

MALAYAN CEMENT BERHAD
Company No. 195001000048 (1877-T)
Incorporated in Malaysia

Interim Financial Report
30 June 2024

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INTERIM FINANCIAL REPORT

Interim financial report on consolidated results for the financial period/year ended 30 June 2024.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2024 RM'000	Preceding Year Corresponding Quarter 30.06.2023 RM'000	12 Months Ended	
			30.06.2024 RM'000	30.06.2023 RM'000
Revenue	1,041,403	1,010,513	4,446,430	3,757,046
Cost of sales	(586,169)	(697,805)	(2,880,558)	(2,769,499)
Gross profit	455,234	312,708	1,565,872	987,547
Other operating income	42,534	35,513	114,195	87,125
Other operating expenses	(317,628)	(181,344)	(878,320)	(663,209)
Profit from operations	180,140	166,877	801,747	411,463
Finance costs	(45,747)	(48,702)	(194,211)	(194,747)
Share of results of joint venture	9,703	7,835	39,925	36,402
Profit before tax	144,096	126,010	647,461	253,118
Taxation	(33,784)	(46,329)	(218,473)	(93,918)
Profit for the period/year	110,312	79,681	428,988	159,200
Attributable to:				
Owners of the parent	110,175	79,545	428,701	159,035
Non-controlling interests	137	136	287	165
Profit for the period/year	110,312	79,681	428,988	159,200
Earnings per share (sen)				
- Basic	8.30	6.07	32.61	12.14
- Diluted	5.90	4.42	23.23	8.95

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2024 RM'000	Preceding Year Corresponding Quarter 30.06.2023 RM'000	12 Months Ended	
			30.06.2024 RM'000	30.06.2023 RM'000
Profit for the period/year	110,312	79,681	428,988	159,200
Other comprehensive income/(loss):-				
<i>Items that will not be reclassified subsequently to income statements:-</i>				
- changes in the fair value of equity investments at fair value through other comprehensive income	(1,122)	(93)	(1,122)	(93)
<i>Items that may be reclassified subsequently to income statements:-</i>				
- foreign currency translation differences	(1,897)	1,616	1,135	7,422
Other comprehensive income/(loss) for the period/year, net of tax	(3,019)	1,523	13	7,329
Total comprehensive income for the period/year	107,293	81,204	429,001	166,529
Attributable to:				
Owners of the parent	107,156	81,068	428,714	166,364
Non-controlling interests	137	136	287	165
Total comprehensive income for the period/year	107,293	81,204	429,001	166,529

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30.06.2024 RM'000	Audited As at 30.06.2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,418,200	2,636,342
Right-of-use assets	254,049	226,196
Investment properties	3,113	3,116
Intangible assets	5,558,867	5,561,134
Investment in joint venture	86,785	77,685
Investments	2,797	3,919
Deferred tax assets	254,361	276,615
Trade and other receivables	2,465	4,802
	<u>8,580,637</u>	<u>8,789,809</u>
Current assets		
Inventories	517,347	549,311
Income tax assets	25,114	35,146
Trade and other receivables	661,874	614,643
Other current assets	47,104	40,882
Amount due from holding companies	41	49
Amount due from related companies	45,812	41,917
Amount due from joint venture	23,629	23,669
Fixed deposits	609,823	612,465
Cash and bank balances	178,691	263,347
	<u>2,109,435</u>	<u>2,181,429</u>
TOTAL ASSETS	<u>10,690,072</u>	<u>10,971,238</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued

	Unaudited As at 30.06.2024 RM'000	Audited As at 30.06.2023 RM'000
EQUITY		
Share capital	5,406,881	5,345,817
Reserves:		
Foreign currency translation reserve	41,589	40,454
Fair value reserve	2,158	3,280
Share options reserve	54,598	9,059
Retained earnings	802,435	551,947
Equity attributable to owners of the parent	6,307,661	5,950,557
Non-controlling interests	4,245	3,958
TOTAL EQUITY	6,311,906	5,954,515
LIABILITIES		
Non-current liabilities		
Lease liabilities	22,175	28,529
Borrowings	2,579,296	2,834,350
Deferred tax liabilities	359,383	363,481
Post-employment benefit obligations	21,662	21,169
	2,982,516	3,247,529
Current liabilities		
Trade and other payables	691,410	790,497
Contract liabilities	3,990	3,312
Amount due to holding companies	3,790	4,144
Amount due to related companies	74,981	34,254
Lease liabilities	14,044	15,376
Borrowings	566,114	907,607
Post-employment benefit obligations	3,374	2,924
Income tax liabilities	37,947	11,080
	1,395,650	1,769,194
TOTAL LIABILITIES	4,378,166	5,016,723
TOTAL EQUITY AND LIABILITIES	10,690,072	10,971,238
Net assets per share (RM)	4.73	4.54

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

	← Attributable to Owners of the Parent →					Non- controlling interests	Total equity	
	Share capital RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Share options reserve RM'000	Retained earnings RM'000			Total RM'000
As at 1 July 2023	5,345,817	40,454	3,280	9,059	551,947	5,950,557	3,958	5,954,515
Profit for the financial year	-	-	-	-	428,701	428,701	287	428,988
Other comprehensive income/(loss)	-	1,135	(1,122)	-	-	13	-	13
Total comprehensive income/(loss) for the financial year	-	1,135	(1,122)	-	428,701	428,714	287	429,001
Dividend paid	-	-	-	-	(178,529)	(178,529)	-	(178,529)
Issuance of ordinary shares pursuant to exercise of share options	61,064	-	-	(9,080)	-	51,984	-	51,984
Share option expenses	-	-	-	54,935	-	54,935	-	54,935
Share options lapsed	-	-	-	(316)	316	-	-	-
As at 30 June 2024	5,406,881	41,589	2,158	54,598	802,435	6,307,661	4,245	6,311,906

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	← Attributable to Owners of the Parent →					Non- controlling interests	Total equity	
	Share capital RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Share options reserve RM'000	Retained earnings RM'000			Total RM'000
As at 1 July 2022	5,345,817	33,032	3,373	-	392,912	5,775,134	3,793	5,778,927
Profit for the financial year	-	-	-	-	159,035	159,035	165	159,200
Other comprehensive income/(loss)	-	7,422	(93)	-	-	7,329	-	7,329
Total comprehensive income/(loss) for the financial year	-	7,422	(93)	-	159,035	166,364	165	166,529
Share option expenses	-	-	-	9,059	-	9,059	-	9,059
As at 30 June 2023	5,345,817	40,454	3,280	9,059	551,947	5,950,557	3,958	5,954,515

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

	12 Months Ended	
	30.06.2024	30.06.2023
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before tax	647,461	253,118
Adjustments for:-		
Amortisation of intangible assets	2,267	1,866
Bad debts written off	371	536
Depreciation of:		
- investment properties	3	4
- property, plant and equipment	229,485	249,788
- right-of-use assets	19,529	19,298
Dividend income	(27)	(6)
Gain on disposal of property, plant and equipment (net)	(4,126)	(1,399)
Gain on disposal of right-of-use asset (net)	(8,827)	-
Gain on termination of leases (net)	-	(1)
Interest expense	194,211	194,747
Interest income	(19,319)	(12,394)
Impairment loss on goodwill	-	3
Impairment loss on plant, property and equipment	137,134	-
Impairment loss on receivables (net)	3,345	5,473
Inventory write-off	20,189	-
Loss on reassessment and modification of leases	-	12
Property, plant and equipment written off	1,376	1,565
Provision/(Reversal of provision) for inventory obsolescence (net)	14,232	(1,145)
Provision for retirement benefit	947	947
Reversal of impairment loss on property, plant and equipment	-	(40)
Share of results of joint venture	(39,925)	(36,402)
Share option expenses	53,952	8,968
Unrealised (gain)/loss on foreign exchange (net)	(8,519)	141
Operating profit before changes in working capital	1,243,759	685,079
Changes in working capital:-		
Inventories	(2,458)	(47,099)
Receivables	(51,849)	(82,534)
Other assets	(6,222)	(11,869)
Payables	(81,306)	131,788
Contract liabilities	678	257
Related parties balances	37,509	(2,927)
Cash generated from operations	1,140,111	672,695

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 - continued**

	12 Months Ended	
	30.06.2024	30.06.2023
	RM'000	RM'000
Interest paid	(185,705)	(184,881)
Interest received	19,056	11,963
Retirement benefit paid	(454)	(1,512)
Income tax paid (net)	(163,430)	(79,917)
Net cash generated from operating activities	<u>809,578</u>	<u>418,348</u>
Cash Flows From Investing Activities		
Dividend received	31,349	32,996
Proceeds from net investment in lease	3,265	2,727
Proceeds from disposal of property, plant and equipment	10,052	3,241
Proceeds from disposal of right-of-use assets	9,132	-
Purchase of property, plant and equipment	(160,188)	(104,978)
Purchase of right-of-use assets	(39,973)	-
Net cash used in investing activities	<u>(146,363)</u>	<u>(66,014)</u>
Cash Flows From Financing Activities		
Dividend paid	(178,529)	-
Proceeds from borrowings	450,000	462,000
Proceeds from exercise of share options	51,984	-
Repayment of borrowings	(1,057,500)	(530,500)
Repayment of lease liabilities	(17,260)	(19,818)
Net cash used in financing activities	<u>(751,305)</u>	<u>(88,318)</u>
Net changes in cash and cash equivalents	(88,090)	264,016
Effects of exchange rate changes	792	8,085
Cash and cash equivalents at beginning of the financial year	<u>875,812</u>	<u>603,711</u>
Cash and cash equivalents at end of the financial year	<u><u>788,514</u></u>	<u><u>875,812</u></u>
Cash and cash equivalents comprise :-		
Fixed deposits with licensed banks	609,823	612,465
Cash and bank balances	<u>178,691</u>	<u>263,347</u>
	<u><u>788,514</u></u>	<u><u>875,812</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2023.

A1. Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” and Chapter 9, part K paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The explanatory notes contained herein provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2023.

The accounting policies and methods of computations adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2023.

The adoption of MFRSs or amendments to MFRSs which were effective for financial year beginning on or after 1 July 2023 do not have significant financial impact on the Group.

A2. Seasonal or Cyclical Factors

The operations of the Group are closely linked to the construction sector which would normally experience a slow-down in construction activities during the festive seasons in Malaysia and Singapore.

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INTERIM FINANCIAL REPORT

Notes – Continued

A3. Disaggregation of Revenue

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2024	Preceding Year Corresponding Quarter 30.06.2023	12 Months Ended	
	RM'000	RM'000	30.06.2024	30.06.2023
			RM'000	RM'000
Cement				
Sales of clinker, cement and other building materials	769,394	778,657	3,347,762	2,872,956
Others	2,084	746	7,511	1,642
	<u>771,478</u>	<u>779,403</u>	<u>3,355,273</u>	<u>2,874,598</u>
Aggregates & Concrete				
Sales of aggregates	9,701	7,278	35,404	25,759
Sales of ready-mixed concrete	260,129	223,349	1,055,458	854,461
Others	95	483	295	2,228
	<u>269,925</u>	<u>231,110</u>	<u>1,091,157</u>	<u>882,448</u>
Total Revenue	<u>1,041,403</u>	<u>1,010,513</u>	<u>4,446,430</u>	<u>3,757,046</u>

A4. Exceptional or Unusual Items

During the current financial quarter, there was no item of an exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

A5. Changes in Estimates of Amount Reported

There were no significant changes in estimates of amounts reported in prior interim periods or prior financial years.

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INTERIM FINANCIAL REPORT

Notes – Continued

A6. Changes in Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter except for the following:-

During the current financial quarter ended 30 June 2024, 21,361,200 ordinary shares at an exercise price of RM2.29 and 40,000 ordinary shares at an exercise price of RM2.25 were issued pursuant to the exercise of employees' share options granted under the Company's employees share option scheme. The cumulative number of ordinary shares issued during the financial year ended 30 June 2024 was 22,701,200.

A7. Dividend Paid

The following dividend payment was made during the financial year ended 30 June 2024:

	RM'000
In respect of the financial year ended 30 June 2023:-	
An interim dividend of 6 sen per ordinary share paid on 21 November 2023	78,612
An interim dividend of 6 sen per irredeemable convertible preference share paid on 21 November 2023	28,000
	<u>106,612</u>
In respect of the financial year ended 30 June 2024:-	
An interim dividend of 4 sen per ordinary share paid on 26 June 2024	53,250
An interim dividend of 4 sen per irredeemable convertible preference share paid on 26 June 2024	18,667
	<u>71,917</u>
Total	<u>178,529</u>

A8. Segmental Information

Segment information is presented in respect of the Group's business segments, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

For management purposes, the Group is organised into the following operating divisions:

- cement
- aggregates and concrete

Included in Cement Segment of the Group are other cement related building materials.

INTERIM FINANCIAL REPORT

Notes – Continued

A8. Segmental Information (continued)

Analysis of the Group's segment information is as follows:

Financial Year Ended 30 June	Cement		Aggregates & Concrete		Elimination		Total	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
External revenue	3,355,273	2,874,598	1,091,157	882,448	-	-	4,446,430	3,757,046
Inter-segment revenue	422,140	333,826	-	-	(422,140)	(333,826)	-	-
Total revenue	<u>3,777,413</u>	<u>3,208,424</u>	<u>1,091,157</u>	<u>882,448</u>	<u>(422,140)</u>	<u>(333,826)</u>	<u>4,446,430</u>	<u>3,757,046</u>
Segment results								
Profit from operations	<u>761,374</u>	<u>374,039</u>	<u>40,373</u>	<u>37,424</u>	<u>-</u>	<u>-</u>	<u>801,747</u>	<u>411,463</u>
Finance costs							(194,211)	(194,747)
Share of results of joint venture							39,925	36,402
Profit before tax							<u>647,461</u>	<u>253,118</u>
Finance costs							194,211	194,747
Depreciation and amortisation							251,284	270,956
EBITDA							<u>1,092,956</u>	<u>718,821</u>

INTERIM FINANCIAL REPORT

Notes – Continued

A9. Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment brought forward from the previous audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

A10. Changes in Group Composition

There was no change in the composition for the Group in this financial quarter.

A11. Contingent Liabilities

The Group has no material contingent liabilities as at the date of this report.

A12. Subsequent Events

There were no items, transactions or event of material or unusual in nature during the period from the end of the quarter under review to the date of this report.

A13. Commitments

Outstanding commitments in respect of capital commitments at end of reporting date not provided for in the financial statements are as follows:

	As at 30.06.2024 RM'000
In respect of capital expenditure:	
Approved and contracted for	24,628

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INTERIM FINANCIAL REPORT

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Group's Performance

	Individual Quarter		Variance	Cumulative Quarter		Variance
	30.06.2024	30.06.2023	%	30.06.2024	30.06.2023	%
	RM'000	RM'000	+/-	RM'000	RM'000	+/-
Revenue	1,041,403	1,010,513	3	4,446,430	3,757,046	18
Profit before tax	144,096	126,010	14	647,461	253,118	156

Revenue for the current financial quarter increased to RM1,041.4 million from RM1,010.5 million in the preceding year corresponding quarter following the stabilisation in selling price for both domestic cement and ready-mixed concrete and continued improvement in operational efficiencies.

In line with the higher revenue, the Group recorded a profit before tax of RM144.1 million in the current financial quarter, up from RM126.0 million in the preceding year corresponding quarter.

For the current financial year under review, the Group achieved a revenue of RM4,446.4 million as compared to RM3,757.0 million in the preceding financial year ended 30 June 2023 attributed also to the stabilisation in selling price for both domestic cement and ready-mixed concrete and continued improvement in operational efficiencies.

The Group's profit before tax for the financial year under review increased to RM647.5 million from RM253.1 million in the preceding financial year mainly in tandem with the higher revenue coupled with a moderation in coal prices. The higher profit before tax is notwithstanding an impairment loss recognized on plant and machinery at Rawang amounting to RM137.1 million.

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INTERIM FINANCIAL REPORT

Notes – Continued

B2. Comparison with Preceding Quarter

	Current Quarter 30.06.2024 RM'000	Preceding Quarter 31.03.2024 RM'000	Variance % +/-
Revenue	1,041,403	1,098,397	-5
Profit before tax	144,096	161,227	-11
Profit after tax	110,312	101,299	9

Group revenue for the current financial quarter was lower at RM1,041.4 million as compared to RM1,098.4 million recorded in the preceding quarter mainly due to the lower domestic cement sales volume. Profit before tax of the Group decreased to RM144.1 million from RM161.2 million in the preceding quarter in line with the lower revenue.

B3. Audit Report of the Preceding Financial Year Ended 30 June 2023

The Auditors' Reports on the financial statements for the financial year ended 30 June 2023 did not contain any qualification.

B4. Prospects

Cement demand is expected to continue to be primarily driven by civil and non-residential ventures including infrastructure, logistics facilities, data centers and factories. Malaysia's long term need for housing and infrastructure due to its young population and high urbanization rate will also help sustain cement demand.

Whilst wider economic volatility may persist in light of inflationary pressures and geopolitical uncertainties, the Group will continue with its pursuit of efficiencies in operations, logistics, and distribution.

B5. Profit Forecast

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

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INTERIM FINANCIAL REPORT

Notes – Continued

B6. Profit for the period/year

	Current Quarter 30.06.2024 RM'000	Year To Date 30.06.2024 RM'000
Profit for the period/year is stated after charging/(crediting):		
Amortisation of intangible assets	505	2,267
Bad debts written off	371	371
Depreciation of:		
- investment properties	*	3
- property, plant and equipment	(12,339) [#]	229,485
- right-of-use assets	7,523	19,529
Dividend income	-	(27)
Gain on disposal of property, plant and equipment (net)	(2,829)	(4,126)
Gain on disposal of right-of-use asset (net)	(8,827)	(8,827)
Hiring income	(7,443)	(27,545)
Impairment loss on property, plant & equipment	137,134	137,134
Impairment loss on receivables (net)	2,586	3,345
Interest income	(4,520)	(19,319)
Inventory write-off	20,189	20,189
Loss on termination of leases	12	-
Realised gain on foreign exchange (net)	(988)	(854)
Property, plant and equipment written off	73	1,376
Provision for inventory obsolescence (net)	11,310	14,232
Provision for retirement benefit	237	947
Rental income	(157)	(551)
Unrealised loss/(gain) foreign exchange (net)	<u>1,825</u>	<u>(8,519)</u>

* Less than RM1,000

[#] The negative depreciation in the current financial quarter was due to the reclassification of part of the depreciation in previous quarters to impairment loss on property, plant and equipment.

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INTERIM FINANCIAL REPORT

Notes – Continued

B7. Taxation

Taxation comprise the following:

	Current Quarter 30.06.2024 RM'000	Year To Date 30.06.2024 RM'000
Tax expense/(income) in respect of current quarter/year:		
- Income tax	50,050	200,323
- Deferred tax	(16,266)	18,150
Total tax expense	33,784	218,473

The effective tax rate for the current financial quarter ended 30 June 2024 was slightly lower than the Malaysian statutory tax rate of 24% following the write-back of deferred tax liabilities over provided in previous quarters. The effective tax rate for the current financial year ended 30 June 2024 was higher than the Malaysian statutory tax rate of 24% mainly due to the non-deductibility of certain interest expense of the Company.

B8. Status of Corporate Proposals Announced

There were no corporate proposals announced by the Company which are not completed as at the date of this report.

B9. Group Borrowings

The Group borrowings as at 30 June 2024 are as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Current			
Revolving credit	45,000	202,000	247,000
Term Loans	319,114	-	319,114
	364,114	202,000	566,114
Non-current			
Revolving credit	232,500	-	232,500
Term Loans	1,492,253	-	1,492,253
Bonds	-	854,543	854,543
	1,724,753	854,543	2,579,296
Total Group Borrowings	2,088,867	1,056,543	3,145,410

All borrowings are denominated in Ringgit Malaysia.

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Notes – Continued

B10. Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- (i) Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- (iii) Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At the reporting date, the Group held the following financial instruments carried at fair value on the statement of financial position:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
30 June 2024				
Assets				
Financial assets at fair value through other comprehensive income	653	-	2,144	2,797

B11. Material Litigation

There was no material litigation pending as at the date of this report.

B12. Dividend

The Board of Directors (“Board”) is pleased to declare a second interim dividend of 6 sen per ordinary share and 6 sen per irredeemable convertible preference share for the financial year ended 30 June 2024.

The book closure and payment dates in respect of the aforesaid dividend are 30 October 2024 and 15 November 2024, respectively.

The Board does not recommend a final dividend for the financial year ended 30 June 2024 (2023: nil).

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Notes – Continued

B13. Earnings per share

(i) Basic earnings per share

The basic earnings per share of the Group has been computed by dividing the net profit attributable to owners of the parent for the financial quarter/year by the weighted average number of ordinary shares in issue during the financial quarter/year as set out below:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2024	Preceding Year Corresponding Quarter 30.06.2023	12 Months Ended	
			30.06.2024	30.06.2023
Profit attributable to owners of the parent (RM'000)	<u>110,175</u>	<u>79,545</u>	<u>428,701</u>	<u>159,035</u>
Weighted average number of ordinary shares ('000)	<u>1,327,147</u>	<u>1,310,201</u>	<u>1,314,630</u>	<u>1,310,201</u>
Basic earnings per share (sen)	<u>8.30</u>	<u>6.07</u>	<u>32.61</u>	<u>12.14</u>

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INTERIM FINANCIAL REPORT

Notes – Continued

B13. Earnings per share (continued)

(ii) Diluted earnings per share

The diluted earnings per share of the Group has been computed by dividing the net profit attributable to owners of the parent for the financial quarter/year by the adjusted weighted average number of ordinary shares in issue during the financial quarter/year as set out below:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2024	Preceding Year Corresponding Quarter 30.06.2023	12 Months Ended 30.06.2024 30.06.2023	
Profit attributable to owners of the parent (RM'000)	110,175	79,545	428,701	159,035
Weighted average number of ordinary shares ('000)	1,327,147	1,310,201	1,314,630	1,310,201
Effect of conversion of ICPS to ordinary shares ('000)	466,667	466,667	466,667	466,667
Effect of unexercised employees' share option scheme ('000)	74,356	24,225	63,806	7
	1,868,170	1,801,093	1,845,103	1,776,875
Diluted earnings per share (sen)	5.90	4.42	23.23	8.95

* The Employees' Share Option Scheme has an anti-dilutive effect as its exercise price is higher than the average market price of the shares.

Total cash expected to be received in the event of an exercise of all outstanding employees' share options is RM312.6 million. Accordingly, the Net Asset ("NA") on a proforma basis at the end of the current quarter will increase by RM312.6 million whilst NA per share will decrease by RM0.22. In arriving at the diluted earnings per share, NA and NA per share, no income has been accrued for the cash proceeds.

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated: 21 August 2024