



PT RESOURCES HOLDINGS BERHAD

(Registration No.: 201901032139 (1341469-P))

(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2024



UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	Note	Individual Quarter		Cumulative Quarter	
		Unaudited	Unaudited	Unaudited	Unaudited
		31.01.2024	31.01.2023	31.01.2024	31.01.2023
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	165,038	115,443	408,380	356,093
Cost of sales		(141,684)	(100,172)	(353,771)	(313,770)
Gross profit		23,354	15,271	54,609	42,323
Other income		1,274	3	7,537	1,565
Administrative expenses		(8,312)	(12,542)	(20,761)	(23,855)
Other expenses		(10)	-	(14)	-
Profit from operations		16,306	2,732	41,371	20,033
Finance income		233	272	704	443
Finance costs		(1,669)	(896)	(3,503)	(2,218)
Profit before tax		14,870	2,108	38,572	18,258
Tax expense	B4	(313)	(139)	(621)	(425)
Profit for the financial period	B11	14,557	1,969	37,951	17,833
<u>Other comprehensive income to be reclassified to profit or loss in subsequent period</u>					
Foreign currency translation difference for foreign operation		(2)	-	7	-
Total comprehensive income for the financial period		14,555	1,969	37,958	17,833
Profit for the financial period after taxation attributable to:					
Owners of the Company		14,557	1,969	37,951	17,833
		14,557	1,969	37,951	17,833
Total comprehensive income for the financial period after taxation attributable to:					
Owners of the Company		14,555	1,969	37,958	17,833
		14,555	1,969	37,958	17,833
Earnings per share					
Basic/Diluted (sen) ⁽²⁾⁽³⁾	B10	2.72	0.37	7.09	3.86

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023 and the accompanying explanatory notes attached to this unaudited interim financial report.
- (2) Computed based on the profit attributable to the owners of the Company divided by the weighted average number of ordinary shares as referred to in Note B10.
- (3) The diluted earnings per share ("EPS") for the current and cumulative quarters are equivalent to the basic EPS as the Company does not have any dilutive instruments for the financial period ended 31 January 2023 and 31 January 2024.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	Unaudited As at 31.01.2024 RM'000	Audited As at 30.04.2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	28,653	20,316
Right-of-use assets	6,516	5,778
Fixed deposits with licensed banks	21,019	17,627
	56,188	43,721
Current assets		
Inventories	11,368	7,606
Trade receivables	193,856	127,078
Other receivables	2,979	3,317
Tax recoverable	338	334
Fixed deposits with licensed banks	10,938	10,176
Cash and bank balances	42,279	59,653
	261,758	208,164
TOTAL ASSETS	317,946	251,885
EQUITY AND LIABILITIES		
Equity		
Share capital	67,047	67,047
Merger deficit	(13,400)	(13,400)
Foreign currency translation reserve	7	-
Retained earnings	138,036	103,563
	191,690	157,210
Non-controlling interests	6	-
Total equity	191,696	157,210
Non-current liabilities		
Borrowings	7,829	9,358
Lease liabilities	3,618	2,743
Provision for restoration costs	1,927	1,857
Deferred tax liabilities	285	285
	13,659	14,243
Current liabilities		
Trade payables	16,889	6,104
Other payables	9,945	5,593
Borrowings	84,938	68,155
Lease liabilities	452	470
Tax payable	367	110
	112,591	80,432
Total liabilities	126,250	94,675
TOTAL EQUITY AND LIABILITIES	317,946	251,885
Net assets per share attributable to owners of the company (RM) ⁽²⁾	0.36	0.29



UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2024
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D) ⁽¹⁾

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023 and the accompanying explanatory notes attached to this unaudited interim financial report.
- (2) Computed based on total equity divided by the number of ordinary shares of 535,020,000 as at 30 April 2023 and 31 January 2024.

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PT RESOURCES HOLDINGS BERHAD

(Registration No.: 201901032139 (1341469-P))



UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

	Attributable to owners of the Company			Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total Equity
	Non-Distributable		Distributable				
	Share capital	Merger deficit	Foreign currency translation reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 May 2022	20,001	(13,400)	-	66,730	73,331	-	73,331
<u>Transaction with owners:-</u>							
Issuance of shares	48,600	-	-	-	48,600	-	48,600
Capitalisation of share issuance expenses	(1,033)	-	-	-	(1,033)	-	(1,033)
Total comprehensive income for the financial period	-	-	-	17,833	17,833	-	17,833
Balance as at 31 January 2023	67,568	(13,400)	-	84,563	138,731	-	138,731

PT RESOURCES HOLDINGS BERHAD

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D) ⁽¹⁾

	Attributable to owners of the Company			Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total Equity
	Share capital	Merger deficit	Foreign currency translation reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 May 2023	67,047	(13,400)	-	103,563	157,210	-	157,210
<u>Transaction with owners:-</u>							
Dividend paid	-	-	-	(3,478)	(3,478)	-	(3,478)
Incorporation of a subsidiary	-	-	-	-	-	6	6
Total comprehensive income for the financial period	-	-	7	37,951	37,958	-	37,958
Balance as at 31 January 2024	67,047	(13,400)	7	138,036	191,690	6	191,696

Note:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023 and the accompanying explanatory notes attached to this unaudited interim financial report.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	Cumulative Quarter	
	Unaudited	Unaudited
	31.01.2024	31.01.2023
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	38,572	18,258
Adjustments for:		
Depreciation of property, plant and equipment	2,130	1,472
Depreciation of right-of-use assets	600	544
Gain on disposal of property, plant and equipment	-	(296)
Gain on early termination on leases	(1)	-
Interest expense	3,200	2,218
Interest income	(704)	(443)
Property, plant and equipment written off	14	-
Rent concessions	-	(20)
Unrealised (gain)/loss on foreign exchange	(1,279)	4,600
Operating profit before changes in working capital	42,532	26,333
Changes in working capital:		
Inventories	(3,762)	6,730
Receivables	(65,345)	(44,849)
Payables	11,269	5,795
Bankers' acceptance	4,799	9,559
Invoice financing	9,022	855
Revolving financing	4,635	382
Cash generated from operations	3,150	4,805
Interest paid	(2,530)	(1,439)
Interest received	139	203
Tax paid	(401)	(402)
Tax refund	33	-
Net cash from operating activities	391	3,167
Cash flows from investing activities		
Interest received	565	240
Acquisition of non-controlling interests	6	-
Purchase of property, plant and equipment	(10,091)	(211)
Proceeds from disposal of property, plant and equipment	-	296
Net cash (used in)/from investing activities	(9,520)	325
Cash flows from financing activities		
Interest paid	(600)	(610)
Interest received	-	-
Repayment of term loans	(1,554)	(1,372)
Repayment of lease liabilities	(480)	(1,293)
Placement of fixed deposits pledged	(3,392)	(15,227)
Proceeds from issuance of shares, net	-	47,567
Net cash (used in)/from financing activities	(6,026)	29,065



UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D) ⁽¹⁾

	Cumulative Quarter	
	Unaudited 31.01.2024 RM'000	Unaudited 31.01.2023 RM'000
Net (decrease)/increase in cash and cash equivalents	(15,155)	32,557
Cash and cash equivalents at the beginning of the financial period	65,518	43,687
Effect of foreign exchange difference	191	(186)
Cash and cash equivalents at the end of the financial period	50,554	76,058

Note:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows and should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023 and the accompanying explanatory notes attached to this unaudited interim financial report.

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A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

A1. Basis of Preparation

This unaudited interim financial report of PT Resources Holdings Berhad (“**Company**”) and its subsidiaries (“**Group**”) is unaudited and has been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“**MFRSs**”) 134: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”).

This unaudited interim financial report should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023 and the accompanying notes attached to this unaudited interim financial report.

A2. Significant Accounting Policies

The accounting policies adopted for this unaudited interim financial report are consistent with those adopted for the Audited Financial Statements for the financial year ended 30 April 2023 except for the adoption of the following amendments/improvements to MFRSs that are mandatory for the Group for the financial period beginning 1 May 2023:

MFRS 17*	Insurance contracts
Amendments to MFRS 17*	Insurance contracts
Amendments to MFRS 17*	Insurance contracts: Initial application of MFRS 17 and MFRS 9: Comparative information
Amendments to MFRS 101	Presentation of financial statements: Disclosure of accounting policies
Amendments to MFRS 108	Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates
Amendments to MFRS 112	Income taxes: Deferred tax related to assets and liabilities arising from a single transaction
Amendments to MFRS 112	Income taxes: International tax reform: Pillar two model rules

The adoption of these amendments/improvements to MFRSs did not have any material impact on this unaudited interim financial report of the Group.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board but are not yet affective for the current financial year:

Amendments to MFRSs effective for the financial period beginning on or after 1 January 2024:

Amendments to MFRS 16	Leases: Lease liability in a sale and leaseback
Amendments to MFRS 101	Presentation of financial statements: Non-current liabilities with covenants
Amendments to MFRS 101	Presentation of financial statements: Classification of liabilities as current or non-current
Amendments to MFRS 107 and MFRS 7	Statement of cash flows and Financial Instruments Disclosures: Supplier finance arrangements

Amendments to MFRSs effective for the financial period beginning on or after 1 January 2025:

Amendments to MFRS 121	The effects of changes in foreign exchange rates: Lack of exchangeability
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A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (CONT'D)

A2. Significant Accounting Policies (Cont'd)

Amendments to MFRSs – Effective date deferred indefinitely:

Amendments to MFRS 10 and MFRS Consolidated financial statements and investments in associate and joint ventures – Sale or contribution of assets between an investor and its associate or joint venture

* Not applicable to the Group's operations

The initial application of the above accounting standards, amendments are not expected to have any material financial impact to the financial statements of the Group.

A3. Auditors' Report on Preceding Annual Financial Statements

The Audited Financial Statements of the Group for the financial year ended 30 April 2023 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's performance is subject to seasonal demand, whereby demand is higher prior to the commencement and during festive seasons such as Chinese New Year, Hari Raya, Deepavali and Christmas. In addition, the Group's business in the East Coast region of Peninsular Malaysia is also affected by the monsoon season especially when floods occur.

A5. Items or Incidence of an Unusual Nature

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows of the Group during the current quarter and financial year-to-date ("YTD").

A6. Material Changes in Estimates

There were no changes in estimates that have a material effect on the Group for the current quarter and YTD.

A7. Debt and Equity Securities

There were no other issuance and repayment of debt and equity securities, share buy-backs, share cancellation and resale of treasury shares during the current quarter and YTD.

A8. Dividend Paid

On 27 September 2023, the Company declared an interim single tier dividend of 0.65 sen per ordinary share amounting to RM3.48 million for financial year ending 30 April 2024. The dividend was paid on 10 November 2023.


A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (CONT'D)
A9. Segmental Reporting
Revenue by business segments

The Group is principally involved in the processing and trading of frozen seafood products, and trading of other products. The Group's revenue by business segments for the financial period ended 31 January 2024 is as follows:

Individual Quarter	Processing and trading of frozen seafood products RM'000	Trading of other products RM'000	Elimination RM'000	Total RM'000
Unaudited				
Revenue:				
Revenue from external customers	157,900	7,138	-	165,038
Inter-segment revenue	4,737	1,822	(6,559)	-
	<u>162,637</u>	<u>8,960</u>	<u>(6,559)</u>	<u>165,038</u>

The Group's revenue by business segments for the financial period ended 31 January 2023 is as follows:

Individual Quarter	Processing and trading of frozen seafood products RM'000	Trading of other products RM'000	Elimination RM'000	Total RM'000
Unaudited				
Revenue:				
Revenue from external customers	108,823	6,620	-	115,443
Inter-segment revenue	715	2,500	(3,215)	-
	<u>109,538</u>	<u>9,120</u>	<u>(3,215)</u>	<u>115,443</u>


A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (CONT'D)
A9. Segmental Reporting (Cont'd)
Revenue by business segments (Cont'd)

The Group's segmental revenue by business segments for the financial period ended 31 January 2024 is as follows:

Cumulative Quarter	Processing and trading of frozen seafood products	Trading of other products	Elimination	Total
	RM'000	RM'000	RM'000	RM'000
Unaudited Revenue:				
Revenue from external customers	386,684	21,696	-	408,380
Inter-segment revenue	13,455	5,893	(19,348)	-
	400,139	27,589	(19,348)	408,380

The Group's revenue by business segments for the financial period ended 31 January 2023 is as follows:

Cumulative Quarter	Processing and trading of frozen seafood products	Trading of other products	Elimination	Total
	RM'000	RM'000	RM'000	RM'000
Unaudited Revenue:				
Revenue from external customers	332,460	23,633	-	356,093
Inter-segment revenue	20,787	8,021	(28,808)	-
	353,247	31,654	(28,808)	356,093


A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (CONT'D)
A9. Segmental Reporting (Cont'd)
Revenue by geographical location

The Group sells its products locally in Malaysia and internationally. The Group's segmental revenue by geographical location is as follows:

	Individual Quarter		Cumulative Quarter	
	Unaudited 31.01.2024 RM'000	Unaudited 31.01.2023 RM'000	Unaudited 31.01.2024 RM'000	Unaudited 31.01.2023 RM'000
Malaysia	74,942	57,693	201,840	206,179
Overseas				
Saudi Arabia	10,042	1,502	22,418	8,765
China	78,801	56,248	174,063	140,309
Others ⁽¹⁾	1,253	-	10,059	840
	90,096	57,750	206,540	149,914
Total	165,038	115,443	408,380	356,093

Note:

(1) Comprise Indonesia, Thailand, Singapore, the United Arab Emirates and the Philippines.

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A. NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (CONT'D)

A10. Material Events Subsequent to the End of the Current Quarter

There were no significant events subsequent to the end of the current quarter which will materially affect the earnings of the Group.

A11. Changes in the Composition of the Group

Save as disclosed below, there were no changes in the composition of the Group during the current quarter and YTD:

- (i) On 7 June 2023, the Company incorporated a wholly-owned subsidiary domiciled in the People's Republic of China, Fujian Hongjiasheng International Holdings Co., Ltd which is principally involved in the wholesale of fishery products, wholesale of processed fishery products and other wholesale of food and beverages.

A12. Contingent Assets and Contingent Liabilities

There were no contingent assets and contingent liabilities as at the end of the reporting quarter:

A13. Capital Commitments

Save as disclosed below, there were no capital commitments as at the end of the reporting quarter other than those stated below:

	As at 31.01.2024 RM'000
Approved but not contracted for:	
Setup cost of a processing facility located in Fuzhou City, Fujian Province, China	4,292
	<hr/> 4,292 <hr/>

A14. Related Party Transactions

There were no related party transactions during the current quarter and YTD.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B1. Performance Review

Comparison with the Corresponding Quarter (3QFY2024 vs 3QFY2023)

The Group's revenue increased by RM49.6 million or 43.0% to RM165.0 million in the 3QFY2024 as compared to 3QFY2023, which was mainly attributable to the following:

- (i) an increase in domestic demand by RM17.2 million or 29.9% in the 3QFY2024 as compared to the 3QFY2023 in light of the anticipation and preparation for the upcoming Chinese New Year Festival; and
- (ii) an increase in overseas demand by RM32.3 million or 56.0% in the 3QFY2024 as compared to the 3QFY2023, primarily driven by the higher demand from China customers.

The increase in the Group's revenue translated to an increase in gross profit ("GP") by RM8.1 million or 52.9% to RM23.4 million in the 3QFY2024 as compared to the 3QFY2023. In addition, the Group's GP margin ("GPM") rose by 1.0 percentage point to 14.2% in the 3QFY2024 as compared to 13.2% in the 3QFY2023. This was mainly due to the Group's ability to secure its supplies at competitive pricing through bulk purchasing.

The Group's administrative expenses decreased by RM4.2 million or 33.7% to RM8.3 million in the 3QFY2024 due to a lower unrealised loss on foreign currency exchange of RM4.8 million as a result of the weakening RM against USD in the 3QFY2024, which was partially offset by the higher selling and distributions expenses incurred of RM0.9 million.

Increase in the Group's revenue contributed in the Group's overall profitability, which was reflected in the Group's profit before tax ("PBT") of RM14.9 million as compared to RM2.1 million in the 3QFY2023. The Group's PBT margin rose by 7.2 percentage points to 9.0% in the 3QFY2024 as compared to the 3QFY2023.

Comparison with the Corresponding Financial Period (YTD FY2024 vs YTD FY2023)

The Group's revenue increased by RM52.3 million or 14.7% to RM408.4 million in the YTD FY2024 as compared to the YTD FY2023 which was mainly attributable to the increase in foreign sales of RM56.6 million, particularly from China, being the greatest contributor. However, the increase in revenue is partially offset by the decrease in local sales of RM4.3 million given a lower local demand in 1QFY2024.

The increase in the Group's revenue translated to an increase in GP by RM12.3 million or 29.0% to RM54.6 million in the YTD FY2024. In addition, the Group's GP margin increased by 1.5 percentage points to 13.4% as compared to 11.9% in the YTD FY2023 which was mainly due to the Group's ability to secure its supplies at competitive pricing through bulk purchasing.

The Group's administrative expenses decreased by RM3.1 million or 13.0% to RM20.8 million in the YTD FY2024 as compared to the YTD FY2023, was mainly due to an unrealised gain on foreign currency exchange of RM4.6 million as a result of the weakening RM against USD in the 3QFY2024, which was partially offset by the higher selling and distributions expenses incurred of RM1.7 million.

Pursuant to the above, the Group experienced a hike in overall profitability, as reflected in the Group's PBT of RM38.6 million as compared to RM18.3 million in the YTD FY2023. The Group's PBT margin also increased by 4.3% to 9.4% in the YTD FY2024 as compared to the YTD FY2023.



B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B1. Performance Review (Cont'd)

Comparison with the Immediate Preceding Quarter (3QFY2024 vs 2QFY2024)

The Group's revenue increased by RM53.3 million or 47.8% to RM165.0 million in the 3QFY2024 as compared to the 2QFY2024, which was mainly attributable to the following:

- (i) an increase in domestic demand by RM5.3 million or 7.7% in the 3QFY2024 as compared to the 2QFY2024 in light of the anticipation and preparation for the upcoming Chinese New Year Festival; and
- (ii) an increase in overseas demand by RM48.0 million or 114.0% in the 3QFY2024 as compared to the 2QFY2024, primarily driven by higher demand from China customers.

The increase in the Group's revenue translated to an increase in GP by RM3.2 million or 16.0% to RM23.4 million in the 3QFY2024 as compared to the 2QFY2024. However, the Group's GPM dropped by 3.8 percentage point to 14.2% in the 3QFY2024 as compared to 18.0% in the 2QFY2024. This was mainly due to the higher material purchase cost.

The Group's administrative expenses increased by RM0.2 million or 2.8% to RM8.3 million in the 3QFY2024, which was mainly due to an unrealised loss on foreign currency exchange of RM1.1 million as a result of the strengthening RM against USD in the 3QFY2024, which was partially offset by a lower staff cost, particularly an accrual of RM0.7 million in 2QFY2024.

Pursuant to the above, the Group experienced a decline in overall profitability, as reflected in the Group's PBT of RM14.9 million in the 3QFY2024 as compared to RM18.9 million in the 2QFY2024. The Group's PBT margin also decreased by 7.9 percentage points to 9.0% as compared to the 2QFY2024.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B2. Group's Prospects

As the global economy is seen to be recovering and followed by the gradual re-opening of China's border in 2023, the Group's sales is expected to continue to grow, driven by the supply of food products to existing and new customers in the overseas market, and by leveraging on its new subsidiary in China to further expand into the large China market. Pursuant thereto, the Group has set up an initial processing facility in Fuzhou City, Fujian Province, China to venture into value-added food product business to expand its product offerings.

The Group is committed to actively identify and evaluate new business opportunities and/or assets to be acquired which can contribute to and improve its financial performance. In the meantime, the Group will continue to monitor the latest developments in the market and will take steps to mitigate any risks to its operations or financial performance.

B3. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current quarter and YTD.

B4. Tax Expense

	Individual Quarter		Cumulative Quarter	
	Unaudited	Unaudited	Unaudited	Unaudited
	31.01.2024	31.01.2023	31.01.2024	31.01.2023
	RM'000	RM'000	RM'000	RM'000
Income tax	313	139	621	425
Effective tax rate (%)	2.1	6.6	1.6	2.3
Statutory tax rate (%)	24.0	24.0	24.0	24.0

The Group's effective tax rates were lower than the statutory tax rate of 24%, which was mainly attributable to the income tax exemption granted by the Malaysian Investment Development Authority to one of the Group's subsidiary, MHC Coldstorage Sdn Bhd ("MHC"), for a period of 10 years commencing from the year of assessment 2018. This has allowed MHC to enjoy 100% income tax exemption for income earned from processing of frozen seafood products during the said period, which is conditional upon MHC operating in the Kuantan Integrated Fish Processing Park Processing Facility.

The lower effective tax rate recorded for the current quarter and YTD was mainly due to the unrealised gain on foreign exchange which is non-taxable.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B5. Status of Corporate Proposals

Save as disclosed below, there are no corporate proposals announced by the Company but not completed as at the date of this unaudited interim financial report:

- (i) On 26 February 2023, the Company had entered into a Memorandum of Understanding (“**MOU**”) with Ocean Exchange (Fujian) Foreign Trade Services Co Ltd (“**Ocean Exchange**”) to establish cooperation between the Company and Ocean Exchange for the joint development of the Malaysian East Coast International Supply Chain Intelligent Park in Kuantan, Pahang (“**the Project**”).

The Project, which is intended to drive the development of food and light industries supply-chain between Malaysia and Fuzhou with the aim of rapidly achieving currency internationalisation between the two countries, will encompass amongst others, integrated cold chain facilities to facilitate cross-border supply of consumer food. In addition, the Project also aims to boost the trade between the Malaysian seafood wholesale market and China through digital transformation.

As at the date of this report, the Board of Directors of the Company (“**Board**”) wishes to inform that there is no material development on the status of the MOU.

B6. Use of Proceeds Raised from Corporate Proposals

The Company had raised gross proceeds of RM48.6 million from its IPO in September 2022. As at 31 January 2024, the utilisation of the IPO proceeds are as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Intended timeframe for utilisation from the date of listing
Capital expenditure for new cold storage warehouse	17,635	-	17,635	Within 36 months
Working capital	27,175	27,175	-	Within 12 months
Estimated listing expenses	3,790	3,790	-	Within 3 months
Total	48,600	30,965	17,635	

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B7. Borrowings

The details of the Group's borrowings are as follows:

	Unaudited 31.01.2024 RM'000	Audited 30.04.2023 RM'000
Non-current		
<i>Secured</i>		
Term loans	7,829	9,358
	<u>7,829</u>	<u>9,358</u>
Current		
<i>Secured</i>		
Bank overdrafts	2,663	4,311
Term loans	2,172	2,197
Bankers' acceptance	61,486	56,688
Invoice financing	9,523	501
Revolving financing	9,093	4,458
	<u>84,938</u>	<u>68,155</u>
Total	<u>92,767</u>	<u>77,513</u>

All the borrowings are denominated in Ringgit Malaysia.

B8. Material Litigation

As at the date of this report, the Group is not engaged in any litigation which has a material effect on the financial position or business of the Group.

B9. Dividend

On 27 March 2024, the Company declared an interim single tier dividend of 0.65 sen per ordinary share amounting to RM3.48 million for financial year ending 30 April 2024. The dividend is to be paid on 16 May 2024.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

B10. Basic and Diluted EPS

The basic and diluted EPS for the current quarter and YTD are computed as follows:

	Individual Quarter		Cumulative Quarter	
	Unaudited 31.01.2024	Unaudited 31.01.2023	Unaudited 31.01.2024	Unaudited 31.01.2023
Profit attributable to owners of the Company (RM'000)	14,557	1,969	37,951	17,833
Weighted average number of shares ('000)	535,020	535,020	535,020	461,650
Basic/Diluted EPS (sen) ⁽³⁾	2.72 ⁽¹⁾	0.37 ⁽²⁾	7.09 ⁽¹⁾	3.86 ⁽²⁾

Notes:

- (1) Computed based on the profit attributable to the owners of the Company divided by the weighted average number of ordinary shares of 535,020,000 for the individual and cumulative quarters ended 31 January 2024.
- (2) Computed based on the profit attributable to the owners of the Company divided by the weighted average number of ordinary shares of 535,020,000 and 461,650,435 for the individual and cumulative quarters ended 31 January 2023 respectively.
- (3) The diluted EPS for the current and cumulative quarters are equivalent to the basic EPS as the Company does not have any dilutive instruments for the financial period ended 31 January 2023 and 31 January 2024.

B11. Notes to the Condensed Consolidated Statement of Profit and Other Comprehensive Income

Profit for the period was derived after taking into consideration of the following:

	Individual Quarter		Cumulative Quarter	
	Unaudited 31.01.2024 RM'000	Unaudited 31.01.2023 RM'000	Unaudited 31.01.2024 RM'000	Unaudited 31.01.2023 RM'000
Interest income	233	272	704	443
Interest expense	(1,384)	(896)	(3,200)	(2,218)
Depreciation of property, plant and equipment	(799)	(527)	(2,130)	(1,472)
Depreciation of right-of-use assets	(227)	(137)	(600)	(544)
Gain on disposal of property, plant and equipment	-	-	-	296
Gain on early termination on leases	1	-	1	-
Listing expenses	-	(157)	-	(1,905)
Property, plant and equipment written off	(10)	-	(14)	-
Rent concessions	-	-	-	20
Realised gain/(loss) on foreign exchange	1,261	(296)	6,238	1,230
Unrealised gain/(loss) on foreign exchange	(1,102)	(5,895)	1,279	(4,600)