

## **FINANCIAL RESULTS**

\* New Announcement

Submitting Secretarial Firm Name : TRICOR CORPORATE SERVICES SDN. BHD.

\* Company name : **TEO GUAN LEE CORPORATION BHD**  
**Registration No. 199301028971 (283710-A)**

\* Stock name : **TGL**

\* Stock code : **9369**

\* Contact person : Madam Toh Kian Beng

\* Designation : Executive Chairman

## **PART A1: QUARTERLY REPORT**

\* Quarterly report for financial period ended : **31<sup>st</sup> December 2023**

\* Quarter : **2<sup>nd</sup> Quarter**

\* Financial Year End : **30<sup>th</sup> June 2024**

\* The figures : Have not been audited

**TEO GUAN LEE CORPORATION BHD** (Registration No. 199301028971 (283710-A))

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 DECEMBER 2023 (UNAUDITED)**

|  | INDIVIDUAL PERIOD<br>(2ND QUARTER)       |  |         |                | CUMULATIVE PERIOD                        |   |         |                |
|--|--|--|---------|----------------|--|---|---------|----------------|
|  | Current<br>Year<br>Quarter<br>31/12/2023 | Preceding Year<br>Corresponding<br>Quarter<br>31/12/2022 | Changes | Changes        | Current<br>Year<br>To-date<br>31/12/2023 | Preceding Year<br>Corresponding<br>Period<br>31/12/2022 | Changes | Changes        |
|  | RM'000                                   | RM'000   | RM'000  | %              | RM'000                                   | RM'000  | RM'000  | %              |
| Revenue  | 30,719                                   | 30,659   | 60      | 0.20%          | 51,362                                   | 51,025  | 337     | 0.66%          |
| Gross profit   | 10,730<br>35%                            | 10,397<br>34%  | 333     | 3.20%<br>1.00% | 21,224<br>41%                            | 20,715<br>41%   | 509     | 2.46%<br>0.00% |
| Other operating income   | 302                                      | 648  | (346)   | -53.40%        | 729                                      | 1,032   | (303)   | -29.36%        |
| Operating expenses   | (7,640)                                  | (6,979)  | (661)   | 9.47%          | (15,380)                                 | (14,830)  | (550)   | 3.71%          |
| Profit from the operation  | 3,392                                    | 4,066  | (674)   | -16.58%        | 6,573                                    | 6,917   | (344)   | -4.97%         |
| Finance costs  | (96)                                     | (160)  | 64      | -40.00%        | (221)                                    | (310)   | 89      | -28.71%        |
| Profit before taxation   | 3,296                                    | 3,906  | (610)   | -15.62%        | 6,352                                    | 6,607   | (255)   | -3.86%         |
| Taxation   | (892)                                    | (1,082)  | 190     | -17.56%        | (1,672)                                  | (2,087)   | 415     | -19.89%        |
| Profit for the period representing<br>total comprehensive income<br>for the period, net of tax | 2,404                                    | 2,824  | (420)   | -14.87%        | 4,680                                    | 4,520   | 160     | 3.54%          |
| Profit attributable to :   |  |  |         |                |  |   |         |                |
| Equity holders of the parent   | 2,404                                    | 2,824  | (420)   | -14.87%        | 4,680                                    | 4,516   | 164     | 3.63%          |
| Non-controlling interest   | -  | -  | -       | 0.00%          | -  | 4   | (4)     | 100.00%        |
|  | 2,404                                    | 2,824  | (420)   | -14.87%        | 4,680                                    | 4,520   | 160     | 3.54%          |
| Earnings per share   | Sen                                      | Sen  |         |                | Sen                                      | Sen   |         |                |
| -Basic   | 2.88                                     | 3.40   |         |                | 5.60                                     | 5.46  |         |                |
| -Diluted   | 2.88                                     | 3.40   |         |                | 5.60                                     | 5.46  |         |                |

The condensed consolidated statements of comprehensive income statements should be read in conjunction with the audited financial statements for the year ended 30<sup>th</sup> June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

|   | <b>Unaudited</b>  | <b>Restated</b>   |
|---|-------------------|-------------------|
|   | <b>31/12/2023</b> | <b>Audited</b>    |
|   | <b>RM'000</b>     | <b>30/06/2023</b> |
|   |                   | <b>RM'000</b>     |
| <b>ASSETS</b>                                   |                   |                   |
| <b>NON-CURRENT ASSETS</b>                       |                   |                   |
| Property, plant and equipment                   | 2,100             | 2,238             |
| Investment properties                           | 26,047            | 26,453            |
| Right-of-use assets                             | 3,203             | 3,639             |
| Investment in quoted shares                     | 1,824             | 2,003             |
| Intangible asset                                | 2,975             | 3,150             |
| Deferred tax assets                             | 973               | 917               |
|   | <hr/>             | <hr/>             |
|   | 37,122            | 38,400            |
|   | <hr/>             | <hr/>             |
| <b>CURRENT ASSETS</b>                           |                   |                   |
| Inventories                                     | 50,398            | 34,124            |
| Receivables                                     | 21,843            | 22,609            |
| Tax assets                                      | 203               | 45                |
| Investment management funds                     | 28,931            | 42,480            |
| Deposits, cash and bank balances                | 1,190             | 2,631             |
| Investment in subsidiary, held for distribution | 305               | 305               |
|   | <hr/>             | <hr/>             |
| <b>TOTAL CURRENT ASSETS</b>                     | 102,870           | 102,194           |
|   | <hr/>             | <hr/>             |
| <b>TOTAL ASSETS</b>                             | 139,992           | 140,594           |
|   | <hr/>             | <hr/>             |
| <b>EQUITY AND LIABILITIES</b>                   |                   |                   |
| <b>EQUITY ATTRIBUTABLE TO EQUITY</b>            |                   |                   |
| <b>HOLDERS OF THE PARENT</b>                    |                   |                   |
| Share capital                                   | 43,219            | 43,219            |
| Reserves  | 69,049            | 71,049            |
|   | <hr/>             | <hr/>             |
| <b>TOTAL EQUITY</b>                             | 112,268           | 114,268           |
|   | <hr/>             | <hr/>             |
| <b>NON-CURRENT LIABILITIES</b>                  |                   |                   |
| Borrowings                                      | 2,581             | 2,825             |
| Lease liabilities                               | 2,632             | 3,074             |
| Deferred taxation                               | 2,410             | 2,374             |
|   | <hr/>             | <hr/>             |
|   | 7,623             | 8,273             |
|   | <hr/>             | <hr/>             |
| <b>CURRENT LIABILITIES</b>                      |                   |                   |
| Payables  | 14,091            | 9,404             |
| Tax liabilities                                 | 1,041             | 752               |
| Lease liabilities                               | 875               | 856               |
| Borrowings                                      | 4,094             | 7,041             |
|   | <hr/>             | <hr/>             |
|   | 20,101            | 18,053            |
|   | <hr/>             | <hr/>             |
| <b>TOTAL LIABILITIES</b>                        | 27,724            | 26,326            |
|   | <hr/>             | <hr/>             |
| <b>TOTAL EQUITY AND LIABILITIES</b>             | 139,992           | 140,594           |
|   | <hr/>             | <hr/>             |

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30<sup>th</sup> June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY  
FOR THE QUARTER ENDED 31 DECEMBER 2023 (UNAUDITED)**

|   | Attributable to equity holders of the Company |                                  |                                |                 |   | Total<br>Equity<br>RM'000 |
|---|---|----------------------------------|--------------------------------|-----------------|---|---------------------------|
|   | Non-distributable                             |                                  | Distributable                  |                 | Non-<br>Controlling<br>Interest<br>RM'000 |                           |
|   | Share<br>Capital<br>RM'000                    | Share Based<br>Reserve<br>RM'000 | Retained<br>Earnings<br>RM'000 | Total<br>RM'000 |   |                           |
| Balance at 1 July 2022  | 41,539  | 149                              | 66,316                         | 108,004         | 1,444                                     | 109,448                   |
| Total comprehensive income for the year   | -   | -                                | 11,374                         | 11,374          | 1   | 11,375                    |
| Transactions with owner   |   |                                  |                                |                 |   |                           |
| Shares awarded and share options vested under Long Term Incentive Plan ("LTIP") | -   | 884                              | -                              | 884             | -   | 884                       |
| Issuance of shares pursuant to LTIP   |   |                                  |                                |                 |   |                           |
| - Shares awarded  | 622   | (622)                            | -                              | -               | -   | -                         |
| - Share option  | 1,058   | (394)                            | -                              | 664             | -   | 664                       |
| Dividends   | -   | -                                | (6,658)                        | (6,658)         | (1,175)                                   | (7,833)                   |
| Winding up of a subsidiary  | -   | -                                | -                              | -               | (270)                                     | (270)                     |
|   | 1,680   | (132)                            | (6,658)                        | (5,110)         | (1,445)                                   | (6,555)                   |
| Balance at 30 June 2023/1 July 2023   | 43,219  | 17                               | 71,032                         | 114,268         | -   | 114,268                   |
| Total comprehensive income for the period                                       | -   | -                                | 4,680                          | 4,680           |   | 4,680                     |
| Transactions with owner   |   |                                  |                                |                 |   |                           |
| Dividends   | -   | -                                | (6,680)                        | (6,680)         | -   | (6,680)                   |
| Balance at 31 December 2023   | 43,219  | 17                               | 69,032                         | 112,268         | -   | 112,268                   |

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30<sup>th</sup> June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE QUARTER ENDED 31 DECEMBER 2023 (UNAUDITED)**

|  | <b>Unaudited<br/>31/12/2023<br/>RM'000</b> | <b>Unaudited<br/>31/12/2022<br/>RM'000</b> |
|--|--|--|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>      |  |  |
| <b>Profit before taxation</b>                    | <b>6,352</b>                               | 6,607                                      |
| Adjustments for:                                 |  |  |
| Non-cash items                                   |  |  |
| Amortisation of intangible asset                 | <b>175</b>                                 | -  |
| Depreciation of investment properties            | <b>406</b>                                 | 368  |
| Depreciation of property, plant and equipment    | <b>434</b>                                 | 368  |
| Depreciation of right-of-use assets              | <b>436</b>                                 | 437  |
| Distribution from investment management funds    | <b>(97)</b>                                | (90)                                       |
| Dividend income                                  | <b>(90)</b>                                | (82)                                       |
| Fair value change in quoted shares               | <b>179</b>                                 | 118  |
| Fair value change in investment management funds | <b>(609)</b>                               | (900)                                      |
| Interest expenses                                | <b>221</b>                                 | 310  |
| Interest income                                  | <b>(19)</b>                                | (27)                                       |
| Share based expenses                             | <b>-</b>                                   | 884  |
| Operating profit before working capital changes  | <b>7,388</b>                               | 7,993                                      |
| Changes in inventories                           | <b>(16,274)</b>                            | (22,689)                                   |
| Changes in receivables                           | <b>766</b>                                 | 12,274                                     |
| Changes in payables                              | <b>4,687</b>                               | 5,094                                      |
| <b>Cash (used in)/generated from operations</b>  | <b>(3,433)</b>                             | 2,672                                      |
| Dividend paid to equity holders of the Company   | <b>(6,680)</b>                             | (6,658)                                    |
| Dividend paid to non-controlling interest        | <b>-</b>                                   | (1,175)                                    |
| Interest received                                | <b>19</b>                                  | 27   |
| Interest paid                                    | <b>(221)</b>                               | (310)                                      |
| Tax paid   | <b>(1,561)</b>                             | (1,472)                                    |
| Tax refunded                                     | <b>-</b>                                   | 2  |
| <b>Net used in operating activities</b>          | <b>(11,876)</b>                            | (6,914)                                    |

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 30<sup>th</sup> June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE QUARTER ENDED 31 DECEMBER 2023 (UNAUDITED) (cont'd)**

|   | <b>Unaudited<br/>31/12/2023<br/>RM'000</b> | <b>Unaudited<br/>31/12/2022<br/>RM'000</b> |
|---|--|--|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |  |  |
| Net movement in investment management funds                 | <b>14,158</b>                              | 11,054                                     |
| Acquisition of a subsidiary, net of cash acquired           | -  | (3,599)                                    |
| Dividend received   | <b>90</b>                                  | 82   |
| Proceeds from distribution from investment management funds | <b>97</b>                                  | 90   |
| Purchase of property, plant and equipment                   | <b>(296)</b>                               | (433)                                      |
| <b>Net cash from investing activities</b>                   | <b>14,049</b>                              | 7,194                                      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |  |  |
| Proceeds from issuance of shares under LTIP                 | -  | 384  |
| Repayment of hire purchase payables and lease liabilities   | <b>(560)</b>                               | (721)                                      |
| Repayment of term loans                                     | <b>(153)</b>                               | (155)                                      |
| Movement in short term borrowings                           | <b>(2,901)</b>                             | (861)                                      |
| <b>Net cash used in financing activities</b>                | <b>(3,614)</b>                             | (1,353)                                    |
| Net changes in cash and cash equivalents                    | <b>(1,443)</b>                             | (1,073)                                    |
| Cash and cash equivalent at beginning of period             | <b>2,633</b>                               | 3,880                                      |
| Cash and cash equivalent at end of period                   | <b>1,190</b>                               | 2,807                                      |
| Represented by:   |  |  |
| Deposits, cash and bank balances                            | <b>1,190</b>                               | 2,807                                      |

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 30<sup>th</sup> June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**(A) NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2023**

**1. BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30<sup>th</sup> June 2023. The 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<sup>th</sup> June 2023.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest ringgit (RM) except when otherwise indicated.

**2. CHANGES IN ACCOUNTING POLICIES**

The accounting policies adopted are consistent with those of the previous financial year except for the following Standards, Amendments to Standards and Interpretation which are mandatory for annual financial periods beginning on or after 1 January 2023 and which were adopted by the Group on 1<sup>st</sup> July 2023.

Amendments to MFRS 101 and MFRS Practice Statement 2) - Disclosure of Accounting Policies  
Amendments to MFRS 108 - Definition of Accounting Estimate  
Amendments to MFRS 112 - Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

The adoption of the above Amendments and Annual improvements to Standards did not have any material financial impact to the Group except for the recognition of additional deferred tax assets and liabilities of RM837,000 respectively arising from right-of-use assets and lease liabilities with adoption of Amendments to MFRS 112. The comparative information had been restated retrospectively.

**3. SEASONAL OR CYCLICAL FACTORS**

The Group is principally involved in wholesale and retail of garments and related accessories. The demand for the Group’s products is generally dependent on the Malaysian economy, consumer confidence and is seasonal with demand peaking at the festive seasons at the end and beginning of the year.

**4. UNUSUAL MATERIAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

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

**5. MATERIAL CHANGES IN ESTIMATES**

There were no material changes in estimates that have a material effect to the current quarter results.

**(A) NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2023 (cont'd)**

**6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

**7. DIVIDEND PAID**

During the quarter under review, the final and special single tier dividend of 5 sen and 3 sen per share amounting to RM6,679,872 in respect of the financial year ended 30<sup>th</sup> June 2023 was paid on 13<sup>th</sup> December 2023.

**8. SEGMENTAL REPORTING**

Quarter ended 31<sup>st</sup> December 2023

|   | Apparels<br>RM'000 | Investment<br>holding<br>RM'000 | Eliminations<br>RM'000 | Consolidated<br>RM'000 |
|---|--------------------|---------------------------------|------------------------|------------------------|
| <b>Revenue</b>  |                    |                                 |                        |                        |
| External revenue  | 50,266             | 1,096                           | -                      | 51,362                 |
| Inter-segment revenue   | 85                 | 18                              | (103)                  | -                      |
| Total segment revenue   | 50,351             | 1,114                           | (103)                  | 51,362                 |
| <b>Results</b>  |                    |                                 |                        |                        |
| Segment profit from operations  | 6,161              | 296                             | -                      | 6,457                  |
| Interest income   | 19                 | -                               | -                      | 19                     |
| Distribution from management investment funds                         | 97                 | -                               | -                      | 97                     |
| Interest expenses   | (158)              | (63)                            | -                      | (221)                  |
| Profit before tax   | 6,119              | 233                             | -                      | 6,352                  |
| Tax expenses  | (1,487)            | (185)                           | -                      | (1,672)                |
| Profit for the financial period attribute to<br>Owners of the Company | 4,632              | 48                              | -                      | 4,680                  |
| Segment assets  | 115,874            | 28,696                          | (4,578)                | 139,992                |
| Segment liabilities   | 22,441             | 9,861                           | (4,578)                | 27,724                 |

The Group's business activities were predominantly carried out in Malaysia.

**9. CARRYING AMOUNT OF REVALUED ASSETS**

The valuation of land and buildings has been brought forward, without amendment from the financial statements for the financial year ended 30<sup>th</sup> June 2023.



**(A) NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2023 (cont'd)**

**10. MATERIAL SUBSEQUENT EVENTS**

There were no other material events subsequent to the end of the current quarter.

**11. CHANGES IN COMPOSITION OF GROUP**

There were no changes in composition of the Group during the financial period under review other than on 20<sup>th</sup> March 2023, Syarikat Perniagaan Bingel (M) Sdn. Berhad (“SPB”), a dormant subsidiary of the Company, has been placed under members’ voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016.

**12. CONTINGENT LIABILITIES**

There were no material contingent liabilities or contingent assets to be disclosed as at date of this report.

**13. CAPITAL COMMITMENTS**

There are no material commitments which require disclosure during the quarter.

**14. SIGNIFICANT RELATED PARTY TRANSACTIONS**

The Group undertakes at agreed terms and prices, the following significant related party transactions for the financial period ended 31<sup>st</sup> December 2023:

|                            | <b>RM'000</b> |
|----------------------------|---------------|
| Rental paid to             |               |
| - TGL Packaging Sdn. Bhd.  | 210           |
| - TGL Industries Sdn. Bhd. | 300           |
|                            | <hr/>         |

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**(B) NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2023**

**1. REVIEW OF PERFORMANCE**

|  | INDIVIDUAL PERIOD (2 <sup>ND</sup> QUARTER) |                       |         |         | CUMULATIVE PERIOD |                      |         |         |
|--|---|-----------------------|---------|---------|-------------------|----------------------|---------|---------|
|  | Current Year                                | Preceding Year        |         |         | Current Year      | Preceding Year       |         |         |
|  | Quarter                                     | Corresponding Quarter | Changes | Changes | To-date           | Corresponding Period | Changes | Changes |
|  | 31/12/2023                                  | 31/12/2022            | RM'000  | %       | 31/12/2023        | 31/12/2022           | RM'000  | %       |
| Revenue  | <b>30,719</b>                               | 30,659                | 60      | 0.20%   | <b>51,362</b>     | 51,025               | 337     | 0.66%   |
| Profit from the operation                                | <b>3,392</b>                                | 4,066                 | (674)   | -16.58% | <b>6,573</b>      | 6,917                | (344)   | -4.97%  |
| Profit before taxation                                   | <b>3,296</b>                                | 3,906                 | (610)   | -15.62% | <b>6,352</b>      | 6,607                | (255)   | -3.86%  |
| Profit after taxation                                    | <b>2,404</b>                                | 2,824                 | (420)   | -14.87% | <b>4,680</b>      | 4,520                | 160     | 3.54%   |
| Profit attributable to :<br>Equity holders of the parent | <b>2,404</b>                                | 2,820                 | (416)   | -14.75% | <b>4,680</b>      | 4,516                | 164     | 3.63%   |

Revenue for the current quarter under review of RM30.719 million as compared to RM30,659 million recorded in the same quarter in previous year, an increase of 0.20% or RM0.06 million.

Profit before tax had decreased by RM0.610 million (15.62%) compared to the same quarter in previous year. The decreased in profit before tax was mainly due to higher operating expenses mainly due to impact of minimum wages.

**2. COMPARISON WITH PRECEDING QUARTER'S REPORT**

|  | Current Year<br>Quarter<br>31 December 2023<br>RM'000 | Immediate<br>Preceding<br>Quarter<br>30 September 2023<br>RM'000 | Changes<br>RM'000 | Changes<br>% |
|--|---|--|-------------------|--------------|
| Revenue  | 30,719  | 20,643   | 10,076            | 49%          |
| Profit from the operation                                | 3,392   | 3,181  | 211               | 7%           |
| Profit before taxation                                   | 3,296   | 3,056  | 240               | 8%           |
| Profit after tax   | 2,404   | 2,276  | 128               | 6%           |
| Profit attributable to :<br>Equity holders of the parent | 2,404   | 2,276  | 128               | 6%           |

As compared to the previous quarter, revenue for the quarter under review had increased by RM10,076 million or 49%. The higher revenue recorded in current quarter was mainly due to higher sales recorded during year end school holidays and Christmas sales.

Despite higher revenue, profit before tax for the quarter under review only increased by RM0.240 million or 8% as compared to the previous quarter mainly due to higher operating expenses and lower gross margins.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2023 (cont'd)**

**3. COMMENTARY ON PROSPECTS**

Despite of the resilient domestic economy, on-going geopolitical tensions and conflicts, fluctuation in foreign exchange, increase in material cost and other related inflation together with the increase in Sales and Services Tax scope and rate recently announced during 2024 National Budget, which may have an impact on the disposable income of Malaysian consumers, retail business outlook in general remains challenging. Nevertheless, the Management remains cautiously optimistic of the Group's performance and will continue implementing measures to control costs, optimising working capital, preserving cash and streamline its operations to minimise the impact.

**4. VARIANCE FROM PROFIT FORECASTS**

Not applicable as the Group did not publish any profit forecast.

**5. TAXATION**

|   | <b>Year to date ended</b> |                |
|---|---------------------------|----------------|
|   | <b>31 December</b>        | <b>30 June</b> |
|   | <b>2023</b>               | <b>2023</b>    |
|   | <b>RM'000</b>             | <b>RM'000</b>  |
| Tax liabilities at 1 July 2023/2022     | <b>707</b>                | 2,440          |
| Current period's provision              | <b>1,692</b>              | 3,701          |
| Acquisition of a subsidiary             | -                         | (11)           |
| Net payment made during the period/year | <b>(1,561)</b>            | (5,423)        |
|   | <b>838</b>                | 707            |
| Disclosed as:                           |                           |                |
| Tax assets                              | <b>(203)</b>              | (45)           |
| Tax liabilities                         | <b>1,041</b>              | 752            |
|   | <b>838</b>                | 707            |
| Taxation expense for the period:-       |                           |                |
| - Malaysian taxation                    | <b>1,692</b>              | 3,701          |
| - Deferred taxation                     | <b>(20)</b>               | -              |
|   | <b>1,672</b>              | 3,701          |

The effective tax rate for the period ended 31<sup>st</sup> December 2023 was approximately 26.32% due to certain items of expenses not deductible for income tax purposes.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2023 (cont'd)**

**6. CORPORATE PROPOSAL**

At the date of this report, there are no corporate proposals which have been announced that remain uncompleted.

**7. GROUP BORROWINGS AND DEBT SECURITIES**

|  | <b>As at<br/>31 December<br/>2023<br/>RM'000</b> | <b>As at<br/>30 June<br/>2023<br/>RM'000</b> |
|--|--|--|
| <b>Unsecured short term borrowings</b> |  |  |
| Bankers' acceptance                    | <b>3,606</b>                                     | 6,507  |
| <b>Secured</b>                         |  |  |
| Hire purchase payables                 | <b>175</b>                                       | 236  |
| Term loans                             | <b>313</b>                                       | 298  |
|  | <b>4,094</b>                                     | 7,041  |
| <b>Long term liabilities</b>           |  |  |
| <b>Secured</b>                         |  |  |
| Hire purchase payables                 | <b>130</b>                                       | 206  |
| Term loans                             | <b>2,451</b>                                     | 2,619  |
|  | <b>2,581</b>                                     | 2,825  |
| <b>Total borrowings</b>                | <b>6,675</b>                                     | 9,866  |

The above borrowings are all denominated in Ringgit Malaysia.

**8. FINANCIAL INSTRUMENTS - DERIVATIVE**

The Group has not entered into any derivative financial instruments during the quarter under review.

**9. MATERIAL LITIGATION**

There was no material litigation pending the date of this announcement.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2023 (cont'd)**

**10. DIVIDEND PAYABLE**

At the date of this report, there are no dividend declared that remained unpaid.

**11. QUALIFICATION OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report of the most recent annual financial statements for the financial year ended 30<sup>th</sup> June 2023 was not qualified.

**12. EARNINGS PER SHARE**

**(a) Basic earnings per share**

The basic earnings per share of the Group is calculated based on the net profit attributable to shareholders divided by weighted average number of ordinary shares in issue as follow:

|  | Individual quarter ended |        | Year to date ended  |        |
|--|--------------------------|--------|---------------------|--------|
|  | 31 December<br>2023      | 2022   | 31 December<br>2023 | 2022   |
| Net profit attributable to shareholders<br>(RM'000)                  | <b>2,404</b>             | 2,824  | <b>4,680</b>        | 4,516  |
| Weighted average number of ordinary shares<br>Shares in issue ('000) | <b>83,498</b>            | 83,056 | <b>83,498</b>       | 82,646 |
| Basic earnings per share (sen)                                       | <b>2.88</b>              | 3.40   | <b>5.60</b>         | 5.46   |

**(b) Diluted earnings per share**

|  | Individual quarter ended |        | Year to date ended  |        |
|--|--------------------------|--------|---------------------|--------|
|  | 31 December<br>2023      | 2022   | 31 December<br>2023 | 2022   |
| Net profit attributable to shareholders<br>(RM'000)                  | <b>2,404</b>             | 2,824  | <b>4,680</b>        | 4,516  |
| Weighted average number of ordinary shares<br>Shares in issue ('000) | <b>83,498</b>            | 83,056 | <b>83,498</b>       | 82,646 |
| Effect of dilution of share options ('000)                           | <b>16</b>                | 32     | <b>16</b>           | 32     |
|  | <b>83,514</b>            | 83,088 | <b>83,514</b>       | 82,678 |
| Diluted earnings per share (sen)                                     | <b>2.88</b>              | 3.40   | <b>5.60</b>         | 5.46   |

**(B) NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2023 (cont'd)**

**13. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME**

|   | <b>Individual quarter ended<br/>31 December 2023<br/>RM'000</b> | <b>Year to date ended<br/>31 December 2023<br/>RM'000</b> |
|---|---|---|
| <b>Profit from operations for the period is arrived</b> |   |   |
| <b>After charging:</b>                                  |   |   |
| Amortisation of intangible asset                        | 88  | 175   |
| Depreciation of investment properties                   | 204   | 406   |
| Depreciation of property, plant and equipment           | 222   | 434   |
| Depreciation of right-of-use assets                     | 217   | 436   |
| Fair value change in investment in quoted shares        | 2   | 179   |
| <b>And after crediting:</b>                             |   |   |
| Distribution from investment management funds           | 18  | 97  |
| Dividend income   | 14  | 90  |
| Fair value change on investment management funds        | 355   | 609   |
| Interest income   | 13  | 19  |

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of the Bursa Malaysia Securities Berhad are not applicable.

**14. AUTHORISED FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the directors on 28<sup>th</sup> February 2024.