



LAY HONG BERHAD (Registration no. 198301011738 (107129-H))
Incorporated in Malaysia

Condensed Consolidated Statement of Comprehensive Income

	Individual quarter		Cumulative quarter	
	31 Mar 2024 Unaudited RM'000	31 Mar 2023 Audited RM'000	31 Mar 2024 Unaudited RM'000	31 Mar 2023 Audited RM'000
Revenue	295,785	269,348	1,064,516	1,069,818
Cost of sales	(212,743)	(225,093)	(801,149)	(897,207)
Gross profit	83,042	44,255	263,367	172,611
Other income	5,734	10,183	20,878	20,231
Selling and distribution expenses	(28,959)	(26,016)	(104,549)	(104,940)
Administrative expenses	(19,219)	(9,466)	(47,916)	(36,249)
Profit/(Loss) from operations	40,598	18,956	131,780	51,653
Finance costs	(3,044)	(2,554)	(12,280)	(11,438)
Profit/(Loss) before tax	37,554	16,402	119,500	40,215
Taxation	(12,601)	(3,276)	(29,963)	(11,972)
Net profit/(loss) after tax	24,953	13,126	89,537	28,243
Items that are or may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	146	(1,313)	(801)	(640)
	146	(1,313)	(801)	(640)
Total comprehensive income/(loss)	25,099	11,813	88,736	27,603
Profit/(Loss) attributable to:				
Owners of the parent	26,734	13,161	89,679	28,107
Non-controlling interest	(1,781)	(36)	(142)	135
	24,953	13,125	89,537	28,242
Total comprehensive income/(loss) attributable to:				
Owners of the parent	26,880	11,848	88,878	27,467
Non-controlling interest	(1,781)	(35)	(142)	136
	25,099	11,813	88,736	27,603
Earnings per share (sen) :				
Basic	3.61	1.78	12.11	3.80
Diluted	3.33	*	11.19	*

* No diluted earnings per share is presented as there are no potential dilutive shares as at the end of the financial period.

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial statements.



LAY HONG BERHAD (Registration no. 198301011738 (107129-H))
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Condensed Consolidated Statement of Financial Position

	31 Mar 2024 Unaudited RM'000	31 March 2023 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	626,568	589,224
Investment properties	6,270	6,270
Other investments	533	584
Intangible assets	4,735	5,810
	638,106	601,888
Current assets		
Biological assets	103,255	76,005
Inventories	129,035	122,728
Trade receivables	85,413	85,148
Other receivables	36,531	31,370
Current tax assets	-	3,948
Deposit with a licensed bank	579	565
Cash and bank balances	58,149	30,548
	412,962	350,312
TOTAL ASSETS	1,051,068	952,200
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	175,323	173,633
Reserves	383,510	289,283
	558,833	462,916
Non-controlling interest	11,612	11,754
Total equity	570,445	474,670
Non-current liabilities		
Borrowings	57,911	65,869
Deferred tax liabilities	86,465	77,312
	144,376	143,181
Current liabilities		
Trade payables	82,682	84,972
Current tax liabilities	8,327	-
Other payables	72,563	73,067
Due to an associate	-	3,634
Borrowings	172,675	172,676
	336,247	334,349
Total liabilities	480,623	477,530
TOTAL EQUITY AND LIABILITIES	1,051,068	952,200

Net assets per share attributable to ordinary equity holders of the parent (RM)

0.75

0.63

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial statements.



Condensed Consolidated Statement of Changes in Equity

	Attributable to Owners of the Parent							Non-controlling interest RM'000	Total RM'000
	Share RM'000	Revaluation reserve RM'000	ESS option reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total			
						RM'000	RM'000		
At 1 April 2023	173,633	124,691	-	686	163,906	462,916	11,754	474,670	
Transfer (to) / from distributable reserve on realisation of revaluation reserve	-	(3,047)	-	-	3,047	-	-	-	
<i>Net profit for the financial period</i>	-	-	-	-	89,679	89,679	(142)	89,537	
<i>Other comprehensive income</i>	-	-	-	(801)	-	(801)	-	(801)	
Total comprehensive income	-	(3,047)	-	(801)	92,726	88,878	(142)	88,736	
Share-based payment transactions - on granting - on lapsing	-	-	8,059 (865)	-	865	8,059	-	8,059	
Issue of shares pursuant to ESS schemes	1,690	-	(489)	-	-	1,201	-	1,201	
<i>Dividends</i>	-	-	-	-	(2,221)	(2,221)	-	(2,221)	
Total transactions with owners of the Company	1,690	-	6,705	-	(1,356)	7,039	-	7,039	
At 31 Mar 2024	175,323	121,644	6,705	(115)	255,276	558,833	11,612	570,445	
At 1 April 2022	173,633	127,760	-	1,326	134,951	437,670	11,619	449,289	
Transfer (to) / from distributable reserve on realisation of revaluation reserve	-	(3,069)	-	-	3,069	-	-	-	
<i>Net profit for the financial period</i>	-	-	-	-	28,107	28,107	135	28,242	
<i>Other comprehensive income</i>	-	-	-	(640)	-	(640)	-	(640)	
Total comprehensive income	-	-	-	(640)	28,107	27,467	135	27,602	
<i>Dividends</i>	-	-	-	-	(2,221)	(2,221)	-	(2,221)	
Total transactions with owners of the Company	-	-	-	-	(2,221)	(2,221)	-	(2,221)	
At 31 Mar 2023	173,633	124,691	-	686	163,906	462,916	11,754	474,670	

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial statements.



LAY HONG BERHAD (Registration no. 198301011738 (107129-H))
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Condensed Consolidated Statement of Cash Flows

	Cumulative quarter 31 Mar 2024 Unaudited RM'000	Cumulative quarter 31 Mar 2023 Audited RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	119,500	40,214
Adjustments for:-		
Amortisation of intangible assets	1,079	1,077
Depreciation of property, plant and equipment	46,936	46,148
Dividend income	-	(7)
(Gain)/ Loss on disposal of property, plant and equipment	(212)	(487)
Property, plant and equipment written off	1,313	1,040
Impairment loss of inventories	(105)	11
Interest expense	12,280	11,438
Interest income	(493)	(127)
Share based payment expense	8,059	-
Net impairment losses on trade receivables	265	(5,466)
Impairment losses on revaluation on land and building	-	32
Changes in fair value on quoted investment	51	242
Changes in fair value on biological assets	(20,842)	1,862
Net unrealised loss on foreign exchange	(893)	(1,561)
Operating profit before changes in working capital	166,938	94,416
Net change in current assets	(19,122)	1,443
Net change in current liabilities	(30,492)	8,267
Cash flows from operations	117,324	104,126
Tax paid	(8,535)	(6,658)
Net cash generated from operating activities	108,789	97,468
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(59,815)	(23,255)
Additions to intangible asset	(3)	(15)
Proceeds from disposal of property, plant and equipment	212	1,353
Interest received	493	127
Dividend received	-	7
Net cash used in investing activities	(59,113)	(21,783)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown/(repayment) of lease liabilities	5,263	(16,993)
Net drawdown/(repayment) of borrowings	(15,030)	(30,350)
Net repayment of bankers' acceptance	(2,599)	-
Interest paid	(12,280)	(11,438)
Dividend paid	(2,221)	(2,221)
Proceeds from Issue of ordinary shares	1,201	-
Net cash generated/(used in) from financing activities	(25,666)	(61,002)
Cash and cash equivalents at the end of the year comprises:		
Net (decrease)/increase in cash and cash equivalents	24,010	14,683
Effect of foreign exchange changes	(802)	129
Cash and cash equivalents at beginning of the financial year	28,698	13,886
	51,906	28,698
Cash and cash equivalents at the end of the year comprises:		
Deposit with a licensed bank	579	565
Cash and bank balances	58,149	30,548
Bank overdrafts	(6,243)	(1,850)
Deposit pledged to licensed bank	(579)	(565)
	51,906	28,698

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial statements.

PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) NO. 134 - INTERIM FINANCIAL REPORTING

A1 BASIS OF PREPARATION

The Group has prepared its financial statements using the Malaysian Financial Reporting Standards ("MFRS") for the financial period ended 31 March 2024.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 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 year ended 31 March 2023.

A2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the audited consolidated financial statements of the Group for the financial year ended 31 March 2022.

The Group had adopted the following new MFRSs, Amendments/Improvements to MFRS and IC Interpretations mandatory for the current financial year:-

Description	Effective date
Amendments to MFRS 101, Presentation of Financial Statements - Disclosures of Accounting Policies	1st January 2023
Amendment to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	1st January 2023
Amendment to MFRS 112, Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1st January 2023
Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current	1st January 2024
Amendments to MFRS 101 Presentation of Financial Statements – Non-current Liabilities with Covenants	1st January 2024
Amendments to MFRS 16 Leases – Lease Liability in a Sale and Leaseback	1st January 2024

The adoption of the above amendment to MFRSs did not have significant impact on the financial statements of the Group.

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Notes to the interim financial report for the second (4th) quarter ended 31 March 2024

A3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report of the previous annual financial year ended 31 March 2023 was not subject to any qualification.

A4 SEASONAL AND CYCLICAL FACTORS

The Group's business operations were not affected by any seasonal and cyclical factors.

A5 UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE AND INCIDENCE

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

A6 ESTIMATES

There were no material changes in estimates that had a material effect on the current quarter under review.

A7 DEBTS AND EQUITIES SECURITIES

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter under review.

A8 DIVIDEND PAID

A final single-tier dividend for the year ended 31 March 2023 was paid on 16 November 2023 amounting to RM2.22million.

A9 SEGMENTAL REPORTING

Analysis of revenue by segments

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Period ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Integrated livestock farming ("ILF")	220,756	118,478	814,901	801,909
Food manufacturing ("FM")	163,874	247,653	553,982	552,211
Retail business ("RB")	56,448	49,191	229,849	243,725
Subtotal	441,078	415,322	1,598,732	1,597,845
Intercompany elimination	(145,293)	(145,974)	(534,216)	(528,027)
Total revenue	295,785	269,348	1,064,516	1,069,818

The revenue was predominantly derived in Malaysia.

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Notes to the interim financial report for the second (4th) quarter ended 31 March 2024

A9 SEGMENTAL REPORTING (CONT'D)

Analysis of segment results, assets, and liabilities

	<u>ILF</u>	<u>FM</u>	<u>RB</u>	<u>Elimination</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Cumulative quarter at 31.03.2024					
Segment results	93,546	39,876	214	(1,856)	131,780
Finance costs	(10,019)	(2,027)	(1,230)	996	(12,280)
Profit/(loss) before tax	83,527	37,849	(1,016)	(860)	119,500
Taxation	(25,462)	(3,901)	(600)	-	(29,963)
Profit/(loss) after tax	58,065	33,948	(1,616)	(860)	89,537
Segment assets	793,987	214,763	47,844	(5,526)	1,051,068
Segment liabilities	(332,508)	(110,681)	(37,973)	539	(480,623)
Cumulative quarter at 31.03.2023					
Segment results	41,525	29,752	2,784	(22,408)	51,653
Finance costs	(9,073)	(1,966)	(1,152)	753	(11,438)
Profit/(loss) before tax	32,452	27,786	1,632	(21,655)	40,215
Taxation	(7,894)	(3,693)	(464)	79	(11,972)
Profit/(loss) after tax	24,558	24,093	1,168	(21,576)	28,243
Segment assets	1,002,839	133,433	92,985	(279,286)	949,971
Segment liabilities	(470,695)	(111,248)	(53,536)	159,918	(475,561)

A10 VALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

There were no revaluation of property, plant and equipment for the quarter under review.

The Group adopts the fair value model for its investment properties. There is no significant and indicative change in value of the said investment properties since the last balance sheet date.

A11 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT QUARTER

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

A12 COMPOSITION OF THE GROUP

On 22 November 2023 the Company successfully acquired 51% of the ordinary shares in Nutriplus Food Manufacturing Sdn Bhd (formerly known as NHF Manufacturing (Malaysia) Sdn Bhd) (NFM). On completion of this acquisition NFM has formally become a 100% own subsidiary as of that date.

LAY HONG BERHAD (Registration No. 198301011738) (107129-H)**Incorporated in Malaysia****Notes to the interim financial report for the second (4th) quarter ended 31 March 2024****A13 CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

There were no contingent assets as at the end of the current financial quarter and up to the date of this report.

The contingent liabilities of the group arise from bank guarantees and letter of credit given to third parties amounted to RM7.74 million.

A14 CAPITAL COMMITMENTS

Commitments for the capital expenditure not provided for acquisition of property, plant and equipment in the financial statements amounted to RM14.29 million.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1 REVIEW OF PERFORMANCE**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Quarter ended		Variance	Period ended		Variance
	31.03.2024	31.03.2023		31.03.2024	31.03.2023	
	RM'000	RM'000		RM'000	RM'000	
Revenue						
Integrated livestock farming ("ILF")	220,756	118,478	86.33%	814,901	801,909	1.62%
Food manufacturing ("FM")	163,874	247,653	(33.83%)	553,982	552,211	0.32%
Retail business ("RB")	56,448	49,191	14.75%	229,849	243,725	(5.69%)
Subtotal	441,078	415,322		1,598,732	1,597,845	
Inter-co elimination	(145,293)	(145,974)		(534,216)	(528,027)	
Total Revenue	295,785	269,348	9.82%	1,064,516	1,069,818	(0.50%)
Profit/(loss) before tax	37,554	16,401	128.96%	119,499	40,214	197.15%

Cumulative corresponding quarter - FY24-Q4 vs FY23-Q4

Revenue for the integrated livestock farming (ILF) segment increased by 1.62% or RM12.99 million from RM801.91 million to RM814.90 million due to higher eggs sales quantity from higher production of eggs.

Revenue for the food manufacturing (FM) segment recorded an increase of 0.32% or RM1.77 million from RM552.21 million to RM553.98 million due to increase in sales quantity of primary processed and further processed poultry products.

Revenue for retail business (RB) decreased by 5.69% or RM13.88 million from RM243.73 million to RM229.95 million due to lower retail sales quantity.

Overall, the Group recorded a higher profit before tax (PBT) of RM119.50 million as compared to the previous quarter PBT of RM40.21 million. This amount is inclusive of subsidies received from the government offset by share based payment expense in this quarter Q4 2024.

LAY HONG BERHAD (Registration No. 198301011738) (107129-H)**Incorporated in Malaysia****Notes to the interim financial report for the second (4th) quarter ended 31 March 2024****Individual corresponding quarter - FY24-Q3 vs FY23-Q3**

Revenue for the integrated livestock farming (ILF) segment increased by 86.33% or RM102.28 million from RM118.48 million to RM220.75 million due to higher eggs sales quantity from higher production of eggs.

Revenue for the food manufacturing (FM) segment recorded a decrease of 33.83% or RM83.78 million from RM247.65 million to RM163.87 million due to decrease in sales quantity of primary processed and further processed poultry products.

Revenue for retail business (RB) increased by 14.75% or RM7.26 million from RM49.19 million to RM56.45 million due to higher retail sales quantity.

Overall, the Group recorded a higher profit before tax (PBT) of RM37.55 million as compared to the previous quarter PBT of RM16.40 million. This amount is inclusive of subsidies received from the government offset by share based payment expense in this quarter Q4 2024.

B2 COMPARATIVE WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	INDIVIDUAL QUARTER		Variance %
	Quarter ended 31.03.2024 RM'000	31.12.2023 RM'000	
Revenue			
- Integrated livestock farming ("ILF")	220,756	219,247	0.69%
- Food manufacturing ("FM")	163,874	138,542	18.28%
- Retail business("RB")	56,448	56,563	(0.20%)
Subtotal	441,078	414,352	
Intercompany elimination	(145,293)	(147,654)	
Total Revenue	295,785	266,698	10.91%
Profit before tax	37,554	69,503	(45.97%)

For the current quarter under review, ILF segment recorded an increase of 0.69% or RM1.51 million from RM219.25 million to RM220.76 million. The marginal increase in revenue was due to higher production of table egg sold.

Revenue for FM segment registered an increase of 18.28% or RM25.33 million from RM138.54 million to RM163.87 million. The increase in revenue was due to increase in sales quantity of primary processed poultry products.

RB segment recorded a marginal decrease of 0.20% from RM56.56 million to RM56.45 million due to decrease retail sales from festive season last quarter.

Overall, for the quarter in review, the Group recorded an increase in profit of 45.97% or RM31.81 million. This amount is inclusive of subsidies received from the government offset by share based payment expense in this quarter Q4 2024.

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Notes to the interim financial report for the second (4th) quarter ended 31 March 2024

B3 PROSPECTS

The Group will focus on integration of the food processing business, export and R&D with planned construction of cold rooms and processing capacity.

Cost of feed is expected to remain stable, auguring well for the poultry industry.

B4 PROFIT FORECAST AND PROFIT GUARANTEE

The Group did not issue any profit forecast or profit guarantee during the current year under review.

B5 TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Period ended	Period ended
	<u>31.03.2024</u>	<u>31.03.2023</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current tax	9,804	(1,772)	20,538	5,064
Deferred tax	2,797	5,048	9,425	6,908
	<u>12,601</u>	<u>3,276</u>	<u>29,963</u>	<u>11,972</u>

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Notes to the interim financial report for the second (4th) quarter ended 31 March 2024

B6 BORROWINGS

	<u>As at</u> <u>31.03.2024</u> <u>RM'000</u>	<u>As at</u> <u>31.03.2023</u> <u>RM'000</u>
<u>Current</u>		
<u>Secured</u>		
Bank overdrafts	2,470	1,303
Bill payables	40,232	51,263
Lease liabilities	14,348	13,861
Term loans	12,784	15,067
	69,834	81,494
<u>Unsecured</u>		
Bank overdrafts	3,773	546
Bill payables	99,068	90,636
Revolving credit	-	-
	102,841	91,182
Total current	172,675	172,676
<u>Non-current</u>		
<u>Secured</u>		
Lease liabilities	26,817	22,028
Term loans	31,094	43,841
	57,911	65,869
Total non-current	57,911	65,869
Total borrowings	<u>230,586</u>	<u>238,545</u>

The currency profile of borrowings other than the functional currency was: -

	<u>As at</u> <u>31.03.2024</u> <u>RM'000</u>	<u>As at</u> <u>31.03.2023</u> <u>RM'000</u>
Thai Baht (THB)	3	61

B7 STATUS OF CORPORATE PROPOSALS

On 18 August 2022, AmInvestment Bank, on behalf of the Company, had submitted to Bursa Securities for approval on the following;

- (I) Proposed Employees' Share Scheme ("Proposed ESS"); and
- (II) Proposed allocation of awards to the eligible directors and major shareholders of Lay Hong Berhad ("proposed allocation")

On 23 August 2022, Bursa Securities has given approval on the above.

On 28 September 2022, the shareholders have approved the above proposal in an Extraordinary General Meeting (EGM).

On 29 Jan 2024 the Company grant 10% of ESS equivalent to 73,260,000 shares offered. Up to date, there were 12,528,770 shares has been exercised.

B8 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group did not enter any contracts involving off balance sheet financial instruments during the current quarter under review.

B9 MATERIAL LITIGATION

Except for the below mentioned claim, there is no material pending litigation.

On 2 July 2018, Lay Hong Berhad ("Plaintiff") had filed a claim against Loke Chee Min ("1st defendant"), Beh Yong Hock ("2nd defendant"), Leong Sze Seng ("3rd defendant") and The Roof Realty Sdn Bhd ("4th Defendant") for a special damage of RM3,256,904.84 with interest and costs.

Pursuant to the claim, the Plaintiff is seeking the special damages upon the recommendation/misrepresentation of the 3rd defendant (a real estate negotiator employed by the 4th defendant, a registered real estate agent) wherein 3rd defendant represented inter alia to the plaintiff that the owners of the land held under Grant Mukim 6469 for Lot 31982 and Grant Mukim 6470 for Lot 31983 both in the Mukim of Kapar, District of Klang, Selangor (the said lands) wishes to sell the lands and that the 1st defendant is the solicitor representing the land owner. The 2nd defendant is the solicitor appointed by the plaintiff to handle the sale and purchase transaction on its behalf while the 1st defendant purportedly acted for the owners of the said lands. The plaintiff paid the monies to the 1st defendant as stakeholder based on the sale and purchase agreement terms executed between the parties.

Subsequently, the plaintiff found out that the owners of the said lands did not appoint the first defendant as their solicitors neither did they sell their said lands.

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Notes to the interim financial report for the second (4th) quarter ended 31 March 2024

B9 MATERIAL LITIGATION (CONT'D)

The plaintiff claims against the defendants inter alia for the loss and damage suffered by it:-

- 1) against the 1st defendant for breach of fiduciary duty and/or trust as the stakeholder of the purchase price of the said lands and wrongfully deprived the plaintiff the said payments;
- 2) against the 2nd defendant for breach of contract and negligence;
- 3) against the 3rd defendant for fraudulent and/or negligent misrepresentation; and
- 4) against the 4th defendant as the principal and/or employer of the 3rd defendant for vicarious liability in respect of the act and/or omission of the 3rd defendant

The court proceeded with the trial on 12/11/2019, 13/11/2019, 14/11/2019, 21/11/2019, 31/1/2020, 9/9/2020, 10/9/2020 and on 19/9/2020, the Court delivered its decision as follows;

- 1) the plaintiff's claim against the 1st defendant was allowed in totality;
- 2) the plaintiff claim against the 2nd defendant was allowed in the sum of approximately RM600k, being 20% of total damage;
- 3) the plaintiff claim against the 3rd defendant allowed in the sum of approximately 75k, being commission received;
- 4) The Plaintiff claim against 4th defendant was dismissed;
- 5) In view of (4) above, no order was made in respect of 4th defendant's third party claim against the 1st and 3rd defendants.

The Company has appeal to Court of Appeal and the case was e-reviewed on 4/8/2023 and The Court of Appeal has fixed the appeals for decision on 24/10/2023. On 24/10/2023, the Court of Appeal delivered its decision as follows;

- 1) The Court held that Beh Yong Hock did not breach his duty of care and the Company is to pay RM30k to him. The Company is entitled to recover the said costs from Loke Chee Min and Leong Sze Seng jointly and severally.
- 2) The Company's appeal against Leong Sze Seng is allowed with cost of RM15k and he is held liable jointly and severally with Loke Chi Min the entire sum of RM3,057,367 together with interest at 5% p.a. thereon from 19.2.2021.
- 3) The Company's appeal against The Roof Realty is dismissed with cost of RM10k

In view of the Court of Appeal decision, apart from the stated above, the Group financial performance have been impacted by a write-off of the remaining deposit receivable of RM1.3million in addition to the professional fees of RM280k to the lawyer in total.

B10 PROPOSED DIVIDEND

The Board of Directors recommend an interim dividend of 0.3 cent per share which the date of the payment will be determined later.

LAY HONG BERHAD (Registration No. 198301011738) (107129-H)
Incorporated in Malaysia
Notes to the interim financial report for the second (4th) quarter ended 31 March 2024

B11 EARNINGS PER SHARE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Period ended	
	<u>31.03.2024</u>	<u>31.03.2023</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
Profit/(loss) attributable to ordinary equity holders of the parent (RM'000)	26,349	12,586	89,294	27,532
Weighted average number of ordinary shares (Basic) ('000)	740,813	740,319	740,441	740,319
Basic earnings per share (sen)	3.61	1.74	12.11	2.56
Diluted earnings per share (sen)	3.33	*	11.19	*

Basic earnings per share is computed based on the profit attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is computed based on the profit attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period.

* No diluted earnings per share is presented as there are no potential dilutive ordinary shares as at the end of the financial period.

B12 AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27th May 2024.