


INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	As at 30-Jun-24 (Unaudited) RM'000	As at 31-Dec-23 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment ("PPE")	132,891	115,433
Investment properties	14,549	14,602
Right of use assets ("ROU")	16,909	18,318
Investment in associates	28,683	25,915
Investment securities	2,476	1,937
Intangible assets	132	116
Other receivables	706	706
Deferred tax assets	1,079	1,075
	<u>197,425</u>	<u>178,102</u>
Current assets		
Inventories	200,909	201,584
Trade and other receivables	108,892	105,006
Tax recoverable	936	1,445
Cash and bank balances	46,134	55,277
	<u>356,871</u>	<u>363,312</u>
TOTAL ASSETS	<u>554,296</u>	<u>541,414</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	99,588	99,588
Treasury shares	(5,108)	(4,957)
Reserves	(1,050)	3,637
Retained earnings	249,868	238,479
Equity attributable to owners of the parent	<u>343,298</u>	<u>336,747</u>
Non-controlling interests	63,870	60,596
Total equity	<u>407,168</u>	<u>397,343</u>
Liabilities		
Non-Current Liabilities		
Bank borrowings	24,780	23,464
Lease liabilities	3,444	4,276
Deferred tax liabilities	855	490
	<u>29,079</u>	<u>28,230</u>
Current liabilities		
Trade and other payables	55,863	55,991
Bank borrowings	59,032	55,296
Lease liabilities	2,098	2,319
Tax payable	1,056	2,235
	<u>118,049</u>	<u>115,841</u>
Total liabilities	<u>147,128</u>	<u>144,071</u>
TOTAL EQUITY AND LIABILITIES	<u>554,296</u>	<u>541,414</u>

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



INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)**

	Current quarter 3 months ended 30 June		Cumulative quarter 6 months ended 30 June	
	2024 RM '000	2023 RM '000	2024 RM '000	2023 RM '000
Revenue	83,932	82,009	156,476	160,968
Operating expenses	(73,551)	(70,543)	(139,154)	(138,154)
Other income	1,646	837	2,466	1,513
Operating profit	12,027	12,303	19,788	24,327
Interest expense	(1,891)	(1,881)	(3,685)	(3,497)
Interest income	123	117	239	220
Share of results of associates	1,827	1,050	3,180	1,922
Profit before tax	12,086	11,589	19,522	22,972
Taxation	(2,990)	(3,020)	(4,721)	(5,981)
Profit for the period	9,096	8,569	14,801	16,991
Profit attributable to:				
Owners of the parent	7,018	8,122	11,389	14,938
Non-controlling interests	2,078	447	3,412	2,053
Profit for the period	9,096	8,569	14,801	16,991
Earnings per share (“EPS”) attributable to owners of the parent (sen):				
Basic EPS	4.78	5.51	7.76	10.12
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 2023 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)**

	Current quarter 3 months ended 30 June		Cumulative quarter 6 months ended 30 June	
	2024 RM '000	2023 RM '000	2024 RM '000	2023 RM '000
Profit for the period	9,096	8,569	14,801	16,991
Other comprehensive income/(expenses), net of tax:				
Currency translation differences arising from consolidation	(3,984)	7,281	(5,548)	15,506
Fair value movements on available for sale investments	63	(113)	861	(377)
Total comprehensive income for the period	5,175	15,737	10,114	32,120
Total comprehensive income attributable to:				
Owners of the parent	3,097	15,290	6,702	30,067
Non-controlling interests	2,078	447	3,412	2,053
	5,175	15,737	10,114	32,120

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



INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)**

	Cumulative quarter 6 months ended 30 June	
	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	19,522	22,972
Adjustments for:		
Depreciation and amortisation	4,777	4,152
Other non-cash items and non-operating items	(6,185)	7,314
Operating profit before working capital changes	18,114	34,438
Inventories	(325)	(6,703)
Receivables	(3,886)	(3,538)
Payables	(128)	(443)
Cash generated from operating activities	13,775	23,754
Interest paid	(3,685)	(3,497)
Net of tax paid	(4,944)	(6,485)
Net cash from operating activities	5,146	13,772
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	12	10
Interest received	239	220
Issue of shares to non-controlling interests	104	602
Net of changes of investment in subsidiaries and associates	-	(731)
Net of purchase and disposal of investment securities	717	127
Net of purchase and disposal of PPE and ROU	(18,258)	(9,426)
Net cash used in investing activities	(17,186)	(9,198)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to non-controlling interests	(242)	(13)
Net of repurchase of treasury shares	(151)	(143)
Net changes in bank borrowings	5,051	913
Net changes in lease liabilities	(1,052)	(438)
Net cash from financing activities	3,606	319
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(8,434)	4,893
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	49,354	47,613
Effect of foreign exchange rates changes	3,836	1,494
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	44,756	54,000
CASH AND CASH EQUIVALENTS COMPRISED THE FOLLOWING:		
Cash and bank balances	46,134	54,815
Overdrafts	(1,378)	(815)
	44,756	54,000

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)

	Non-Distributable					Distributable			
	Attributable to owners of the parent								
(RM'000)	Share capital	Treasury shares	Capital reserve	Currencies translation reserve	Fair value reserve	Retained earnings	Total	Non-controlling interests	Total equity
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	-	(143)	-	-	-	-	(143)	-	(143)
Changes in equity	-	-	-	-	-	-	-	910	910
Dividend paid	-	-	-	-	-	-	-	(13)	(13)
Total comprehensive income/(loss) for the period	-	-	-	15,506	(377)	14,938	30,067	2,053	32,120
Balance as at 30 June 2023	99,588	(3,909)	892	15,784	(4,920)	233,423	340,858	55,780	396,638

Balance as at 1 January 2024	99,588	(4,957)	892	6,659	(3,914)	238,479	336,747	60,596	397,343
Purchase of treasury shares	-	(151)	-	-	-	-	(151)	-	(151)
Changes in equity	-	-	-	-	-	-	-	104	104
Dividend paid	-	-	-	-	-	-	-	(242)	(242)
Total comprehensive income/(loss) for the period	-	-	-	(5,548)	861	11,389	6,702	3,412	10,114
Balance as at 30 June 2024	99,588	(5,108)	892	1,111	(3,053)	249,868	343,298	63,870	407,168

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

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024
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 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2023.

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 2023 save for the following new MFRSs and amendments to MFRSs.

	Description	Effective dates for financial periods beginning on or after
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 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
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.

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.



INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024

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 June 2024 save for shares buy back.

At the Annual General Meeting held on 27 June 2024, the Company's shareholders approved the renewal of authority to repurchase its own shares. During the financial period ended 30 June 2024, the Company repurchased of 123,200 own shares.

As at 30 June 2024, a total of 3,956,110 treasury shares, representing 2.62% of the issued and paid-up share capital of the Company are being held as treasury shares and carried at cost at RM5.108 million.

A7 Dividend paid

No dividend had been paid under the financial period under review.

A8 Material post balance sheet event

There were no material events subsequent to the end of the financial period ended 30 June 2024 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 period ended 30 June 2024 save for:

- i. On 5 January 2024, Unimech Capital Sdn. Bhd., a wholly owned subsidiary company of the Company had subscribed 35% equity interest in Unimech Precision Solutions Sdn. Bhd. for a total consideration of RM50,000.
- ii. On 5 February 2024, Arita Flange Industries Sdn. Bhd., a wholly owned subsidiary company of the Company had voluntary winding up and de-registered from Suruhanjaya Syarikat Malaysia.
- iii. On 26 February 2024, M.E.T. Motion Holding Sdn. Bhd., a 51% owned subsidiary of the Company had subscribed 51% equity interest in M.E.T. Motion (Energreen) Sdn. Bhd. for a total consideration of RM510.

A10 Changes in contingent liabilities or contingent assets

There were no material changes in the contingent liabilities for the Group since the last financial year ended 31 December 2023.

A11 Capital commitments

No material capital commitments as at 30 June 2024.

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024
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-Jun-24 RM'000	Preceding Year Corresponding Quarter 30-Jun-23 RM'000	Changes RM'000 / %	Current Period to Date 30-Jun-24 RM'000	Preceding Year Corresponding Period 30-Jun-23 RM'000	Changes RM'000 / %
Revenue	83,932	82,009	1,923 / 2.3	156,476	160,968	(4,492) / (2.8)
Profit before tax	12,086	11,589	497 / 4.3	19,522	22,972	(3,450) / (15.0)

Current quarter

For the second quarter ended 30 June 2024, the Group reported a revenue of RM83.932 million which was RM1.923 million or 2.3% higher as compared to the preceding year corresponding quarter ended 30 June 2023 of RM82.009 million. A higher revenue reported was due to higher demand from pumps and other business segments but was mitigated by lower revenue in core business segment.

The increase in revenue correspondingly increased the profit before tax by 4.3% or RM0.497 million to RM12.086 million from RM11.589 million reported in preceding year corresponding quarter.

Financial period-to-date

The Group reported revenue of RM156,476 million for the financial period ended 30 June 2024, representing a decrease of RM4.492 million or 2.8% as compared to previous financial period ended 30 June 2023 of RM160.968 million. The decrease of the revenue was principally due to lower demand in core business segment.

In tandem with the decrease in revenue coupled with higher expenses incurred, the profit before tax for financial period ended 30 June 2024 reduced by 15% to RM19.522 million as compared to last financial period ended 30 June 2023 of RM22.972 million.

B2 Financial review for current quarter compared with immediate preceding quarter

	Current Quarter 30-Jun-24 RM'000	Immediate Preceding Quarter 31-Mar-24 RM'000	Changes RM'000 / %
Revenue	83,932	72,544	11,388 / 15.7
Profit before tax	12,087	7,436	4,651 / 62.5

The Group reported an increase in revenue of RM11.388 million or 15.7% for the current quarter ended 30 June 2024 as compared to the immediate preceding quarter ended 31 March 2024. Improvement in revenue in current quarter was driven by higher demand in core business particularly in local markets. In line with the increase in revenue, the profit before tax for the current quarter improved by RM4.651 million or 62.5%.

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 June 2024 compared to preceding year corresponding period ended 30 June 2023.

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024
B4 Segment information
By business segment as at 30 June 2024

	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	116,113	6,616	22,929	10,818	-	156,476
Inter-segment revenue	32,662	679	4,040	83	(37,464)	-
Total revenue	148,775	7,295	26,969	10,901	(37,464)	156,476
Segment results	14,619	1,778	2,981	1,661	(1,251)	19,788
Interest expense						(3,685)
Interest income						239
Share of results of associates						3,180
Profit before tax						19,522
Tax expense						(4,721)
Profit after tax						14,801
Non-controlling interests						(3,412)
Profit attributable to owners of the parent for financial period ended 30 June 2024						11,389
Segment assets	585,149	22,062	45,479	110,293	(208,686)	554,296
Segment liabilities	137,729	18,971	27,041	33,010	(69,623)	147,128

By business segment as at 30 June 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	131,029	5,859	15,887	8,193	-	160,968
Inter-segment revenue	26,082	352	3,024	116	(29,574)	-
Total revenue	157,111	6,211	18,911	8,309	(29,574)	160,968
Segment results	22,393	1,295	1,606	263	(1,230)	24,327
Interest expense						(3,497)
Interest income						220
Share of results of associates						1,922
Profit before tax						22,972
Tax expense						(5,981)
Profit after tax						16,991
Non-controlling interests						(2,053)
Profit attributable to owners of the parent for financial period ended 30 June 2023						14,938
Segment assets	582,978	21,284	39,297	107,994	(210,923)	540,630
Segment liabilities	140,571	20,202	22,444	32,202	(71,427)	143,992

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024
B5 Commentary on prospects for the year 2024

The world economy is expected to be impacted by geopolitical tension, supply chain disruptions, fluctuation of exchange rates, volatile of material costs, escalating of costs due to inflation in the year of 2024. Although the global economic conditions are expected to be still challenging, it is envisioned that the economy will continue to grow, albeit at a moderate pace. The Group's core business is not expected to be significantly adversely affected barring a drastic change in global economic conditions. The Group will continue with its competitive strategy of developing further on its own brands to enhance its market position. In addition, the Group will concentrate on improving the efficiency in operations to achieve the competitive edge in the market. 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 2024.

B6 Profit forecast

Not applicable as no profit forecast was published.

B7 Income tax expense

	Current quarter 3 months ended 30-Jun-24 RM'000	Cumulative quarters 6 months ended 30-Jun-24 RM'000
Current period provision	2,804	4,360
Deferred tax	186	361
	<u>2,990</u>	<u>4,721</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 SECOND QUARTER ENDED 30 JUNE 2024
B9 Group borrowings and debt securities
Total borrowings as at 30 June 2024

	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	-	-	-	1,378	-	1,378
Revolving credits	-	-	-	6,038	-	6,038
Term loans	-	22,787	-	2,216	-	25,003
Trade lines	-	-	-	9,546	-	9,546
	-	22,787	-	19,178	-	41,965
<i>Vietnam Dong @ 0.000185</i>						
Trade lines	-	-	13,064,457	2,417	13,064,457	2,417
<i>Indonesia Rupiah @ 0.000288</i>						
Term loans	6,922,286	1,993	2,027,784	584	8,950,070	2,577
Revolving credits	-	-	111,785,543	32,186	111,785,543	32,186
	6,922,286	1,993	113,813,327	32,770	120,735,613	34,763
Total secured		24,780		54,365		79,145
Unsecured						
<i>Indonesia Rupiah @ 0.000288</i>						
Revolving credits	-	-	9,852,600	2,838	9,852,600	2,838
<i>Thai Baht @ 0.128308</i>						
Trade lines	-	-	14,252	1,829	14,252	1,829
Total unsecured		-		4,667		4,667
Total borrowings		24,780		59,032		83,812

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024
B9 Group borrowings and debt securities (continued)

Total borrowings as at 30 June 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	-	-	-	815	-	815
Revolving credits	-	-	-	11,541	-	11,541
Term loans	-	21,202	-	1,954	-	23,156
Trade lines	-	-	-	9,196	-	9,196
	-	21,202	-	23,506	-	44,708
<i>Vietnam Dong @ 0.000198</i>						
Trade lines	-	-	11,000,514	2,178	11,000,514	2,178
<i>Indonesia Rupiah @ 0.000311</i>						
Term loans	5,373,767	1,671	2,028,279	631	7,402,046	2,302
Revolving credits	-	-	93,742,365	29,154	93,742,365	29,154
	5,373,767	1,671	95,770,644	29,785	101,144,411	31,456
Total secured		22,873		55,469		78,342
Unsecured						
<i>Indonesia Rupiah @ 0.000311</i>						
Revolving credits	-	-	10,518,200	3,271	10,518,200	3,271
<i>Thai Baht @ 0.131427</i>						
Trade lines	-	-	30,019	3,945	30,019	3,945
Total unsecured		-		7,216		7,216
Total borrowings		22,873		62,685		85,558

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

No interim dividend has been declared for the financial period ended 30 June 2024.

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024
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-Jun-24	Cumulative quarters 6 months ended 30-Jun-24
Profit for the period (RM’000)	9,096	14,801
Profit attributable to non-controlling interests (RM’000)	(2,078)	(3,412)
Profit attributable to owners of the parent (RM’000)	<u>7,018</u>	<u>11,389</u>
 Weighted average number of ordinary shares in issue (’000)	 <u>146,841</u>	 <u>146,862</u>
 Basic EPS (sen)	 4.78	 7.76

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 2023 was not subject to any qualification.

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

	Current quarter 3 months ended 30-Jun-24 RM’000	Cumulative quarter 6 months ended 30-Jun-24 RM’000
Profit before tax is arrived at after charging/(crediting):-		
Allowance for impairment of inventories	500	1,000
Bad debts recovered	-	(118)
Depreciation & amortisation	2,442	4,777
Dividend income	-	(12)
Gain on disposal of property, plant & equipment	(74)	(153)
Gain on foreign exchange – realised	(213)	(152)
Interest expense	1,891	3,685
Interest income	(123)	(239)
Rental income	<u>(342)</u>	<u>(663)</u>



INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024

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-Jun-24 (Unaudited) RM'000	As at 31-Dec-23 (Audited) RM'000
Neither past due nor impaired	54,396	48,946
<u>Pass due but not impaired</u>		
Less than 30 days	18,015	16,210
31 days to 60 days	8,511	7,658
More than 61 days	8,126	7,312
	<u>34,652</u>	<u>31,180</u>
	89,048	80,126
Impaired	4,472	4,472
	<u>93,520</u>	<u>84,598</u>

As at 30 June 2024, trade receivables of RM34.652 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 June 2024.

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 June 2024.

By order of the Board

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

Dated this 21 August 2024