



HO WAH GENTING BERHAD

(Company No: 199301018185 / 272923-H)

(Incorporated In Malaysia)

NOTES TO FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024

PART A

1. Basis of Preparation

The interim financial report is unaudited and has been prepared and presented in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of Bursa Malaysia Securities Berhad (“BMSB”) Listing Requirements. The interim financial report does not include all of the information required for full annual financial statements and should be read in conjunction with the Group’s audited financial statements for the year ended 31 December 2023.

2. Significant Accounting Policies

The significant accounting policies and presentation adopted for the interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 December 2023 except for the adoption of the following standards which are applicable to its financial statements effective from 1 January 2024:

	Effective date
Amendments to : Lease Liability in a Sale and Leaseback MFRS 16	01 January 2024
Amendments to : Presentation of Financial Statements – <i>Non-current liabilities with Covenants</i> MFRS 101	01 January 2024
Amendments to : Supplier Financial Arrangements MFRS 7 and MFRS 107	01 January 2024

At the date of authorisation of the Condensed Report, the following Standards were issued but not effective and have not been adopted by the Group:

	Effective date
Amendments to : Lack of Exchangeability MFRS 121	01 January 2025
Amendments to : Amendments to the Classification and Measurement of MFRS 7 and Financial instruments MFRS 9	01 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11 MFRS 18 : Presentation and Disclosure in Financial Statements	01 January 2026
MFRS 19 : Subsidiaries without Public Accountability: Disclosures	01 January 2027
Amendments to : Consolidated Financial Statements and Investments in MFRS 10 and Associates and Joint Ventures – <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> MFRS 128	The effective date of these Standards have been deferred, and yet to be announced by MASB.

PART A (continued)

2. Significant Accounting Policies (continued)

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material impact to the financial statements of the Group.

3. Qualification of Financial Statements

There has not been any qualification made by the auditors on the audited financial statements of the Group for the year ended 31 December 2023.

4. Seasonality or Cyclicity of Operations

Based on past historical trend, sales of the Moulded Power Supply Cord Sets Division (the main revenue contributor to the Group) would gradually increase from the second quarter and normally will peak in the third quarter arising from increase in customers' demand in anticipation of the festive seasons towards year end and the demand will gradually decline from the fourth quarter till the first quarter of the following year.

5. Unusual Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

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

6. Material Change in Estimates

There were no changes in estimates that had a material impact to the results of the current quarter under review.

7. Issuance and Repayment of Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale nor repayment of debt and equity securities, share buy-backs during the current quarter.

8. Dividends Paid

No dividend was paid in the current quarter under review.

PART A (continued)

9. The Status of Corporate Proposal(s)

(a) Conditional Share Sale Agreement In Relation To The Proposed Acquisition of 275,000 Ordinary Shares Representing 55% Equity Interest In Advanced Apotheke Sdn Bhd (“AASB”)

On 6 March 2024, the Board of Directors of HWGB had announced that HWGB’s wholly-owned subsidiary, HWGB Capital Sdn. Bhd. had on the same date entered into Conditional Share Sale Agreement with Madam Leong Oi Heng (“Vendor”) for the proposed acquisition of 275,000 ordinary shares representing 55% equity interest in AASB for a total cash consideration of Ringgit Malaysia Two Million and Four Hundred Thousand (RM2,400,000) only.

(b) Proposed Notes Issue

On 26 August 2024, the Company through its advisor Kenanga Investment Bank Berhad (“KIBB”) had announced that the Company had on the same date entered into a Conditional Subscription Agreement (“Subscription Agreement”) with Advanced Opportunities Fund VCC (AOF VCC”), Advanced Opportunities Fund 1 (“AOF 1”) and Advanced Opportunities Fund (“AOF”) (collectively, “Subscribers”) to undertake the proposed issuance of Redeemable Convertible Notes (“Notes”) with an aggregate principal amount of up to RM60.00 million (Ringgit Malaysia: Sixty Million Only), which will mature on the date falling 36 months from the closing date of the first sub-tranche (“ST01”) of the Tranche 1 Notes (“T1”) (as defined herein) (“Proposed Notes Issue”).

For further information on the “Proposed Notes Issue”, kindly refer to the Company’s BMSB announcement link below.

https://www.bursamalaysia.com/market_information/announcements/company_announcement/announcement_details?ann_id=3476786

On 10 September 2024, the Company through its advisor KIBB had announced that the Company had on the same date submitted the listing application in relation to the Proposed Notes Issue to BMSB.

10. Segmental Reporting

Analysis of the Group’s segmental revenue, results, assets and liabilities for business segments for the financial period ended 30 September 2024 are as follows:

10. Segmental Reporting (continued)

Current year's 9 months ended 30 September 2024	Investments RM'000	Moulded Power Supply Cords Sets RM'000	Healthcare RM'000	Total RM'000	Elimination RM'000	Group RM'000
Segmental revenue by strategic/functional division units						
External revenue	57	274,252	-	274,309	-	274,309
Inter-segment revenue	-	-	-	-	-	-
	57	274,252	-	274,309	-	274,309
Segmental revenue by regions						
Malaysia	57	52	-	109	-	109
The rest of Asia	-	21,333	-	21,333	-	21,333
North America	-	252,867	-	252,867	-	252,867
	57	274,252	-	274,309	-	274,309
Results						
Profit/(Loss) from operations	(6,582)	10,591	(39)	3,970	-	3,970
Finance income	76	8	-	84	-	84
Finance costs	(364)	(629)	-	(993)	-	(993)
Profit/(Loss) before income tax expense	(6,870)	9,970	(39)	3,061	-	3,061
Income tax expense	(8)	(2,178)	-	(2,186)	-	(2,186)
Net profit/(loss) for the period	(6,878)	7,792	(39)	875	-	875
Non-controlling interests	-	-	-	-	-	-
Net profit/(loss) attributable to owners of the Company	(6,878)	7,792	(39)	875	-	875
Assets and liabilities as at 30 September 2024						
Segment assets - Consolidated total assets	103,212	115,057	4,566	222,835	(95,042)	127,793
Segment liabilities - Consolidated total liabilities	14,800	47,470	13,494	75,764	(28,855)	46,909
Segmental non-current assets by regions as at 30 September 2024						
Malaysia	100,700	-	11	100,711	(90,804)	9,907
The rest of Asia	-	27,993	-	27,993	-	27,993
	100,700	27,993	11	128,704	(90,804)	37,900

10. Segmental Reporting (continued)

Immediate preceding year's 9 months ended 30 September 2023	Investments RM'000	Moulded Power Supply Cords Sets RM'000	Healthcare RM'000	Travel Services RM'000	Total RM'000	Elimination RM'000	Group RM'000
Segmental revenue by strategic/functional division units							
External revenue	96	205,793	52	247	206,188	-	206,188
Inter-segment revenue	-	-	181	-	181	(181)	-
	96	205,793	233	247	206,369	(181)	206,188
Segmental revenue by regions							
Malaysia	96	617	233	247	1,193	(181)	1,012
The rest of Asia	-	23,247	-	-	23,247	-	23,247
North America	-	181,929	-	-	181,929	-	181,929
	96	205,793	233	247	206,369	(181)	206,188
Results							
Profit/(Loss) from operations	(4,862)	13,246	(302)	(58)	8,024	-	8,024
Finance income	29	7	-	-	36	-	36
Finance costs	(435)	(922)	-	-	(1,357)	-	(1,357)
Profit/(Loss) before income tax expense	(5,268)	12,331	(302)	(58)	6,703	-	6,703
Income tax expense	-	(2,980)	-	-	(2,980)	-	(2,980)
Net profit/(loss) for the period	(5,268)	9,351	(302)	(58)	3,723	-	3,723
Non-controlling interests	35	-	-	-	35	-	35
Net profit/(loss) attributable to owners of the Company	(5,233)	9,351	(302)	(58)	3,758	-	3,758
Assets and liabilities as at 31 December 2023							
Segment assets - Consolidated total assets	100,140	116,378	4,726	-	221,244	(89,687)	131,557
Segment liabilities - Consolidated total liabilities	13,851	50,849	13,548	-	78,248	(34,899)	43,349
Segmental non-current assets by regions as at 31 December 2023							
Malaysia	75,459	-	19	-	75,478	(65,478)	10,000
The rest of Asia	-	31,192	-	-	31,192	-	31,192
	75,459	31,192	19	-	106,670	(65,478)	41,192

PART A (continued)

11. Valuations of Property, Plant and Equipment

The valuation of property, plant and equipment of the Group have been brought forward without amendment from the previous period audited financial statements.

12. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period.

13. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter.

14. Contingent Liabilities and Contingent Assets

The Company and the Group have no material contingent liabilities and contingent assets at the end of the current quarter under review.

15. Capital Commitments

There were no material capital commitments for the Company and the Group at the end of the current quarter under review.

PART B – Additional Information Required By BMSB’s Listing Requirements

1. Group’s Financial Performance Review

Summary and Commentary on the Statement of Comprehensive Income of the Group

	Individual Quarter (3rd Quarter)				Cumulative Quarters (Year to-date)			
	Current Year’s Quarter 3 Months 01/07/2024 to 30/09/2024 RM’000	Preceding Year’s Corresponding Quarter 3 Months 01/07/2023 to 30/09/2023 RM’000	Changes		Current Year’s To date 9 Months 01/01/2024 to 30/09/2024 RM’000	Preceding Year’s Corresponding Period 9 Months 01/01/2023 to 30/09/2023 RM’000	Changes	
			RM’000	%			RM’000	%
Revenue	111,398	106,874	4,524	4.2	274,309	206,188	68,121	33.0
Profit from operations	574	5,382	(4,808)	-89.3	3,970	8,024	(4,054)	-50.5
Profit before interest and taxation	574	5,382	(4,808)	-89.3	3,970	8,024	(4,054)	-50.5
Profit before taxation	267	4,893	(4,626)	-94.5	3,061	6,703	(3,642)	-54.3
Profit/(Loss) after taxation	(171)	3,162	(3,333)	-105.4	875	3,723	(2,848)	-76.5
Profit/(Loss) attributable to owners of the Company	(171)	3,162	(3,333)	-105.4	875	3,758	(2,883)	-76.7

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

1. Group’s Financial Performance Review (continued)

Summary and Commentary on the Statement of Comprehensive Income of the Group (continued)

The Group recorded a revenue of RM274.31 million (3Q 2023: RM206.19 million) for the financial period ended 30 September 2024. The Group’s revenue is mainly derived from the Moulded Power Supply Cord Sets Division in Indonesia which represented approximately 99.97% (3Q 2023: 99.83%) of the total revenue of the Group. The higher revenue was due to the higher demand from customers. The average exchange rate used for the financial period ended 30 September 2024 was RM4.6345/USD (3Q 2023: RM4.5150/USD).

The Group posted a lower profit before taxation of RM3.06 million (3Q 2023: RM6.70 million) in the current financial period ended 30 September 2024 and were derived from the following:

- (a) Lower profit before taxation of RM9.97 million (3Q 2023: RM12.33 million) from Moulded Power Supply Cords Sets Division;
- (b) No loss before taxation was incurred (3Q 2023: RM0.06 million) from the Travel Services Division after the disposal of the division in the financial year ended 31 December 2023;
- (c) Lower loss before taxation of RM0.04 million (3Q 2023: RM0.30 million) from the Healthcare Division; and
- (d) Higher loss before taxation of RM6.87 million (3Q 2023: RM5.27 million) from the Investment Division.

Summary and Commentary on the Statement of Financial Positions of the Group

	Unaudited 30/09/2024 RM’000	Audited 31/12/2023 RM’000	Changes RM’000	%
Non-current assets	37,900	41,192	(3,292)	-8.0
Current assets	89,893	90,365	(472)	-0.5
Current liabilities	(34,440)	(30,637)	3,803	12.4
Non-current liabilities	(12,469)	(12,712)	(243)	-1.9
Equity attributable to owners of the Company	(80,884)	(88,208)	(7,324)	-8.3
Non-controlling interest	-	-	-	-
Total equity	(80,884)	(88,208)	(7,324)	-8.3

Figures in bracket denotes credit balances

The decrease of RM3.29 million or 8.0% in non-current assets were mainly from the following:

- (a) Purchase of plant and equipment of RM2.00 million and right of use assets of RM0.66 million;
- (b) Depreciation of property, plant and equipment of RM3.37 million and right of use assets of RM0.16 million; and

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

1. Group’s Financial Performance Review (continued)

Summary and Commentary on the Statement of Financial Positions of the Group (continued)

- (c) Net decrease in exchange differences of RM2.53 million from the conversion of a foreign subsidiary.

The decrease of RM0.47 million or 0.5% in current assets were mainly from the following:

- (a) Increase in trade receivables of RM12.30 million for Moulded Power Supply Cord Sets Division;
- (b) Decrease in inventories of RM22.60 million for the Moulded Power Supply Cord Sets Division;
- (c) Increase in other receivables and prepayments of RM1.68 million for the Moulded Power Supply Cord Sets; and
- (d) Increase in cash and bank balances of RM8.15 million

The increase of RM3.80 million or 12.4% in current liabilities were mainly from the following:

- (a) Increase in trade payables of RM3.87 million for the Moulded Power Supply Cord Sets Division;
- (b) Increase in other payables and accruals for the Group of RM4.28 million;
- (c) Decrease in tax payable of RM0.59 million for a foreign subsidiary;
- (d) Decrease in short term and trade financing borrowings of RM3.92 million; and
- (e) Increase in short term lease liabilities of RM0.18 million.

The decrease in non-current liabilities of RM0.24 million or 1.9% were mainly from the following:

- (a) Decrease in retirement benefits obligation of RM0.37 million for a foreign subsidiary;
- (b) Increase in lease liabilities of RM0.42 million;
- (b) Decrease in long term borrowings of RM0.29 million;

The decrease in “equity attributable to owners of the Company” and “total equity” of RM7.32 million or 8.3% were from the total comprehensive loss attributable to the owners of the Company of RM7.32 million for the period.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

1. Group’s Financial Performance Review (continued)

Summary and Commentary on the Group’s Statement of Cash Flows

	Unaudited 01/01/2024 to 30/09/2024 RM’000	Unaudited 01/01/2023 to 30/09/2023 RM’000	Changes	
			RM	%
Net from/(cash used) in operating activities	15,574	(362)	15,936	>1,000.0
Net cash used in investing activities	(2,538)	(4,631)	2,093	45.2
Net cash used in financing activities	(3,858)	(6,368)	2,510	39.4
Exchange difference	(1,028)	2,752	(3,780)	-137.4
Net increase/(decrease) in cash and cash equivalents	8,150	(8,609)		

The “net cash from operating activities” for the current financial period ended 30 September 2024 of RM15.57 million were from the following:

- (a) Net cash from “operating profit before working capital changes” of RM8.48 million;
- (b) Decrease in inventories of RM15.73 million;
- (c) Increase in trade and other receivables of RM15.36 million;
- (d) Increase in trade and other payables of RM9.88 million;
- (e) Payment of income tax of RM2.10 million;
- (f) Payment of retirement benefits of RM0.15 million; and
- (g) Net interest paid of RM0.91 million.

The “net cash used in investing activities” of RM2.54 million were from the following:

- (a) Purchase of plant and equipment of RM2.00 million and purchase of right of use assets of RM0.66 million; and
- (b) Proceeds received from disposal of plant and equipment and right of use assets of RM0.11 million.

The “net cash used in financing activities” of RM3.86 million were from the following:

- (a) Net repayment of trade financing facilities of RM3.24 million;
- (b) Repayment of term loans of RM0.91 million and lease liabilities of RM0.23 million; and
- (c) Drawdown of hire purchase loan of RM0.53 million to partial finance the purchase rights of use assets.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

2. Segmental Analysis

Moulded Power Supply Cord Sets Division

	Individual Quarters		Cumulative Quarters	
	3 Months 01/07/2024 to 30/09/2024 USD’000	3 Months 01/07/2023 to 30/09/2023 USD’000	9 Months 01/01/2024 to 30/09/2024 USD’000	9 Months 01/01/2023 to 30/09/2023 USD’000
Summary of revenue by regions				
Sales to external parties				
North America	22,719	20,304	54,562	40,294
Malaysia	-	14	11	137
The rest of Asia	1,989	3,067	4,603	5,149
	24,708	23,385	59,176	45,580

Note: “The rest of Asia” refers to Indonesia, Singapore, Thailand, Vietnam and Taiwan.

The higher sales in the current financial period ended 30 September 2024 is mainly due to higher demand from customers. The average copper price purchased for the current financial period was USD9,257 (3Q 2023: USD9,114) per metric tonne (“MT”).

	Individual Quarters		Cumulative Quarters	
	3 Months 01/07/2024 to 30/09/2024 USD’000	3 Months 01/07/2023 to 30/09/2023 USD’000	9 Months 01/01/2024 to 30/09/2024 USD’000	9 Months 01/01/2023 to 30/09/2023 USD’000
Summary of results				
Revenue	24,708	23,385	59,176	45,580
Operating profit	718	1,634	2,285	2,934
Profit before interest and taxation	718	1,634	2,285	2,934
Profit before taxation	678	1,557	2,151	2,731
Profit after taxation	578	1,177	1,681	2,071
Profit attributable to owners of the Company	578	1,177	1,681	2,071

The Moulded Power Supply Cord Sets Division posted a lower profit before taxation of USD2.15 million (3Q 2023: USD2.73 million) for the financial period ended 30 September 2024. The higher profit before taxation in the immediate preceding year’s corresponding period is due to lower material costs.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

2. Segmental Analysis

Healthcare Division

	Individual Quarters		Cumulative Quarters	
	3 Months 01/07/2024 to 30/09/2024 RM'000	3 Months 01/07/2023 to 30/09/2023 RM'000	9 Months 01/01/2024 to 30/09/2024 RM'000	9 Months 01/01/2023 to 30/09/2023 RM'000
Summary of results				
Revenue	-	9	-	52
Operating loss	(18)	(46)	(39)	(302)
Loss before interest and taxation	(18)	(46)	(39)	(302)
Loss before taxation	(18)	(46)	(39)	(302)
Loss after taxation	(18)	(46)	(39)	(302)
Loss attributable to owner of the Company	(18)	(46)	(39)	(302)

The Healthcare Division has temporarily ceased its operations. The division incurred a loss before taxation of RM0.04 million (3Q 2023: RM0.30 million) for the financial period ended 30 September 2024.

Investment Division

Investment Division consists of the Company, investment holding subsidiaries and inactive subsidiaries. The Investment Division recorded a higher loss before taxation of RM6.87 million (3Q 2023: RM5.27 million) for the financial period ended 30 September 2024. The lower loss before taxation in the immediate preceding year corresponding period is mainly due to the net foreign exchange gain of RM1.45 million.

At Company level, the Company recorded a lower loss before taxation of RM5.94 million (3Q 2023: RM6.07 million) for the financial period ended 30 September 2024.

In the opinion of the Directors, other than those disclosed above, the results for the current financial period ended 30 September 2024 have not been affected by any transactions or events of a material or unusual nature which have arisen from 30 September 2024 to the date of issue of this quarterly report.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

3. Comparison of Current Year’s Quarter Against Preceding Year’s Corresponding Quarter’s Result (*Individual 3rd Quarter 30/09/2024 vs Individual 3rd Quarter 30/09/2023*)

The higher revenue of RM111.40 million (3Q 30/09/2023: RM106.87 million) for the current quarter was mainly due to higher sales of USD24.71 million (3Q 30/09/2023: USD23.39 million) recorded from the Moulded Power Supply Cord Sets Division in Indonesia. The higher revenue was due to the higher demand from customers. The weakening of RM against the USD has also increased the Group’s revenue which is denominated in RM. The average exchange rate used for the current quarter was RM4.6345/USD (3Q 30/09/2023: RM4.5150/USD).

The Group posted a lower profit before taxation of RM0.27 million (3Q 30/09/2023: RM4.89 million). The lower profit before taxation were derived from the following:

- (i) Lower profit before taxation of RM3.01 million (3Q 30/09/2023: RM7.10 million) posted by the Moulded Power Supply Cord Sets Division;
- (ii) Constant loss before taxation of RM0.02 million (3Q 30/09/2023: RM0.05 million) incurred by the Healthcare Division after temporary cessation of operations; and
- (iii) Higher loss before taxation of RM2.72 million (3Q 30/09/2023: RM2.16 million) incurred by the Investment Division.

4. Comparison of Current Quarter Against Preceding Quarter’s Results (*Individual 3rd Quarter 30/09/2024 vs Individual 2nd Quarter 30/06/2024*)

The Group recorded a higher revenue of RM111.40 million (2Q 30/06/2024: RM105.44 million) an increase of RM5.96 million or 5.7%. The higher revenue of USD24.71 million (2Q 30/06/2024 USD22.29 million) was due to higher demand from customers for the Moulded Power Supply Cords Sets Division and the weakening of RM against the USD as stated in Note 3 above.

The Group posted a lower profit before taxation of RM0.27 million (2Q 30/06/2024: RM2.42 million).

5. Commentary on Prospects

The Board is of the opinion that business operations in Moulded Power Supply Cord Sets Division remain challenging in view of the high working capital requirement, intense competition in the United States of America (“USA”) market, rising inflationary cost in Indonesia, especially the compulsory annual increment of wages and salaries, rising cost of materials and components, significant fluctuation of copper price and also the increase in shipping and freight charges and others.

To counter these unfavourable conditions, the Moulded Power Supply Cord Sets Division will continue to focus on lean manufacturing process for better operational productivity, improve efficiencies, and better product quality in order to be more competitive and attract more customers.

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

5. Commentary on Prospects (continued)

The global economic outlook is full of challenges due to aggressive monetary policy tightening in major economies, fears of recession in USA and further escalation of geopolitical tensions.

The Group is expecting another challenging operating and financial performance for the financial year ending 31 December 2024.

Meanwhile, the Board will continue to explore viable, synergistic and profitable business ventures to improve the Group’s performance.

6. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee for the financial year ending 31 December 2024.

7. Profit from operations

Profit from operations is derived at:

	Individual Quarters		Cumulative Quarters	
	3 Months 01/07/2024 to 30/09/2024 RM’000	3 Months 01/07/2023 to 30/09/2023 RM’000	9 Months 01/01/2024 to 30/09/2024 RM’000	9 Months 01/01/2023 to 30/09/2023 RM’000
After charging:				
Amortisation of intangible assets	1	1	3	3
Retirement benefit obligations	133	153	417	447
Depreciation				
- Property, plant and equipment	1,084	1,708	3,374	3,674
- Right of use assets	87	46	156	130
Expenses related to short term leases				
- Premises	1	22	24	89
- Office equipment	2	-	2	-
Loss on disposal/derecognition of right of use assets	78	-	78	-
Loss on foreign exchange – Realised	823	(287)	823	79
Loss on foreign exchange - Unrealised	583	291	628	368
And crediting:				
Gain on disposal of subsidiaries	-	-	-	36
Gain on disposal of plant and equipment	21	44	21	44
Gain on foreign exchange - Realised	(574)	(226)	4	22
Gain on foreign exchange - Unrealised	(377)	755	128	1,871

PART B – Additional Information Required By BMSB’s Listing Requirements (continued)

8. Finance income

	Individual Quarters		Cumulative Quarters	
	3 Months 01/07/2024 to 30/09/2024 RM'000	3 Months 01/07/2023 to 30/09/2023 RM'000	9 Months 01/01/2024 to 30/09/2024 RM'000	9 Months 01/01/2023 to 30/09/2023 RM'000
Interest income				
- bank accounts	24	12	84	36
	24	12	84	36

9. Finance costs

	Individual Quarters		Cumulative Quarters	
	3 Months 01/07/2024 to 30/09/2024 RM'000	3 Months 01/07/2023 to 30/09/2023 RM'000	9 Months 01/01/2024 to 30/09/2024 RM'000	9 Months 01/01/2023 to 30/09/2023 RM'000
Interest expense				
- trade finance	162	343	566	895
- term loans	67	76	227	216
- hire purchase leases	10	7	21	18
- other leases	6	1	8	3
- non-related party advances	86	74	171	225
	331	501	993	1,357

10. Income tax expense

Taxation for current quarter and financial period to date under review comprises the following:

	Individual Quarters		Cumulative Quarters	
	3 Months 01/07/2024 to 30/09/2024 RM'000	3 Months 01/07/2023 to 30/09/2023 RM'000	9 Months 01/01/2024 to 30/09/2024 RM'000	9 Months 01/01/2023 to 30/09/2023 RM'000
a. Expected income tax payable				
(i) Current income tax expense				
- Malaysia	-	-	-	-
- Overseas	(438)	(1,731)	(2,186)	(2,980)
	(438)	(1,731)	(2,186)	(2,980)
(ii) Over/(Under) provision in prior year				
- Malaysia	-	-	-	-
- Overseas	-	-	-	-
	-	-	-	-

PART B - Additional Information Required By BMSB's Listing Requirements (continued)

10. Income tax expense (continued)

	Individual Quarters		Cumulative Quarters	
	3 Months	3 Months	9 Months	9 Months
	01/07/2024	01/07/2023	01/01/2024	01/01/2023
	to	to	to	to
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	RM'000	RM'000	RM'000	RM'000
b. Deferred tax				
(i) Current year				
- Malaysia	-	-	-	-
- Overseas	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(ii) Over/(Under) provision in prior year				
- Malaysia	-	-	-	-
- Overseas	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	(438)	(1,731)	(2,186)	(2,980)

11. Purchase or Disposal of Quoted Securities/Other Financial Assets

There was no purchase or disposal of quoted securities and/or other financial assets during the financial period ended 30 September 2024.

12. Investment in an associate

There was no purchase or disposal of equity stakes in an associate during the current quarter.

The investment in associate as at 30 September 2024 is as follows:

	Unaudited 30/09/2024 RM'000	Audited 31/12/2023 RM'000
Unquoted shares at cost		
At beginning/end of period/year	<u>1,127</u>	<u>1,127</u>
Unquoted shares at cost	1,127	1,127
Share of post-acquisition loss	<u>(1,127)</u>	<u>(1,127)</u>
	<u>-</u>	<u>-</u>

PART B - Additional Information Required By BMSB's Listing Requirements (continued)

13. Investment in an associate (continued)

The Group's share of post-acquisition loss was capped at RM1.13 million, being the equivalent cost of investment in the associate.

The summarised financial information of the Company's associate is as follows:

(a) Summarised statement of financial position

	Unaudited 30/09/2024 RM'000	Audited 31/12/2023 RM'000
Assets		
Non-current assets	-	-
Current assets	2,503	2,503
Total assets	<u>2,503</u>	<u>2,503</u>
Liabilities		
Non-current liabilities	-	-
Current liabilities	23,396	23,396
Total liabilities	<u>23,396</u>	<u>23,396</u>
Net liabilities	<u>(20,893)</u>	<u>(20,893)</u>

(b) Summarised statement of comprehensive income

	Cumulative Quarters	
	Unaudited 9 Months 01/01/2024 to 30/09/2024 RM'000	Audited 12 Months 01/01/2023 to 31/12/2023 RM'000
Revenue	-	6,537
Loss before tax	-	(7)
Net loss/Total comprehensive loss	<u>-</u>	<u>(7)</u>

The Group's 49% associate, Dufry HWG Shopping Sdn Bhd, which operate a sole travel retail outlet in SkyAvenue Mall, Genting Highlands has permanently ceased its operations with effective from 30 September 2023.

14. Group Borrowings and Debt Securities

	As at 30 September 2024					
	Long term Denomination		Short term Denomination		Total borrowing Denomination	
	USD'000	RM'000	USD'000	RM'000	USD'000	RM'000
Secured borrowings						
Term Loan 1	-	2,558	-	255	-	2,813
Term Loan 2	-	465	-	276	-	741
Term Loan 3*	70	289	140	577	210	866
Trade financing*	-	-	-	-	-	-
	70	3,312	140	1,108	210	4,420
Lease liabilities						
Hire purchase leases	-	685	-	218	-	903
Other leases	-	135	-	143	-	278
	-	820	-	361	-	1,181
	70	4,132	140	1,469	210	5,601

* USD1.0000 is equivalent to RM4.1220

	As at 31 December 2023					
	Long term Denomination		Short term Denomination		Total borrowing Denomination	
	USD'000	RM'000	USD'000	RM'000	USD'000	RM'000
Secured borrowings						
Term Loan 1	-	2,801	-	205	-	3,006
Term Loan 2	-	-	-	968	-	968
Term Loan 3	175	804	140	643	315	1,447
Trade financing*	-	-	700	3,213	700	3,213
	175	3,605	840	5,029	1,015	8,634
Lease liabilities						
Hire purchase liabilities	-	392	-	180	-	572
Other lease liabilities	-	12	-	6	-	18
	-	404	-	186	-	590
	175	4,009	840	5,215	1,015	9,224

* USD1.0000 is equivalent to RM4.5900

15. Off Balance Sheet Financial Instruments

The Group did not have any financial instruments with off balance sheet risk as at 18 November 2024, being the latest practicable date.

16. Financial Risk Management

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2023.

PART B - Additional Information Required By BMSB's Listing Requirements (continued)

17. Material Litigation

There is no material litigation for the Group as at 18 November 2024, being the latest practicable date.

18. Earnings/(Loss) Per Share

Basic

	Individual Quarter		Cumulative Quarters	
	3 Months 01/07/2024 to 30/09/2024	3 Months 01/07/2023 to 30/09/2023	9 Months 01/01/2024 to 30/09/2024	9 Months 01/01/2023 to 30/09/2023
Profit/(Loss) attributable to owners of the Company (RM'000)	(171)	3,162	875	3,758
Weighted average number of ordinary shares - Basic ('000)	205,547	170,412	205,547	170,412
Basic (sen)	<u>(0.08)</u>	<u>1.86</u>	<u>0.43</u>	<u>2.21</u>

The diluted earnings per share are not presented as the potential ordinary shares do not have a dilutive effect. The diluted loss per share is also not presented as there will be an anti-dilutive effect.

By Order of the Board,
Coral Hong Kim Heong
(MAICSA 7019696)
Company Secretary

Date: 25 November 2024