

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023****CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023**

| | As at 30-Sept-23 (Unaudited) RM'000 | As at 31-Dec-22 (Audited) RM'000 |
|--|--|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment ("PPE") | 120,042 | 98,526 |
| Investment properties | 7,796 | 7,877 |
| Right of use assets ("ROU") | 25,199 | 27,502 |
| Investment in associates | 27,005 | 22,820 |
| Investment securities | 2,399 | 1,851 |
| Intangible assets | 531 | 144 |
| Other receivables | 678 | 678 |
| Deferred tax assets | 946 | 831 |
| | <u>184,596</u> | <u>160,229</u> |
| Current assets | | |
| Inventories | 199,549 | 196,129 |
| Trade and other receivables | 104,508 | 99,699 |
| Tax recoverable | 971 | 806 |
| Cash and bank balances | 52,791 | 51,355 |
| | <u>357,819</u> | <u>347,989</u> |
| TOTAL ASSETS | <u>542,415</u> | <u>508,218</u> |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Share capital | 99,588 | 99,588 |
| Treasury shares | (4,242) | (3,766) |
| Reserves | 8,425 | (3,373) |
| Retained earnings | 234,562 | 218,485 |
| Equity attributable to owners of the parent | <u>338,333</u> | <u>310,934</u> |
| Non-controlling interests | 56,862 | 52,830 |
| Total equity | <u>395,195</u> | <u>363,764</u> |
| Liabilities | | |
| Non-Current Liabilities | | |
| Bank borrowings | 22,504 | 16,324 |
| Lease liabilities | 4,134 | 4,163 |
| Deferred tax liabilities | 800 | 501 |
| | <u>27,438</u> | <u>20,988</u> |
| Current liabilities | | |
| Trade and other payables | 55,332 | 49,736 |
| Bank borrowings | 59,382 | 68,321 |
| Lease liabilities | 1,770 | 2,403 |
| Tax payable | 3,298 | 3,006 |
| | <u>119,782</u> | <u>123,466</u> |
| Total liabilities | <u>147,220</u> | <u>144,454</u> |
| TOTAL EQUITY AND LIABILITIES | <u>542,415</u> | <u>508,218</u> |

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023****CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

| | Current quarter 3 months ended 30 September | | Cumulative quarter 9 months ended 30 September | |
|---|--|-------------------------|---|-------------------------|
| | 2023 RM '000 | 2022 RM '000 | 2023 RM '000 | 2022 RM '000 |
| Revenue | 84,491 | 90,546 | 245,459 | 250,679 |
| Operating expenses | (73,755) | (73,812) | (211,909) | (210,146) |
| Other income | 776 | 1,507 | 2,289 | 2,463 |
| Operating profit | 11,512 | 18,241 | 35,839 | 42,996 |
| Interest expense | (1,766) | (1,663) | (5,263) | (5,077) |
| Interest income | 85 | 146 | 305 | 321 |
| Share of results of associates | 2,028 | 1,044 | 3,950 | 2,128 |
| Profit before tax | 11,859 | 17,768 | 34,831 | 40,368 |
| Taxation | (3,138) | (4,771) | (9,119) | (11,394) |
| Profit for the period | 8,721 | 12,997 | 25,712 | 28,974 |
| Profit attributable to: | | | | |
| Owners of the parent | 7,335 | 10,877 | 22,273 | 23,777 |
| Non-controlling interests | 1,386 | 2,120 | 3,439 | 5,197 |
| Profit for the period | 8,721 | 12,997 | 25,712 | 28,974 |
| Earnings per share (“EPS”) attributable to owners of the parent (sen): | | | | |
| Basic EPS | 4.97 | 7.37 | 15.10 | 16.10 |
| Diluted EPS | N/A | N/A | N/A | N/A |

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)

| | Current quarter 3 months ended 30 September | | Cumulative quarter 9 months ended 30 September | |
|---|---|-----------------|--|-----------------|
| | 2023 RM '000 | 2022 RM '000 | 2023 RM '000 | 2022 RM '000 |
| Profit for the period | 8,721 | 12,997 | 25,712 | 28,974 |
| Other comprehensive income/(expenses), net of tax: | | | | |
| Currency translation differences arising from consolidation | (3,625) | 2,748 | 11,881 | 7,849 |
| Fair value movements on available for sale investments | 294 | (372) | (83) | (158) |
| Total comprehensive income for the period | 5,390 | 15,373 | 37,510 | 36,665 |
| Total comprehensive income attributable to: | | | | |
| Owners of the parent | 4,004 | 13,253 | 34,071 | 31,468 |
| Non-controlling interests | 1,386 | 2,120 | 3,439 | 5,197 |
| | 5,390 | 15,373 | 37,510 | 36,665 |

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

| | Cumulative quarter 9 months ended 30 September | |
|---|---|------------------------|
| | 2023 RM'000 | 2022 RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 34,831 | 40,368 |
| Adjustments for: | | |
| Depreciation and amortisation | 6,379 | 5,539 |
| Other non-cash items and non-operating items | 6,648 | (23,747) |
| Operating profit before working capital changes | 47,858 | 22,160 |
| Inventories | (4,620) | (21,453) |
| Receivables | (4,809) | 16,683 |
| Payables | 5,596 | (295) |
| Cash generated from operating activities | 44,025 | 17,095 |
| Interest paid | (5,263) | (5,077) |
| Net of tax paid | (8,706) | (7,483) |
| Net cash from operating activities | 30,056 | 4,535 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Dividend received | 29 | 274 |
| Interest received | 305 | 321 |
| Issue of shares to non-controlling interests | 622 | 100 |
| Net of changes of investment in subsidiaries and associates | 259 | 163 |
| Net of purchase and disposal of investment securities | 241 | 795 |
| Net of purchase and disposal of PPE and ROU | (14,426) | (8,745) |
| Net cash used in investing activities | (12,970) | (7,092) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividend paid | (6,484) | (4,705) |
| Net of repurchase of treasury shares | (476) | (91) |
| Net changes in bank borrowings | (2,759) | 4,784 |
| Net changes in lease liabilities | (662) | (1,621) |
| Net cash used in financing activities | (10,381) | (1,634) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 6,705 | (4,191) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD | 47,613 | 46,631 |
| Effect of foreign exchange rates changes | (2,553) | 3,097 |
| CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD | 51,765 | 45,537 |
| CASH AND CASH EQUIVALENTS COMPRISED THE FOLLOWING: | | |
| Cash and bank balances | 52,791 | 46,929 |
| Overdrafts | (1,026) | (1,392) |
| | 51,765 | 45,537 |

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)

| (RM'000) | ----- Non-Distributable ----- | | | | ----- Distributable ----- | | Total | Non-controlling interests | Total equity |
|--|--|-----------------|-----------------|--------------------------------|---------------------------|-------------------|---------|---------------------------|--------------|
| | ----- Attributable to owners of the parent ----- | | | | | | | | |
| | Share capital | Treasury shares | Capital reserve | Currencies translation reserve | Fair value reserve | Retained earnings | | | |
| Balance as at 1 January 2022 | 99,588 | (3,654) | 892 | 1,363 | (4,366) | 194,670 | 288,493 | 49,051 | 337,544 |
| Purchase of treasury shares | - | (91) | - | - | - | - | (91) | - | (91) |
| Changes in equity | - | - | - | - | - | - | - | 263 | 263 |
| Dividend paid | - | - | - | - | - | (4,429) | (4,429) | (277) | (4,706) |
| Total comprehensive income for the period | - | - | - | 7,849 | (158) | 23,777 | 31,468 | 5,197 | 36,665 |
| Balance as at 30 September 2022 | 99,588 | (3,745) | 892 | 9,212 | (4,524) | 214,018 | 315,441 | 54,234 | 369,675 |
| Balance as at 1 January 2023 | 99,588 | (3,766) | 892 | 278 | (4,543) | 218,485 | 310,934 | 52,830 | 363,764 |
| Purchase of treasury shares | - | (476) | - | - | - | - | (476) | - | (476) |
| Changes in equity | - | - | - | - | - | - | - | 881 | 881 |
| Dividend paid | - | - | - | - | - | (6,196) | (6,196) | (288) | (6,484) |
| Total comprehensive income/(loss) for the period | - | - | - | 11,881 | (83) | 22,273 | 34,071 | 3,439 | 37,510 |
| Balance as at 30 September 2023 | 99,588 | (4,242) | 892 | 12,159 | (4,626) | 234,562 | 338,333 | 56,862 | 395,195 |

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023
NOTES TO THE INTERIM FINANCIAL REPORT
- SELECTED EXPLANATORY NOTES UNDER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 – INTERIM FINANCIAL REPORTING
A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in compliance with MFRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2022. 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 December 2022.

A2 Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2022 save for the following new MFRSs and amendments to MFRSs.

| | Description | Effective dates for financial periods beginning on or after |
|------------------------------------|---|--|
| MFRS 17 | Insurance contracts | 1 January 2023 |
| Amendments to MFRS 17 | Insurance Contracts | 1 January 2023 |
| Amendments to MFRS 101 | Disclosure of Accounting Policies | 1 January 2023 |
| Amendments to MFRS 108 | Definition of Accounting Estimates | 1 January 2023 |
| Amendments to MFRS 112 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction | 1 January 2023 |
| Amendments to MFRS 17 | Initial Application of MFRS 17 and MFRS 9 – Comparative Information | 1 January 2023 |
| Amendments to MFRS 16 | Lease Liability in a Sale and Leaseback | 1 January 2024 |
| Amendments to MFRS 101 | Classification of Liabilities as Current or Non-current | 1 January 2024 |
| Amendments to MFRS 101 | Non-current Liabilities with Covenants | 1 January 2024 |
| Amendments to MFRS 10 and MFRS 128 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred until further notice |

The Group and the Company intend to adopt the above MFRSs and amendments to MFRSs when they become effective.

The adoption of the above standards and interpretations do not have material impact to the financial statements of the Group upon their initial application.

A3 Seasonal or cyclical factors

The Group performance is not materially affected by seasonal or cyclical factors.



INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

A4 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial period-to-date.

A5 Changes in estimates

There were no changes in estimates that have material effect in the current quarter and financial period-to-date results.

A6 Debt and equity securities

There were no issuances and repayments of debt and equity securities during financial period ended 30 September 2023 save for shares buy back.

At the Annual General Meeting held on 27 June 2023, the Company's shareholders approved the renewal of authority to repurchase its own shares. During the financial period ended 30 September 2023, the Company repurchased of 283,200 own shares.

As at 30 September 2023, a total of 3,447,510 treasury shares, representing 2.29% of the issued and paid-up share capital of the Company are being held as treasury shares and carried at cost at RM4.242 million.

A7 Dividend paid

A final single tier dividend of 4.2 sen per share amounted RM4.493 million in respect of the financial year ended 31 December 2022 was paid on 27 July 2023.

A8 Material post balance sheet event

There were no material events subsequent to the end of the financial period ended 30 September 2023 as at the date of this report.

A9 Changes in the composition of the Group

There were no changes in the composition of the Group during the financial year ended 30 September 2023 save for:

- i. On 6 January 2023, Unimech Capital Sdn. Bhd., a wholly owned subsidiary company of the Company together with M.E.T. Motion Holding Sdn. Bhd., a 51% owned subsidiary company of the Company had acquired 45% and 20% equity interests in Titanflex Industrial Supplies Sdn. Bhd. for purchase consideration of RM562,500 and RM250,000 respectively.
- ii. On 15 May 2023, Unimech Capital Sdn. Bhd., a wholly owned subsidiary company of the Company had subscribed for 70% equity interest in Unijin Manufacturing Sdn. Bhd. for a consideration of RM70,000.
- iii. On 25 May 2023, Unimech Capital Sdn. Bhd., a wholly owned subsidiary of the Company had acquired for 20,000 ordinary shares representing 20% of the issued capital Tri-Axis Technology (M) Sdn. Bhd. for a total consideration of RM40,000.
- iv. On 14 August 2023, Unimech Capital Sdn. Bhd., a wholly owned subsidiary company of the Company had subscribed for 80% equity interest in Unimech Plastic Engineering Sdn. Bhd. for a consideration of RM80,000.



INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

- v. On 23 August 2023, M.E.T. Motion Holding Sdn. Bhd., a 51% owned subsidiary company of the Company had subscribed for 100% equity interest in Shindo Pumps Sdn. Bhd. for a consideration of RM1,000.

A11 Capital commitments

No material capital commitments as at 30 September 2023.

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023
NOTES TO THE INTERIM FINANCIAL REPORT
- ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS
B1 Financial review for current quarter and financial period-to-date

| | Individual Period | | | Cumulative Period | | |
|-------------------|--|--|-----------------------|--|---|-----------------------|
| | Current Period Quarter 30-Sept-23 RM'000 | Preceding Year Corresponding Quarter 30-Sept-22 RM'000 | Changes RM'000 / % | Current Period to Date 30-Sept-23 RM'000 | Preceding Year Corresponding Period 30-Sept-22 RM'000 | Changes RM'000 / % |
| Revenue | 84,491 | 90,546 | (6,055) / (6.7) | 245,459 | 250,679 | (5,220) / (2.1) |
| Profit before tax | 11,859 | 17,768 | (5,909) / (33.3) | 34,831 | 40,368 | (5,537) / (13.7) |

Current quarter

For the third quarter ended 30 September 2023, the Group reported a revenue of RM84.491 million which was RM6.055 million or 6.7% lower as compared to the preceding year corresponding quarter ended 30 September 2022 of RM90.546 million. A lower revenue reported was due to lower demand in Malaysia and Vietnam markets for core business segment.

The decrease in revenue correspondingly decreased the profit before tax by 33.3% or RM5.909 million to RM11.859 million from RM17.768 million reported in preceding year corresponding quarter.

Financial period-to date

The Group reported a revenue of RM245.459 million for the financial period ended 30 September 2023, representing a decrease of RM5.220 million or 2.1% as compared to previous financial period ended 30 September 2022 of RM250.679 million. The decrease of the revenue was principally due to the lower demand in the other business segments particularly in Malaysia market coupled with lower demand in electronic segments.

The profit before tax for financial period ended 30 September 2023 reduced by 13.7% or RM5.537 million to RM34.831 million as compared to last financial period ended 30 September 2022 of RM40.368 million which was due to lower revenue reported and higher expenses incurred.

B2 Financial review for current quarter compared with immediate preceding quarter

| | Current Quarter 30-Sept-23 RM'000 | Immediate Preceding Quarter 30 Jun-23 RM'000 | Changes RM'000 / % |
|-------------------|---|--|-----------------------|
| Revenue | 84,491 | 82,009 | 2,482 / 3.0 |
| Profit before tax | 11,859 | 11,589 | 270 / 2.3 |

The Group reported RM2.482 million or 3.0% increase in revenue for the current quarter ended 30 September 2023 as compared to preceding quarter of 30 June 2023. Higher revenue reported in current quarter was due to strong demand from core business from Indonesia market and pump business from Malaysia market in current quarter. Increase in profit before tax in current quarter of RM0.270 million or 2.3% was in line with the increase in revenue.

B3 Overall review of group's financial performance

No material changes of the major components of the statement of profit and loss and other comprehensive income, statement of financial position as well as statement of cash flow reported by the Group for the period ended 30 September 2023 compared to preceding year corresponding period ended 30 September 2022.

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023
B4 Segment information
By business segment as at 30 September 2023

| | Valves, instruments and fittings RM'000 | Electronic RM'000 | Pumps RM'000 | All others RM'000 | Elimination RM'000 | Total RM'000 |
|--|--|----------------------|-----------------|----------------------|-----------------------|-----------------|
| Revenue from external customers | 196,956 | 9,965 | 25,739 | 12,799 | - | 245,459 |
| Inter-segment revenue | 42,729 | 641 | 4,678 | 169 | (48,217) | - |
| Total revenue | 239,685 | 10,606 | 30,417 | 12,968 | (48,217) | 245,459 |
| Segment results | 31,546 | 1,514 | 2,247 | 632 | (100) | 35,839 |
| Interest expense | | | | | | (5,263) |
| Interest income | | | | | | 305 |
| Share of results of associates | | | | | | 3,950 |
| Profit before tax | | | | | | 34,831 |
| Tax expense | | | | | | (9,119) |
| Profit after tax | | | | | | 25,712 |
| Non-controlling interests | | | | | | (3,439) |
| Profit attributable to owners of the parent for financial period ended 30 September 2023 | | | | | | <u>22,273</u> |
| Segment assets | 580,641 | 21,551 | 41,391 | 107,862 | (209,030) | 542,415 |
| Segment liabilities | 139,808 | 20,339 | 24,620 | 31,868 | (69,415) | 147,220 |

By business segment as at 30 September 2022

| | Valves, instruments and fittings RM'000 | Electronic RM'000 | Pumps RM'000 | All others RM'000 | Elimination RM'000 | Total RM'000 |
|--|--|----------------------|-----------------|----------------------|-----------------------|-----------------|
| Revenue from external customers | 196,356 | 11,719 | 22,813 | 19,791 | - | 250,679 |
| Inter-segment revenue | 48,766 | 1,619 | 4,060 | 32 | (54,477) | - |
| Total revenue | 245,122 | 13,338 | 26,873 | 19,823 | (54,477) | 250,679 |
| Segment results | 36,001 | 2,461 | 2,386 | 2,248 | (100) | 42,996 |
| Interest expense | | | | | | (5,077) |
| Interest income | | | | | | 321 |
| Share of results of associates | | | | | | 2,128 |
| Profit before tax | | | | | | 40,368 |
| Tax expense | | | | | | (11,394) |
| Profit after tax | | | | | | 28,974 |
| Non-controlling interests | | | | | | (5,197) |
| Profit attributable to owners of the parent for financial period ended 30 September 2022 | | | | | | <u>23,777</u> |
| Segment assets | 577,775 | 19,341 | 35,472 | 104,798 | (211,626) | 525,760 |
| Segment liabilities | 161,415 | 20,363 | 19,175 | 26,939 | (71,807) | 156,085 |



INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

B5 Commentary on prospects for the year 2023

The world economy is expected to be impacted by geopolitical tension, war, supply chain disruptions and inflation in the year of 2023. Nevertheless, the Group will remain focus and continue with its competitive strategies to strengthen and grow further on its own brands to enhance its market positioning and improving its operations efficiency to further improve its competitiveness. With strong fundamental and well established in the countries where the Group has operation, and barring any unforeseen circumstances, the Board of Directors is of the view that the Group shall report a satisfactory performance for the financial year ending 31 December 2023.

B6 Profit forecast

Not applicable as no profit forecast was published.

B7 Income tax expense

| | Current quarter 3 months ended 30-Sept-23 RM'000 | Cumulative quarters 9 months ended 30-Sept-23 RM'000 |
|--------------------------|---|---|
| Current period provision | 3,006 | 8,935 |
| Deferred tax | 132 | 184 |
| | <u>3,138</u> | <u>9,119</u> |

The effective tax rate for current quarter and cumulative quarters are higher than the statutory tax rate was due to non-tax allowable expenses and losses of certain subsidiary companies cannot be used to offset against profit of other companies in the Group.

B8 Status of corporate proposals and status of utilisation of proceeds raised

There was no corporate proposal being carried out during the period under review.



INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

B9 Group borrowings and debt securities

Total borrowings as at 30 September 2023

| | Long term | | Short term | | Total borrowings | |
|------------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| | Foreign Currencies '000 | Ringgit Malaysia '000 | Foreign Currencies '000 | Ringgit Malaysia '000 | Foreign Currencies '000 | Ringgit Malaysia '000 |
| Secured | | | | | | |
| <i>Ringgit Malaysia @ 1.000</i> | | | | | | |
| Bank overdrafts | - | - | - | 1,026 | - | 1,026 |
| Revolving credits | - | - | - | 9,400 | - | 9,400 |
| Term loans | - | 21,012 | - | 2,653 | - | 23,665 |
| Trade lines | - | - | - | 8,139 | - | 8,139 |
| | - | 21,012 | - | 21,218 | - | 42,230 |
| <i>Vietnam Dong @ 0.000193</i> | | | | | | |
| Trade lines | - | - | 9,342,399 | 1,803 | 9,342,399 | 1,803 |
| <i>Indonesia Rupiah @ 0.000304</i> | | | | | | |
| Term loans | 4,909,384 | 1,492 | 1,951,685 | 593 | 6,861,069 | 2,085 |
| Revolving credits | - | - | 94,434,340 | 28,708 | 94,434,340 | 28,708 |
| | 4,909,384 | 1,492 | 96,386,025 | 29,301 | 101,295,409 | 30,793 |
| Total secured | | 22,504 | | 52,322 | | 74,826 |
| Unsecured | | | | | | |
| <i>Indonesia Rupiah @ 0.000304</i> | | | | | | |
| Revolving credits | - | - | 9,315,600 | 2,832 | 9,315,600 | 2,832 |
| <i>Thai Baht @ 0.128583</i> | | | | | | |
| Trade lines | - | - | 32,885 | 4,228 | 32,885 | 4,228 |
| Total unsecured | | - | | 7,060 | | 7,060 |
| Total borrowings | | 22,504 | | 59,382 | | 81,886 |



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B9 Group borrowings and debt securities (continued)

Total borrowings as at 30 September 2022

| | Long term | | Short term | | Total borrowings | |
|------------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| | Foreign Currencies '000 | Ringgit Malaysia '000 | Foreign Currencies '000 | Ringgit Malaysia '000 | Foreign Currencies '000 | Ringgit Malaysia '000 |
| Secured | | | | | | |
| <i>Ringgit Malaysia @ 1.000</i> | | | | | | |
| Bank overdrafts | - | - | - | 1,392 | - | 1,392 |
| Revolving credits | - | - | - | 14,675 | - | 14,675 |
| Term loans | - | 15,506 | - | 1,673 | - | 17,179 |
| Trade lines | - | - | - | 19,380 | - | 19,380 |
| | - | 15,506 | - | 37,120 | - | 52,626 |
| <i>Vietnam Dong @ 0.000194</i> | | | | | | |
| Trade lines | - | - | 300,946 | 58 | 300,946 | 58 |
| <i>Indonesia Rupiah @ 0.000304</i> | | | | | | |
| Term loans | 3,144,072 | 956 | 1,276,200 | 388 | 4,420,272 | 1,344 |
| Revolving credits | - | - | 109,523,719 | 33,295 | 109,523,719 | 33,295 |
| | 3,144,072 | 956 | 110,799,919 | 33,683 | 113,943,991 | 34,639 |
| Total secured | | 16,462 | | 70,861 | | 87,323 |
| Unsecured | | | | | | |
| <i>Indonesia Rupiah @ 0.000304</i> | | | | | | |
| Revolving credits | - | - | 10,672,900 | 3,245 | 10,672,900 | 3,245 |
| <i>Thai Baht @ 0.122739</i> | | | | | | |
| Trade lines | - | - | 32,364 | 3,972 | 32,364 | 3,972 |
| Total unsecured | | - | | 7,217 | | 7,217 |
| Total borrowings | | 16,462 | | 78,078 | | 94,540 |

B10 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of this report.

B11 Changes in material litigation

The Group is not engaged in any material litigation as at the date of this report.

B12 Dividend

The Board of Directors proposed an interim single tier dividend of 2.0 sen per share in respect of the financial year ending 31 December 2023. The proposed dividend payment is amounting to RM2.940 million based on issued and paid-up capital as at 24 November 2023 of 147,005,600 shares (excluding treasury shares held by the Company).

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023
B13 Earnings per share (“EPS”)
Basic EPS

The basic EPS had been calculated by dividing the Group’s profit for the year attributable to owner of the parent by the weighted average number of shares in issue.

| | Current quarter 3 months ended 30-Sept-23 | Cumulative quarters 9 months ended 30-Sept-23 |
|---|--|--|
| Profit for the period (RM’000) | 8,721 | 25,712 |
| Profit attributable to non-controlling interests (RM’000) | (1,386) | (3,439) |
| Profit attributable to owners of the parent (RM’000) | <u>7,335</u> | <u>22,273</u> |
| Weighted average number of ordinary shares in issue (’000) | <u>147,453</u> | <u>147,464</u> |
| Basic EPS (sen) | 4.97 | 15.10 |

Diluted EPS

Not applicable as there are no dilutive potential ordinary shares.

B14 Auditors’ report on preceding annual financial statements

The auditors’ report of the annual financial statements for the financial year ended 31 December 2022 was not subject to any qualification.

B15 Notes to Condensed Consolidated Income Statements on Other Income/Expenses

| | Current quarter 3 months ended 30-Sept-23 RM’000 | Cumulative quarter 9 months ended 30-Sept-23 RM’000 |
|---|---|--|
| Profit before tax is arrived at after charging/(crediting):- | | |
| Allowance for impairment of inventories | 200 | 1,200 |
| Depreciation & amortisation | 2,227 | 6,379 |
| Dividend income | 19 | 29 |
| Gain on disposal of property, plant & equipment | (70) | (445) |
| Interest expense | 1,766 | 5,263 |
| Interest income | (85) | (305) |
| Gain/(Loss) on foreign exchange – realised | 22 | (103) |
| Rental income | <u>(695)</u> | <u>(1,166)</u> |



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B16 Foreign Exchange Exposure

The Group incurs foreign currency risk on transactions that are denominated in foreign currencies. The currencies giving rise to this risk are primarily the United States Dollar, Singapore Dollar, Thai Bath, Chinese Renmimbi, and Euro. The Group has not entered into any derivative instruments for hedging or trading purposes as the net exposure to foreign currency risk is not significant. Where possible, the Group will apply nature hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by the Management.

B17 Trade Receivables

- i. Trade receivables are non-interest bearing and are generally on 30 days to 120 days term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- ii. Analysis of the trade receivables ageing is as follow:

| | As at 30-Sept-23 (Unaudited) RM'000 | As at 31-Dec-22 (Audited) RM'000 |
|----------------------------------|--|---|
| Neither past due nor impaired | 40,980 | 46,019 |
| <u>Pass due but not impaired</u> | | |
| Less than 30 days | 14,965 | 16,805 |
| 31 days to 60 days | 7,421 | 8,334 |
| More than 61 days | 7,762 | 8,716 |
| | <u>30,148</u> | <u>33,855</u> |
| | 71,128 | 79,874 |
| Impaired | 5,230 | 5,230 |
| | <u>76,358</u> | <u>85,104</u> |

As at 30 September 2023, trade receivables of RM30.148 million were past due but not impaired. These related to several independent customers from whom there is no recent history of default. The management is in an opinion that all the trade receivables are collectible. Thus, no further impairment is required.

- iii. No material impairment in trade receivables was recognised during the financial period ended 30 September 2023.

B18 Impairment of Assets

No material impairment of assets recognised as a loss in the statement of profit and loss and other comprehensive income for the financial period ended 30 September 2023.

By order of the Board

Dato' Seri Lim Cheah Chooi
Chief Executive Officer / Executive Director

Dated this 27 November 2023