale division

The division recorded lower revenue of RM 12.0 million, declined by 30.6% as compared with the immediate preceding quarter of RM 17.3 million. The higher base in the immediate preceding quarter was mainly driven by seasonal CNY sales campaign and higher sales generated from Chinese medicated tonic.

Despite lower revenue recorded, pre-tax profit maintained at about RM 1.9 million mainly aided by cost optimization initiative and higher profit margin registered in the quarter under review. .

(iii) Retail division

The division posted lower revenue and pre-tax profit of RM 9.1 million and RM 0.1 million as compared with the immediate preceding quarter of RM 10.2 million and RM 0.5 million, respectively.

The decline in the financial performance was attributable to lower A&P subsidy from suppliers and partly due to higher base in the immediate preceding quarter which was driven by higher sales from CNY festive season campaign.

B3 Commentary on next financial year

In spite of ongoing global challenges, the recent report by Bank Negara forecasts Malaysia's GDP to expand between 4% to 5% in year 2024 given the improvements in the recovery of external demand and resilient domestic spending. However, the Group will continue to keep a close tab especially on issues which have a direct impact on our consumer-centric business and remains mindful particularly on the rising inflationary pressure, ringgit currency fluctuation and the escalation in geopolitical tensions.

The unfavorable external factors and recent diesel subsidy rationalization could impact negatively on consumer sentiment and their willingness to spend especially on non-essential goods. In light of the challenging economic environment, the Group will continue to take proactive measures to mitigate business risks, enhance our existing physical outlets and digital platform to deliver the best customer experience, cost optimization, streamline operational efficiency and re-strategize marketing plan to support business sustainability, going forward.

In view of the above, the Board of Directors remains cautiously optimistic on the outlook of the Group's performance in the next financial year.

B4 Statement of the Board of Directors' opinion on achievability of the financial estimate, forecast, projection or internal targets previously announced

There were no financial estimate, forecast, projection or internal targets previously announced by the Board of Directors.

B5 Profit forecast / profit guarantee previously announced

There were no profit forecast or profit guarantee previously announced.

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B6 Trade Receivables

Ageing analysis of trade receivables of the Group as at 30 April 2024 is as follow:

	RM'000
Not past due	11,531
Past due 1-30 days	1,144
Past due 31-60 days	419
Past due more than 60 days	1,428
	14,522
Impaired	(780)
	13,742

The trade receivables comprised mainly of non-related parties with credit term of 60-90 days.

B7 Taxation

The provision for income tax is based on the business income earned for the financial year under review.

For the current quarter, the effective tax rate of the Group was lower than the statutory tax rate due mainly to certain income which are not subject to tax and utilisation of capital allowance.

For the financial year to date, the effective tax rate of the Group was higher than the statutory tax rate as certain expenses were not deductible for tax purpose and losses of certain subsidiary companies which could not be set off against profits of certain subsidiaries as no Group relief was available for tax purposes.

	Current quarter ended	Current year to date
	30/04/2024	30/04/2024
	(RM '000)	(RM '000)
Profit before taxation	3,409	14,487
Taxation at applicable tax rate – 24%	818	3,477
Adjustment mainly due to certain non-taxable income and utilisation of capital allowance/certain non-allowable expenses and deferred tax recognized in the profit or loss	(441)	73
Total Income Tax Expenses	377	3,550

B8 Status of Corporate Proposals

There were no outstanding corporate proposals for the year under review.

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B9 Group Borrowings and Debts Securities

There were no borrowings or debts securities as at 30 April 2024.

Current Quarter ended 30/04/2024				
Group Borrowings	Currency	Secured/ Unsecured	Type of borrowing	RM'000
Short Term Borrowings	Ringgit Malaysia	Unsecured	Trade facilities	-
Short Term Borrowings	Ringgit Malaysia	Secured	-	-
Total				-

Preceding Quarter ended 30/04/2023				
Group Borrowings	Currency	Secured/ Unsecured	Type of borrowings	RM'000
Short Term Borrowings	Ringgit Malaysia	Unsecured	Trade facilities	-
Short Term Borrowings	Ringgit Malaysia	Secured	-	-
Total				-

The short-term borrowings comprised solely of trade facilities for working capital purpose which were denominated in RM currency. Apart from the banking facilities for working capital, the Group did not have other drawn down banking facilities and the gearing level was negligible.

B10 Changes in Material Litigation

The Group is not engaged in any material litigation, claims or arbitration, including those pending or threatened against our Group, either as plaintiff or defendant, which has a material effect on the financial position of the Group.

B11 Dividend

The Board of Directors is pleased to propose a final single tier dividend of 1.5 sen per ordinary share, in respect of the financial year ended 30 April 2024 which is subject to the approval of the shareholders at the forthcoming Annual General Meeting (30.4.2023 : 2 sen final single tier dividend).

The dates of entitlement and payment will be advised later.

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B12 Earnings per share (EPS)

Earnings per share

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/04/2024	30/04/2023	30/04/2024	30/04/2023 (Audited)
<i>Earnings</i>				
Net profit for the period attributable to ordinary shareholders of the Company (RM'000)	3,063	2,778	10,857	16,285
Weighted average number of shares ('000)	300,094	300,103	300,094	300,103
Basic earnings per share (sen)	1.02	0.93	3.61	5.43

Diluted EPS is not presented as the Company has no potential shares or other instruments with dilutive effects.

B13 Auditors' report of the preceding annual financial statement

The auditors' report of the preceding annual financial statement does not contain any modified opinion or material uncertainty related to going concern nor qualification.

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B14 Items included in the Statement of Profit and Loss and Other Comprehensive Income

	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/04/2024 RM' 000	30/04/2023 RM' 000	30/04/2024 RM' 000	30/04/2023 RM' 000 (Audited)
<i>Profit before taxation is arrived at after (charging)/crediting:</i>				
Interest income	155	140	647	612
Other income including investment Income	1,312	1,067	4,695	5,903
Interest expense	(63)	(83)	(222)	(221)
Depreciation and amortization on PPE & IP	(966)	(957)	(3,904)	(3,781)
Depreciation and amortization on Right-use-of-assets	(431)	(440)	(1,633)	(1,724)
Provision for and write off of receivables	88	(15)	73	22
Provision for and write off of inventories	(757)	(307)	(1,490)	(898)
Gain or (loss) on disposal of quoted or unquoted investment /PPE or IP	(264)	112	(295)	1,905
Foreign exchange gain/(loss):				
- Realised	282	79	1,048	616
- Unrealised	19	190	122	(29)
Gain or loss on derivatives	-	-	-	-
Impairment of assets	-	-	-	-
Any material items not disclosed above	-	-	-	-

B15 The interim financial statements were authorised for issue by the Board of Directors on 25 June 2024.