



PT RESOURCES HOLDINGS BERHAD

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

(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2022



UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2022

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

	Note	Individual Quarter		Cumulative Quarter	
		Unaudited 31.10.2022 RM'000	Unaudited 31.10.2021 RM'000	Unaudited 31.10.2022 RM'000	Unaudited 31.10.2021 RM'000
Revenue	A9	125,373	113,870	240,650	187,933
Cost of sales		(111,502)	(101,298)	(213,598)	(166,378)
Gross profit		13,871	12,572	27,052	21,555
Other income		2,413	19	3,153	30
Administrative expenses		(7,291)	(4,442)	(12,904)	(8,185)
Impairment gain of financial assets, net		-	61	-	123
Profit from operations		8,993	8,210	17,301	13,523
Finance income		124	54	171	109
Finance costs		(690)	(736)	(1,322)	(1,384)
Profit before tax		8,427	7,528	16,150	12,248
Tax expense	B4	(84)	(20)	(286)	(62)
Profit/Total comprehensive income for the financial period	B11	8,343	7,508	15,864	12,186
Profit/Total comprehensive income for the financial period after taxation attributable to:					
Owners of the Company		8,343	7,508	15,864	12,186
		8,343	7,508	15,864	12,186
Earnings per share					
Basic/Diluted (sen) ⁽²⁾⁽³⁾	B10	1.85	1.88	3.73	3.05

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 30 August 2022 ("Prospectus") 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 quarter are equivalent to the basic EPS as the Company does not have any dilutive instruments for the financial period ended 31 October 2021 and 31 October 2022.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	Unaudited As at 31.10.2022 RM'000	Audited As at 30.04.2022 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	20,016	20,482
Right-of-use assets	6,803	6,522
Fixed deposits with licensed banks	10,632	9,859
	37,451	36,863
Current Assets		
Inventories	5,426	11,623
Trade receivables	63,243	43,146
Other receivables	937	1,167
Tax recoverable	376	331
Fixed deposits with licensed banks	1	1
Cash and bank balances	93,849	45,526
	163,832	101,794
TOTAL ASSETS	201,283	138,657
EQUITY AND LIABILITIES		
Equity		
Share capital	67,568	20,001
Merger deficit	(13,400)	(13,400)
Retained earnings	82,594	66,730
Total equity	136,762	73,331
Non-current Liabilities		
Borrowings	10,041	10,965
Lease liabilities	2,551	3,294
Provision for restoration costs	1,744	1,336
Deferred tax liabilities	272	272
	14,608	15,867
Current Liabilities		
Trade payables	5,159	3,687
Other payables	7,737	9,276
Borrowings	36,150	35,925
Lease liabilities	807	562
Tax payable	60	9
	49,913	49,459
Total liabilities	64,521	65,326
TOTAL EQUITY AND LIABILITIES	201,283	138,657
Number of issued shares ('000)	535,020	400,020
Net assets per share attributable to owners of the company (RM) ⁽²⁾	0.26	0.18



UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D) ⁽¹⁾

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus 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 400,020,000 and 535,020,000 as at 30 April 2022 and 31 October 2022 respectively.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

	Attributable to owners of the Company			Total equity RM'000
	Non-Distributable		Distributable	
	Share capital RM'000	Merger deficit RM'000	Retained earnings RM'000	
Balance as at 1 May 2021	20,001	(13,400)	45,618	52,219
Total comprehensive income for the financial period	-	-	12,186	12,186
Balance as at 31 October 2021	<u>20,001</u>	<u>(13,400)</u>	<u>57,804</u>	<u>64,405</u>
Balance as at 1 May 2022	20,001	(13,400)	66,730	73,331
Total comprehensive income for the financial period	-	-	15,864	15,864
<u>Transaction with owners:-</u>				
Issuance of shares	48,600	-	-	48,600
Share issuance expenses	(1,033)	-	-	(1,033)
Balance as at 31 October 2022	<u>67,568</u>	<u>(13,400)</u>	<u>82,594</u>	<u>136,762</u>

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this unaudited interim financial report.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	Cumulative Quarter	
	Unaudited 31.10.2022 RM'000	Unaudited 31.10.2021 RM'000
Cash flows from operating activities		
Profit before tax	16,150	12,248
Adjustments for:		
Bad debts written off	-	39
Depreciation of property, plant and equipment	945	934
Depreciation of right-of-use assets	407	398
Gain on disposal of property, plant and equipment	(296)	-
Impairment gain of financial assets, net	-	(123)
Interest expenses	1,322	1,384
Interest income	(171)	(109)
Rent concessions	(20)	-
Unrealised gain on foreign exchange	(1,295)	-
Operating profit before changes in working capital	17,042	14,771
Changes in working capital:		
Inventories	6,197	1,856
Receivables	(18,548)	(23,198)
Payables	(67)	11,673
Bankers' acceptance	249	(1,608)
Invoice financing	600	21
Revolving financing	(1,515)	201
Cash generated from operations	3,958	3,716
Interest paid	(798)	(515)
Tax paid	(280)	(867)
Net cash from operating activities	2,880	2,334
Cash flows from investing activities		
Purchase of property, plant and equipment	(184)	(161)
Purchase of right-of-use assets	-	(236)
Proceeds from disposal of property, plant and equipment	296	-
Net cash from/(used in) investing activities	112	(397)
Cash flows from financing activities		
Interest paid	(411)	(461)
Interest received	171	109
Repayment of term loans	(875)	(1,108)
Repayment of lease liabilities	(1,166)	(384)
Placement of fixed deposits pledged	(773)	(731)
Proceeds from issuance of shares, net	47,567	-
Net cash from/(used in) financing activities	44,513	(2,575)
Net increase/(decrease) in cash and cash equivalents	47,505	(638)
Cash and cash equivalents at the beginning of the financial period	43,687	26,366
Effect of foreign exchange difference	(24)	-
Cash and cash equivalents at the end of the financial period	91,168	25,728



UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D) ⁽¹⁾

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus 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**”) are unaudited and has been prepared in accordance with the requirements of 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 Accountants’ Report as disclosed in the Prospectus 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 Accountants’ Report as disclosed in the Prospectus except for the adoption of the following amendments/improvements to MFRSs that are mandatory for the Group for the financial period beginning 1 May 2022:

Amendments to MFRS 3	Business combinations: Reference to the conceptual framework
Amendments to MFRS 116	Property, plant and equipment: Proceeds before intended use
Amendments to MFRS 137	Provision, contingent liabilities and contingent assets: Onerous contracts – cost of fulfilling a contract
Annual improvements to MFRS standard 2018 – 2020	

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 effective for the current financial period:

MFRSs and Amendments to MFRSs effective for the financial period beginning on or after 1 January 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 4*	Insurance contracts: Extension of the temporary exemption from applying MFRS 9
Amendments to MFRS 101	Presentation of financial statements: Classification of liabilities as current or non-current
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



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

A2. Significant Accounting Policies (Cont'd)

MFRSs and 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 MFRSs – Effective date deferred indefinitely:-

Amendments to MFRS 10 and Consolidated financial statements and investments in associate
MFRS 128* and joint ventures – Sale or contribution of assets between an
investor and its associate or joint venture

* Not applicable to the Group

The initial application of the above accounting standards, amendments and interpretations are not expected to have any material financial impact to the current period and prior period financial statements of the Group upon its first adoption.

A3. Auditors' Report on Preceding Annual Financial Statements

The audited financial statements of the Group for the financial year ended 30 April 2022 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.

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

The Company issued 135,000,000 new ordinary shares at an issue price of RM0.36 in conjunction with its listing on the ACE Market of Bursa Securities ("IPO"). The entire enlarged issued share capital of the Company of RM68.6 million comprising 535,020,000 ordinary shares were listed on the ACE Market of Bursa Securities on 27 September 2022.

Save as disclosed above, 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

There was no dividend paid for the current quarter and YTD.


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

The Group is principally involved in the processing and trading of frozen seafood products, and retail trading of other products. The Group's revenue by business segments for the financial period ended 31 October 2022 is as follows:

Individual Quarter	Processing and trading of frozen seafood products RM'000	Trading of other product RM'000	Eliminations RM'000	Total RM'000
Unaudited				
Revenue:				
Revenue from external customers	117,744	7,629	-	125,373
Inter-segment revenue	6,844	2,965	(9,809)	-
	124,588	10,594	(9,809)	125,373
Segment profit:				
Profit from operations				8,993
Finance income				124
Finance costs				(690)
Profit before tax				8,427
Tax expense				(84)
Profit for the financial period				8,343
Result:				
<i>Included in the measure of segment profit are:</i>				
Depreciation of property, plant and equipment				(469)
Depreciation of right-of-use assets				(214)
Unrealised gain on foreign exchange				1,324


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

The Group's revenue by business segments for the financial period ended 31 October 2021 is as follows:

Individual Quarter	Processing and trading of frozen seafood products RM'000	Trading of other product RM'000	Eliminations RM'000	Total RM'000
Unaudited Revenue:				
Revenue from external customers	108,247	5,623	-	113,870
Inter-segment revenue	4,078	2,256	(6,334)	-
	<u>112,325</u>	<u>7,879</u>	<u>(6,334)</u>	<u>113,870</u>
Segment profit:				
Profit from operations				8,210
Finance income				54
Finance costs				(736)
Profit before tax				7,528
Tax expense				(20)
Profit for the financial period				7,508
Result:				
<i>Included in the measure of segment profit are:</i>				
Depreciation of property, plant and equipment				(468)
Depreciation of right-of-use assets				(214)


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

The Group's segmental revenue by business segments for the financial period ended 31 October 2022 is as follows:

Cumulative Quarter	Processing and trading of frozen seafood products RM'000	Trading of other product RM'000	Eliminations RM'000	Total RM'000
Unaudited Revenue:				
Revenue from external customers	223,637	17,013	-	240,650
Inter-segment revenue	20,072	5,521	(25,593)	-
	<u>243,709</u>	<u>22,534</u>	<u>(25,593)</u>	<u>240,650</u>
Segment profit:				
Profit from operations				17,301
Finance income				171
Finance costs				(1,322)
Profit before tax				16,150
Tax expense				(286)
Profit for the financial period				15,864
Result:				
<i>Included in the measure of segment profit are:</i>				
Depreciation of property, plant and equipment				(945)
Depreciation of right-of-use assets				(407)
Unrealised gain on foreign exchange				1,295


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

The Group's segmental revenue by business segments for the financial period ended 31 October 2021 is as follows:

Cumulative Quarter	Processing and trading of frozen seafood products RM'000	Trading of other product RM'000	Eliminations RM'000	Total RM'000
Unaudited Revenue:				
Revenue from external customers	177,697	10,236	-	187,933
Inter-segment revenue	9,525	4,144	(13,669)	-
	187,222	14,380	(13,669)	187,933
Segment profit:				
Profit from operations				13,523
Finance income				109
Finance costs				(1,384)
Profit before tax				12,248
Tax expense				(62)
Profit for the financial period				12,186
Result:				
<i>Included in the measure of segment profit are:</i>				
Depreciation of property, plant and equipment				(934)
Depreciation of right-of-use assets				(398)



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

There were no changes in the composition of the Group during the current quarter and YTD.

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

There were no capital commitments as at the end of the reporting quarter.

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

B1. Performance Review

Comparison with the Corresponding Quarter (2QFY2023 vs 2QFY2022)

The Group's revenue increased by RM11.5 million or 10.1% to RM125.4 million in the 2QFY2023 as compared to the 2QFY2022, which was mainly due to the increase in domestic demand by RM28.4 million or 75.0% in the 2QFY2023 as compared to the 2QFY2022 in light of the positive outlook upon transition to the COVID-19 endemic phase by the Malaysian Government effective 1 April 2022. The increase in domestic demand was partially offset by a decrease in overseas orders by RM16.9 million or 22.3% in the 2QFY2023 as compared to the 2QFY2022, which was mainly due to a business policy change of one of the Group's major China customers that redirected its customers ("end customers") to the Group and resulted in temporary disruptions in orders from the end customers.

The increase in the Group's revenue translated to an increase in gross profit ("GP") by RM1.3 million or 10.3% to RM13.9 million in the 2QFY2023 as compared to the 2QFY2022. The Group recorded a GP margin ("GPM") of 11.1% in the 2QFY2023, which remained relatively constant as compared to 11.0% in the 2QFY2022 as the Group continued to maintain its competitive pricing strategy accorded to local wholesalers and certain overseas customers in the 2QFY2023 in order to secure more orders from these customers.

The Group's administrative expenses increased by RM2.8 million or 64.1% to RM7.3 million in the 2QFY2023 as compared to the 2QFY2022, which was mainly due to listing expenses incurred in relation to the Group's corporate exercise as well as an increase in carriage outwards and COVID-19 related expenses incurred for safety and cleanliness measures prior to the shipment of products to the Group's customers.

The increase in the Group's revenue contributed to an increase in the Group's overall profitability which was reflected in the Group's profit before tax ("PBT") of RM8.4 million as compared to RM7.5 million in the 2QFY2022. The Group's PBT margin rose by 0.1 percentage point to 6.7% in the 2QFY2023 as compared to the 2QFY2022.

Comparison with the Corresponding Financial Period (YTD FY2023 vs YTD FY2022)

The Group's revenue increased by RM52.7 million or 28.1% to RM240.7 million in the FY2023 as compared to the FY2022, which was mainly due to the increase in domestic demand by RM80.9 million or 119.8% in the YTD FY2023 as compared to the YTD FY2022 in light of the positive outlook upon transition to the COVID-19 endemic phase by the Malaysian Government effective 1 April 2022. The increase in domestic demand was partially offset by the decrease in overseas demand by RM28.2 million or 23.4% in the YTD FY2023 as compared to the YTD FY2022, which was mainly due to the reason as explained above.

The increase in the Group's revenue translated to an increase in GP by RM5.5 million or 25.5% to RM27.1 million in the YTD FY2023 as compared to the YTD FY2022. Nevertheless, the Group recorded a GPM of 11.2% in the YTD FY2023, which was 0.3 percentage point lower as compared to the YTD FY2022. This was mainly due to the competitive pricing of the Group's frozen seafood products accorded to local wholesalers in order to secure more orders from these wholesalers, which translated to higher domestic demand in the YTD FY2023 as mentioned above.



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

B1. Performance Review (Cont'd)

Comparison with the Corresponding Financial Period (YTD FY2023 vs YTD FY2022) (Cont'd)

The Group's administrative expenses increased by RM4.7 million or 57.7% to RM12.9 million in the YTD FY2023 as compared to the YTD FY2022, which was mainly due to the listing expenses incurred in relation to the Group's corporate exercise, as well as an increase in carriage outwards and COVID-19 related expenses incurred as mentioned above.

The increase in the Group's revenue contributed to an increase in the Group's overall profitability which was reflected in the Group's PBT of RM16.2 million as compared to RM12.2 million in the YTD FY2022. The Group's PBT rose by 0.2 percentage point to 6.7% in the YTD FY2023 as compared to YTD FY2022.

Comparison with the Immediate Preceding Quarter (2QFY2023 vs 1QFY2023)

The Group's revenue increased by RM10.1 million or 8.8% to RM125.4 million in the 2QFY2023 as compared to the 1QFY2023. This was mainly due to the increase in overseas demand by RM25.8 million or 77.7% in the 2QFY2023 as compared to the 1QFY2023 as a result of the gradual re-opening of China's borders as well as the business expansion of certain China customers which contributed to an increase in orders from customers in China in the 2QFY2023 as compared to the 1QFY2023. The increase in overseas demand was partially offset by the decrease in domestic demand by RM15.7 million or 19.1% as a result of seasonality factors such as the availability of certain types of frozen seafood products as well as major festive seasons (i.e. Hari Raya Haji) which contributed to a higher demand in the 1QFY2023.

The Group's GP increased by RM0.7 million or 5.2% to RM13.9 million. Nevertheless, the Group recorded a slightly lower GPM of 11.1% in the 2QFY2023, which was 0.3 percentage point lower as compared to the 1QFY2023. This was mainly due to the Group's promotional activities for the trading of other product segment in the domestic market in view of local celebrations such as the Independence Day, Malaysia Day and Deepavali in the 2QFY2023.

The Group's administrative expenses increased by RM1.7 million or 29.9% to RM7.3 million in 2QFY2023 as compared to the 1QFY2023, which was mainly due to the listing expenses incurred in relation to the Group's corporate exercise.

The increase in the Group's revenue contributed to an increase in the Group's overall profitability which was reflected in the Group's PBT of RM8.4 million as compared to RM7.7 million in the 1QFY2023. The Group recorded a PBT margin of 6.7% in the 2QFY2023, which remained constant as compared to the 1QFY2023.

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

B2. Group's Prospects

In view of the COVID-19 transition to the endemic phase effective 1 April 2022, social and business activities can be seen gaining traction throughout 2022, leading to a rebound in economic activities in Malaysia, which the Group expects its overall revenue growth in the FY2023 to be higher as compared to the FY2022. Despite growing concerns on a global cost push inflationary pressures as a result of the COVID-19 pandemic that has affected the Group's direct and indirect operating costs, the Group will be taking a two-pronged strategy in reducing cost and increasing selling prices marginally to cushion the impact of increasing operating costs and improve profitability.

Notwithstanding the cost pressures, the Group is optimistic on the long-term growth for the demand of its products both domestically and internationally. The Group remains committed to growing its products demand domestically by strengthening access to channel partners and establishing more "MO Foodmart™" outlets prioritising the East Coast region of Peninsular of Malaysia. On the international markets, the Group will look to further increase supply to China and the Middle East in view of easing of global COVID-19 export-import requirements, as well as stabilisation of the temporary disruptions as mentioned in Section B1.

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 31.10.2022 RM'000	Unaudited 31.10.2021 RM'000	Unaudited 31.10.2022 RM'000	Unaudited 31.10.2021 RM'000
Income tax	84	20	286	62
Effective tax rate (%)	1.0	0.3	1.8	0.5
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 KIFPP Processing Facility.

The higher effective tax rate recorded for the current quarter and YTD was mainly due to higher PBT generated by the Group's taxable operating subsidiaries.



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

B5. Status of Corporate Proposals

There are no corporate proposals announced by the Company but not completed as at the date of this unaudited interim financial report.

B6. Use of Proceeds Raised from Corporate Proposals

The gross proceeds of approximately RM48.6 million from the IPO is intended to be utilised in the following manner:

Detail of utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended timeframe for utilisation from the date of listing
Capital expenditure for new cold storage warehouse	17,635	-	Within 36 months
Working capital	27,175	12,500	Within 12 months
Estimated listing expenses	3,790	3,790	Within 3 months
Total	48,600	16,290	

B7. Borrowings

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

	Unaudited 31.10.2022 RM'000	Audited 30.04.2022 RM'000
Non-current		
<i>Secured</i>		
Term loans	10,041	10,965
	10,041	10,965
Current		
<i>Secured</i>		
Bank overdrafts	2,682	1,840
Term loans	2,519	2,470
Bankers' acceptance	26,930	26,378
Invoice financing	1,111	511
Revolving financing	2,908	4,423
<i>Unsecured</i>		
Bankers' acceptance	-	303
	36,150	35,925
Total	46,191	46,890

All the borrowings are denominated in Ringgit Malaysia.



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

B8. Material Litigation

As at the date of this report, the Company and its subsidiaries are not engaged in any litigation which has a material effect on the financial position or business of the Company and its subsidiaries.

B9. Dividend

No dividend was declared or recommended for payment by the Board of Directors of the Company for the current quarter and YTD.

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 31.10.2022	Unaudited 31.10.2021	Unaudited 31.10.2022	Unaudited 31.10.2021
Profit attributable to owners of the Company (RM'000)	8,343	7,508	15,864	12,186
Weighted average number of shares ('000)	449,911	400,020	424,966	400,020
Basic/Diluted EPS (sen) ⁽³⁾	1.85 ⁽¹⁾	1.88 ⁽²⁾	3.73 ⁽¹⁾	3.04 ⁽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 449,911,305 and 424,965,652 for the individual and cumulative quarters ended 31 October 2022 respectively.
- (2) Computed based on the profit attributable to the owners of the Company divided by the weighted average number of ordinary shares of 400,020,000 for the individual and cumulative quarters ended 31 October 2021.
- (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 October 2021 and 31 October 2022.

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

B11. Comprehensive Income

	Individual Quarter		Cumulative Quarter	
	Unaudited 31.10.2022 RM'000	Unaudited 31.10.2021 RM'000	Unaudited 31.10.2022 RM'000	Unaudited 31.10.2021 RM'000
Interest income	124	54	171	109
Interest expenses	(690)	(736)	(1,322)	(1,384)
Bad debts written off	-	(39)	-	(39)
Depreciation of property, plant and equipment	(469)	(468)	(945)	(934)
Depreciation of right-of-use assets	(214)	(214)	(407)	(398)
Directors' fees	(28)	-	(28)	-
Gain on disposal of property, plant and equipment	200	-	296	-
Impairment gain of financial assets, net	-	61	-	123
Listing expenses	(1,728)	(422)	(1,748)	(522)
Rent concessions	20	-	20	-
Realised gain on foreign exchange	897	-	1,526	-
Unrealised gain on foreign exchange	1,295	-	1,266	-