

Mega First Corporation Berhad
Registration No. 196601000210 (6682-V)
Incorporated in Malaysia

Interim Financial Report
30 June 2024

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For The Second Quarter and 6-Month Period Ended 30 June 2024

	2nd Quarter Ended		6-Month Period Ended		
	30.6.2024	30.6.2023	30.6.2024	30.6.2023	
	RM'000	RM'000	RM'000	RM'000	
Revenue	331,950	325,653	645,429	673,006	
Cost of sales	(178,847)	(188,559)	(357,234)	(414,779)	
Gross profit	153,103	137,094	288,195	258,227	
Other income	20,211	22,296	60,417	40,620	
Other operating expenses	(11,728)	(12,491)	(21,788)	(37,589)	
Administrative and distribution expenses	(17,881)	(15,480)	(35,044)	(31,017)	
Profit from operations	143,705	131,419	291,780	230,241	
Finance costs	(15,882)	(8,882)	(32,221)	(18,012)	
Share of results in equity accounted investments, net of tax	(9,537)	(8,057)	(23,452)	(5,746)	
Profit before tax	118,286	114,480	236,107	206,483	
Income tax expense	(5,825)	(5,461)	(15,600)	(20,289)	
Profit after tax for the period	112,461	109,019	220,507	186,194	
Other comprehensive income	14,922	106,529	64,421	117,114	
Total comprehensive income for the period	127,383	215,548	284,928	303,308	
Profit after tax attributable to:					
- Owners of the Company	105,355	88,609	200,819	159,157	
- Non-controlling interests	7,106	20,410	19,688	27,037	
	112,461	109,019	220,507	186,194	
Total comprehensive income attributable to:					
- Owners of the Company	120,297	176,982	265,112	256,208	
- Non-controlling interests	7,086	38,566	19,816	47,100	
	127,383	215,548	284,928	303,308	
EPS - Basic (sen)	B11	11.18	9.38	21.30	16.84

The notes set out on pages 7 to 30 form an integral part and should be read in conjunction with this interim financial report.

Mega First Corporation Berhad
Registration No. 196601000210 (6682-V)

Unaudited Condensed Consolidated Statement of Financial Position
As at 30 June 2024

	Unaudited As At 30.6.2024 RM'000	Audited As At 31.12.2023 RM'000
ASSETS		
Non-Current Assets		
Service concession asset	1,948,924	1,940,046
Property, plant and equipment	1,023,466	531,945
Investment properties	268,138	168,746
Right of use assets	117,859	116,312
Investment in quoted shares	138,119	133,278
Inventories	40,166	40,166
Joint ventures and associates	143,222	166,674
Development expenditures	17,732	203,048
Goodwill on consolidation	56,941	54,673
Other assets	669	669
Deferred tax asset	43	2,932
	3,755,279	3,358,489
Current Assets		
Inventories	141,813	131,737
Biological assets, at fair value	198	-
Receivables and prepayments	481,319	490,098
Short-term investments	-	19,500
Bank balances and deposits	660,797	508,587
	1,284,127	1,149,922
TOTAL ASSETS	5,039,406	4,508,411
EQUITY AND LIABILITIES		
Equity Attributable To Owners Of The Company		
Share capital	743,121	743,121
Treasury shares	(45,517)	(45,517)
Reserves	2,584,422	2,359,304
	3,282,026	3,056,908
Non-Controlling Interests	226,260	167,110
Total Equity	3,508,286	3,224,018
Non-Current Liabilities		
Long-term borrowings	513,526	466,128
Deferred tax liabilities	139,089	126,954
Put option liability	72,524	70,759
Lease and hire purchase liabilities	13,479	9,943
Payables	612	588
	739,230	674,372
Current Liabilities		
Payables and accruals	257,773	168,823
Short-term borrowings	529,892	435,203
Lease and hire purchase liabilities	4,225	5,995
	791,890	610,021
Total Liabilities	1,531,120	1,284,393
TOTAL EQUITY AND LIABILITIES	5,039,406	4,508,411
Net Assets Per Ordinary Share (RM)	3.48	3.24

The notes set out on pages 7 to 30 form an integral part and should be read in conjunction with this interim financial report.

Mega First Corporation Berhad
Registration No. 196601000210 (6682-V)

Unaudited Condensed Consolidated Statement of Changes in Equity
For the 6-month period ended 30 June 2023

	← Non-Distributable				→ Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Fair Value Reserve RM'000	Capital Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000	Attributable To Owners Of The Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Balance at 01.01.2023	743,121	(37,261)	77,088	92,331	27,394	(88,556)	1,936,530	2,750,647	440,379	3,191,026
Total comprehensive income for the period	-	-	115,286	(18,235)	-	-	159,157	256,208	47,100	303,308
Total transactions with owners:										
- Dividends to shareholders of the Company	-	-	-	-	-	-	(36,394)	(36,394)	-	(36,394)
- Distribution by a subsidiary	-	-	-	-	-	-	-	-	(7,576)	(7,576)
- Purchase of treasury shares	-	(5,570)	-	-	-	-	-	(5,570)	-	(5,570)
Disposal of a subsidiary	-	(5,570)	-	-	-	-	(36,394)	(41,964)	(7,576)	(49,540)
	-	-	-	-	-	-	-	-	(5,147)	(5,147)
Balance at 30.06.2023	743,121	(42,831)	192,374	74,096	27,394	(88,556)	2,059,293	2,964,891	474,756	3,439,647

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Mega First Corporation Berhad
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Unaudited Condensed Consolidated Statement of Changes in Equity (Cont'd)
For the 6-month period ended 30 June 2024

	← Non-Distributable →				→ Distributable		Attributable To Owners Of The Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000	
	Share Capital RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Fair Value Reserve RM'000	Capital Reserve RM'000	Other Reserve RM'000				Retained Profits RM'000
Balance at 01.01.2024	743,121	(45,517)	139,813	73,620	27,394	(88,556)	2,207,033	3,056,908	167,110	3,224,018
Total comprehensive income for the period	-	-	60,652	3,641	-	-	200,819	265,112	19,816	284,928
Total transactions with owners:										
- Dividend to shareholders of the Company	-	-	-	-	-	-	(40,067)	(40,067)	-	(40,067)
- Dividend by a subsidiary to non-controlling interests	-	-	-	-	-	-	-	-	(2,000)	(2,000)
	-	-	-	-	-	-	(40,067)	(40,067)	(2,000)	(42,067)
Effect on accretion of interest in a subsidiary	-	-	-	-	-	-	73	73	(6,450)	(6,377)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	47,784	47,784
Balance at 30.06.2024	743,121	(45,517)	200,465	77,261	27,394	(88,556)	2,367,858	3,282,026	226,260	3,508,286

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Mega First Corporation Berhad
Registration No. 196601000210 (6682-V)

Unaudited Condensed Consolidated Statement of Cash Flows
For the 6-month period ended 30 June 2024

	6-Month Period Ended	
	30.6.2024	30.6.2023
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	236,107	206,483
Adjustments for non-cash flow - Non-cash items	78,046	85,230
- Non-operating items	21,788	5,846
Operating profit before working capital changes	335,941	297,559
Changes in working capital - Net change in assets	17,947	1,546
- Net change in liabilities	(46,982)	(150)
Cash from operations	306,906	298,955
Income tax paid	(7,497)	(5,590)
Net cash from operating activities	299,409	293,365
Cash flows for investing activities		
Net cash outflow on acquisition of subsidiaries	(3,664)	-
Cash outflow for Don Sahong Hydropower Project	(33,939)	(41,934)
Dividends received	689	743
Interest received	11,377	10,326
Investment in joint ventures and associates	-	(5,712)
Payments for purchase of:		
- property, plant and equipment	(73,535)	(47,025)
- right of use assets	(114)	(561)
- quoted shares	(1,200)	-
- short-term investment	-	(10,000)
- investment properties	(75,362)	-
Proceeds from disposal of:		
- property, plant and equipment	235	77
Receipt from redemption of short-term investment, net	4,500	-
Net cash outflow from disposal of a subsidiary	-	(646)
Subscription of additional shares in a subsidiary	(6,377)	-
Net cash for investing activities	(177,390)	(94,732)

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Mega First Corporation Berhad
Registration No. 196601000210 (6682-V)

Unaudited Condensed Consolidated Statement of Cash Flows (Cont'd)
For the 6-month period ended 30 June 2024

	6-Month Period Ended	
	30.6.2024	30.6.2023
	RM'000	RM'000
Cash flows from/(for) financing activities		
Dividends paid to:		
- shareholders of the Company	(40,067)	(36,394)
- subsidiary's non-controlling interests	(2,000)	(7,576)
Finance costs paid	(32,129)	(18,012)
Net drawdown/(repayment) of:		
- Revolving credits, trade financing and loans	77,310	(14,671)
- Hire Purchase liabilities	(3,584)	(3,515)
- Term loans	20,436	(53,654)
Purchase of treasury shares	-	(5,570)
Placement of deposits pledged with licensed banks or deposits with original maturity period of more than 3 months	(4,008)	(7,637)
Net cash from/(for) financing activities	15,958	(147,029)
Effect of foreign exchange translation	10,225	28,732
Net increase in cash and cash equivalents	148,202	80,336
Cash and cash equivalents at beginning of the period	462,934	482,773
Cash and cash equivalents at end of the period	611,136	563,109

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

Bank balances and deposits	660,797	581,649
Bank overdrafts	-	(1,422)
	660,797	580,227
Less:		
- Deposits with original maturity period of more than three months	(17,635)	(14,277)
- Bank deposits pledged with licensed banks	(32,026)	(2,841)
	611,136	563,109

The notes set out on pages 7 to 30 form an integral part and should be read in conjunction with this interim financial report.

Notes to the interim financial report

A EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and Issuers Communication No. 1/2017 - Guidance on Disclosures in Notes to Quarterly Report issued by Bursa Malaysia.

These interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023.

- (a) The accounting policies and methods of computation adopted by the Group in preparing this interim financial report are consistent with those in the financial statements for the financial year ended 31 December 2023, except for the following new accounting standards and interpretations (including the consequential amendments) which were adopted at the beginning of the financial year ending 31 December 2024. These pronouncements are either not relevant or do not have any material impact on the Group’s financial statements for the current financial year.

MFRSs and/or IC Interpretations (including the Consequential Amendments)

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the financial year ending 31 December 2024:

MFRSs and/or IC Interpretations (including the Consequential Amendments)

Effective Date

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027

The above pronouncements are either not relevant or not expected to have any material impact to the Group’s financial statements.

A2. Qualification of financial statements

The auditors’ report of the Group’s annual financial statements for the financial year ended 31 December 2023 was not subject to any qualification.

A3. Seasonal or cyclical factors

The Group’s principal business operations were not significantly affected by seasonal or cyclical factors other than its Renewable Energy Division where hydropower generation is subject to seasonal fluctuation of the water level. Normally, the water level will peak between June and November during the wet season. More detailed commentary is set out in Notes B3 and B4 to these financial statements.

A4. Unusual item

There was no item affecting assets, liabilities, equity, net income, or cash flows that is unusual because of their nature, size or incidence in these financial statements other than items disclosed in Notes B1, B2 and B3.

A5. Nature and amount of changes in estimates

There was no change in estimates of amounts reported in prior periods that have a material effect in the period under review.

A6. Debt and equity securities

	Number of Ordinary Shares		← Amount →	
	Share Capital (Issued and Fully Paid) '000	Treasury Shares '000	Share Capital (Issued and Fully Paid) RM'000	Treasury Shares RM'000
At 30 June 2024 /				
31 December 2023	<u>988,352</u>	<u>(45,593)</u>	<u>743,121</u>	<u>(45,517)</u>

Of the total 988,352,102 issued ordinary shares as at 30 June 2024, 45,592,600 ordinary shares were held as treasury shares by the Company. Accordingly, the number of outstanding ordinary shares in issue as at 30 June 2024 was 942,759,502.

There was no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares in these financial statements.

Mega First Corporation Berhad (“MFCB”)
Registration No. 196601000210 (6682-V)

A7. Segment information

6-Month Period Ended					Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
	Renewable Energy RM'000	Resources RM'000	Packaging RM'000				
30 June 2024							
Revenue							
External revenue	293,896	120,435	207,039	24,059	-		645,429
Inter-segment revenue	-	-	-	63,878	(63,878)		-
Consolidated revenue	293,896	120,435	207,039	87,937	(63,878)		645,429
Results							
Profit from operations	222,702	27,465	24,833	81,370	(64,590)		291,780
Finance costs							(32,221)
Share of loss in equity accounted investments							(23,452)
Profit before tax							236,107
Income tax expense							(15,600)
Profit after tax							220,507
Total assets							
At 30 June 2024	3,099,234	378,080	583,739	1,175,030	(196,677)		5,039,406
6-Month Period Ended					Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
	Renewable Energy RM'000	Resources RM'000	Packaging RM'000				
30 June 2023							
Revenue							
External revenue	273,326	108,173	203,896	87,611	-		673,006
Inter-segment revenue	-	-	-	1,133	(1,133)		-
Consolidated revenue	273,326	108,173	203,896	88,744	(1,133)		673,006
Results							
Profit from operations	205,964	11,965	19,039	(4,559)	(2,168)		230,241
Finance costs							(18,012)
Share of profit in equity accounted investments							(5,746)
Profit before tax							206,483
Income tax expense							(20,289)
Profit after tax							186,194
Total assets							
At 31 December 2023	2,936,080	368,284	503,807	882,775	(182,535)		4,508,411

A8. Dividend paid

Details of dividend declared and paid during the current quarter and 6-month ended 30 June 2024 are disclosed in Note B9 to these financial statements.

A9. Valuation of property, plant and equipment

There was no revaluation of property, plant and equipment during the period reported up to 15 August 2024, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

A10. Significant event during the reporting period

Acquisition of CSC Agriculture Holdings Sdn Bhd (“CSCAH”)

A wholly-owned subsidiary of MFCB, Mega First Agrotech Sdn Bhd (formerly known as Lifestyle Wellness Sdn Bhd) had on 8 May 2024 entered into a Share Subscription Agreement with CSCAH and the existing shareholders of CSCAH to subscribe for 13,551,072 ordinary shares in CSCAH for a total consideration of RM25.0 million (“**Shares Subscription**”).

CSCAH is an investment holding company, with subsidiaries principally engaged in fruits and vegetable farming and wholesaling. Currently, it operates and manages more than 1,100 acres of farmland in the states of Johor and Pahang with development areas exceeding 600 acres planted with various crops, including a modern greenhouse farming clean leafy vegetables.

The Shares Subscription was completed on 28 May 2024. Since then, CSCAH and its subsidiaries (“CSC”) constitute part of MFCB Group where MFCB holds 40% effective equity interest in CSC.

Other than the above, there was no significant event during the reporting period.

A11. Significant event subsequent to the end of the reporting period

There was no significant event subsequent to the end of the period reported up to 15 August 2024, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

A12. Changes in composition of the Group

Changes in the composition of the Group during the 6-month period ended 30 June 2024 are as follows:

1. On 22 January 2024, Authentic Excellence Sdn Bhd (“AESB”), a wholly-owned subsidiary of MFCB acquired 10,000 ordinary shares representing 100% equity interest in Grand Ascent Sdn Bhd (“GASB”) for RM1,500. Since then, GASB became an indirect wholly-owned subsidiary of MFCB. GASB was dormant prior to the aforesaid date and its intended business activity involves the operation of medical centre;

A12. Changes in composition of the Group (Cont’d)

2. Two of the Company’s indirect wholly-owned dormant subsidiaries, namely Mega First Power Services Sdn Bhd (“MFPS”) and Bayangan Sutera Sdn Bhd (“BSSB”) have on 19 March 2024 commenced members’ voluntary liquidation. Accordingly, the financial results of MFPS and BSSB have been deconsolidated from MFCB’s group accounts with effect from the aforesaid date;
3. On 6 April 2024, Mega First Green Farms Limited, a 100%-owned subsidiary of MFCB incorporated a wholly-owned subsidiary named Mega First Green Harvest (Cambodia) Co., Ltd (“MFGH”) with a registered share capital of Cambodia Riel (“KHR”) 4,000,000. The principal activity of MFGH is to engage in the business of manufacturing and trading of fruits, grains and other food products.
4. On 25 April 2024, MFCB incorporated a wholly-owned subsidiary named Don Sahong Investments Limited (“DSHL”) with an issued and paid-up capital of USD1,000. The principal activity of DSHL is investment holding; and
5. Acquisition of CSC as detailed in Note A10.

A13. Changes in contingent liabilities and assets

(a) Contingent liability

The Group has no contingent liability as at 15 August 2024, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

(b) Contingent asset

The Group has no contingent asset as at 15 August 2024, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

A14. Capital commitments

As at 30 June 2024, the Group has the following capital commitments:

	RM’000
Property, plant and equipment	
Approved and contracted for	165,987

A15. Significant related party transactions

There was no significant related party transaction during the current quarter and 6-month period ended 30 June 2024 other than the following transactions made by the Company:

	2nd Quarter Ended 30 June		Financial Period Ended 30 June	
	2024 RM’000	2023 RM’000	2024 RM’000	2023 RM’000
<u>A Major Shareholder of the Company</u>				
Term loan repaid	-	31,688	47,234	62,429
Interest expense	6,558	5,326	13,423	10,837
			30.06.2024 RM’000	31.12.2023 RM’000
Corporate guarantees given to lenders and supplier of joint ventures and associates			365,988	285,360

A16. Derivative financial instruments

	30.06.2024 RM’000	31.12.2023 RM’000
<u>Derivative liability</u>		
Put option liability over shares of a subsidiary held by non-controlling interest	72,524	70,759

The Company entered into a Put Option Agreement with the minority shareholders of Stenta Group whereby the minority shareholders have the right to require the Company to buy their equity interest in the subsidiary in accordance to the terms of the Put Option Agreement.

The obligation by the Company to purchase Stenta Group’s equity interest held by the minority shareholders is initially recognised as put option liability with a corresponding charge direct to equity (classified as “Other Reserve”). Subsequent to the initial recognition, the put option will be remeasured at fair value and any changes in fair value is recognised in profit or loss.

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

B1. Performance review - Current quarter ended 30 June 2024 (“2Q2024”) versus (“vs”) the corresponding quarter ended 30 June 2023 (“2Q2023”)

	2Q2024	2Q2023	Changes	
	RM'000	RM'000	RM'000	%
Revenue	331,950	325,653	6,297	1.9%
Other income	20,211	22,296	(2,085)	-9.4%
Other expenses	(11,728)	(12,491)	763	-6.1%
Earning before interest, tax, depreciation and Amortisation ("EBITDA")	171,036	158,497	12,539	7.9%
Operating profit	143,705	131,419	12,286	9.3%
Profit before tax	118,286	114,480	3,806	3.3%
Profit after tax	112,461	109,019	3,442	3.2%
Profit after tax attributable to owners of the Company	105,355	88,609	16,746	18.9%
Revenue				
Renewable Energy	156,211	144,859	11,352	7.8%
Resources	56,672	52,362	4,310	8.2%
Packaging	104,220	100,371	3,849	3.8%
Sub-total	317,103	297,592	19,511	6.6%
Investment Holding & Others	14,847	28,061	(13,214)	-47.1%
Total revenue	331,950	325,653	6,297	1.9%
Profit before tax				
Renewable Energy	110,241	105,558	4,683	4.4%
Resources	12,646	5,802	6,844	118.0%
Packaging	9,124	8,104	1,020	12.6%
Sub-total	132,011	119,464	12,547	10.5%
Investment Holding & Others	(13,725)	(4,984)	(8,741)	175.4%
Total profit before tax	118,286	114,480	3,806	3.3%
Significant income/(expense) items:				
1 Share of loss in equity accounted investments	(9,537)	(8,057)	(1,480)	18.4%
2 Insurance income recognised (partial) for assets damaged by fire incident in 2023	2,467	-	2,467	na
3 Gain on foreign exchange	147	8,516	(8,369)	-98.3%

B1. Performance review - 2Q2024 vs 2Q2023 (Cont'd)

The Group reported a strong performance in 2Q2024, with robust growth in key financial metrics and positive contributions from all its main operating segments. Despite some challenges, the Group demonstrated resilience and continued to build on the strength of its core businesses.

When excluding the revenue from the Tawau power plant (RM20.4 million in 2Q2023), adjusted revenue grew by 8.8%, rising from RM305.2 million to RM331.9 million. This growth was supported by revenue improvements across all core divisions and a maiden sales contribution of RM7.0 million from CSC, which was acquired on May 28, 2024.

The core divisions posted a 10.5% increase in combined pre-tax profit, amounting to RM132.0 million. This reflects the underlying strength and effective execution within these segments. However, the overall Group pre-tax profit growth was constrained to 3.3%, reaching RM118.3 million, due to a sharper loss in the Investment Holding & Others segment.

The Investment Holding & Others segment reported a loss of RM13.7 million, compared to a RM5.0 million loss in the same period last year. The sharper loss was mainly due to lower forex gains in the current quarter, partially offset by a RM2.5 million income from an insurance claim.

The Group's share of loss in joint ventures and associates widened from RM8.1 million to RM9.5 million. This was primarily driven by higher losses reported by Edenor, which experienced significant capacity loss and production disruptions due to unscheduled repairs and upgrading works during the quarter.

Group profit after tax and non-controlling interests (“PATNCI”) rose by 18.9%, from RM88.6 million to RM105.4 million. This performance underscores the strength of the Group's core businesses and the positive impact of acquiring an additional 15% effective equity stake in Don Sahong Power Company Ltd (“DSPC”) at the end of 2023.

B1. Performance review - 2Q2024 vs 2Q2023 (Cont'd)

Renewable Energy Division

The Division's revenue increased by 7.8%, reaching RM156.2 million in 2Q2024 (2Q2023: RM144.9 million), primarily driven by a 7.5% rise in hydro energy sales to RM153.4 million and a 31.6% increase in solar energy sales to RM2.8 million.

The improvement in hydro energy sales revenue was supported by several factors, including a 4.5% currency gain, a 1.1% increase in energy sales volume, and a 1% upward tariff revision effective from October 1, 2023. The average Equivalent Availability Factor (“EAF”) increased by 1 percentage point to 89.7%, up from 88.7% in 2Q2023, driven by higher average water levels. Additionally, the division reported test energy income of RM0.7 million in the current quarter from the new 5th turbine after successfully tested and commissioned.

The higher solar energy sales revenue was attributed to the increased installed solar capacity, which reached 28.3 MWp (2Q2023: 20.5 MWp).

Pre-tax earnings rose by 4.4% to RM110.2 million (from RM105.6 million in 2Q2023) due to higher revenue. However, this increase was partly offset by higher net interest expenses resulting from a loan procured in December 2023 to fund the acquisition of an additional 20% stake in DSPC. The effect of these higher interest expenses was more than compensated by the increased profit from the additional effective equity interest in DSPC, which contributed to a 21.0% growth in the Division's PATNCI to RM106.0 million, compared to RM87.6 million in 2Q2023.

Resources Division

Revenue increased by 8.2%, rising from RM52.4 million to RM56.7 million, primarily driven by a 5.5% increase in sales volume of lime products and a 4.5% currency gain in export sales. However, sales of non-lime products declined by 7.7% to RM4.1 million due to business cessation of the brick products.

Pre-tax profit surged by 118.0% to RM12.6 million (compared to RM5.8 million in 2Q2023), primarily driven by the increased revenue, productivity gains and a favourable shift in the sales mix.

Packaging Division

The operating environment during the current quarter was marked by significant challenges, including weak consumer demand and excess industry capacities. Despite these difficulties, the Group demonstrated notable resilience, managing to grow revenue by 3.8%, from RM100.4 million in 2Q2023 to RM104.2 million in the current quarter.

Excluding insurance income (classified under the Investment Holding & Others segment), pre-tax profit improved by 12.6% to RM9.1 million, compared to RM8.1 million in 2Q2023.

B2. Performance review - Year-to-date 30 June 2024 (“1H2024”) versus (“vs”) corresponding Year-to-date 30 June 2023 (“1H2023”)

	1H2024	1H2023	Changes	
	RM'000	RM'000	RM'000	%
Revenue	645,429	673,006	(27,577)	-4.1%
Other income	60,417	40,620	19,797	48.7%
Other expenses	(21,788)	(37,589)	15,801	-42.0%
Earning before interest, tax, depreciation and Amortisation ("EBITDA")	347,802	283,827	63,975	22.5%
Operating profit	291,780	230,241	61,539	26.7%
Profit before tax	236,107	206,483	29,624	14.3%
Profit after tax	220,507	186,194	34,313	18.4%
Profit after tax attributable to owners of the Company	200,819	159,157	41,662	26.2%
Revenue				
Renewable Energy	293,896	273,326	20,570	7.5%
Resources	120,435	108,173	12,262	11.3%
Packaging	207,039	203,896	3,143	1.5%
Sub-total	621,370	585,395	35,975	6.1%
Investment Holding & Others	24,059	87,611	(63,552)	-72.5%
Total revenue	645,429	673,006	(27,577)	-4.1%
Profit before tax				
Renewable Energy	199,019	194,097	4,922	2.5%
Resources	27,086	11,571	15,515	134.1%
Packaging	17,719	15,415	2,304	14.9%
Sub-total	243,824	221,083	22,741	10.3%
Investment Holding & Others	(7,717)	(14,600)	6,883	-47.1%
Total profit before tax	236,107	206,483	29,624	14.3%
Significant income/(expense) items:				
1 Share of loss in equity accounted investments	(23,452)	(5,746)	(17,706)	308.1%
2 Insurance income recognised (partial) for assets damaged by fire incident in 2023	24,856	-	24,856	na
3 Gain on foreign exchange	3,452	14,302	(10,850)	-75.9%
4 Income tax penalties	-	(14,929)	14,929	-100.0%

B2. Performance review – 1H2024 vs 1H2023 (Cont’d)

Excluding the revenue from the Tawau power plant (RM71.0 million in 1H2023), the Group's adjusted revenue increased by 7.2% in the first half of 2024, rising from RM602.0 million to RM645.4 million. This growth was driven by revenue improvements across all core divisions and a maiden sales contribution of RM7.0 million from CSC, which was acquired on May 28, 2024.

The Group posted a pre-tax profit of RM236.1 million, marking a 14.3% increase over the RM206.5 million achieved in the corresponding period of 2023. This strong performance was underpinned by a 10.3% increase in the combined pre-tax profit of the core divisions and reduced losses in the Investment Holding & Others segment.

The Investment Holding & Others segment reported a loss of RM7.7 million in 1H2024, a significant improvement compared to the RM14.6 million loss in the same period last year. The lower loss was mainly attributable to a RM24.9 million income from insurance claims and the absence of RM14.9 million in income tax penalties as recorded in 1H2023. These gains were partially offset by a higher share of loss from joint ventures and associates which amounted to RM23.5 million (1H2023: RM5.7 million loss), and a lower forex gain of RM3.5 million (1H2023: RM14.3 million).

The Group's share of loss in joint ventures and associates widened significantly from RM5.7 million to RM23.5 million. This was primarily due to increased losses reported by Edenor, which faced significant capacity loss and production disruptions due to unscheduled repairs and upgrading works during 1H2024.

Group PATNCI rose by 26.2%, from RM159.2 million to RM200.8 million. This robust performance underscores the strength of the Group's core businesses and the positive impact of acquiring an additional 15% effective equity stake in DSPC at the end of 2023.

B2. Performance review – 1H2024 vs 1H2023 (Cont’d)

Renewable Energy Division

In the first six months of 2024, the Division achieved a 7.5% growth in revenue, reaching RM293.9 million compared to RM273.3 million in the corresponding period of 2023. This growth was primarily driven by a 6.0% currency gain, a 1% tariff adjustment, and a substantial 41.5% increase in solar revenue, which rose to RM5.5 million (1H2023: RM3.9 million).

The average EAF for the current period was 0.8%-points lower at 84.5% (1H2023: 85.3%), primarily due to lower water levels in 1Q2024. Additionally, the Division reported test energy income of RM0.7 million in June 2024 from the newly commissioned fifth turbine.

Pre-tax profit increased by 2.5%, rising from RM194.1 million to RM199.0 million. The impact of higher revenue was largely offset by an increase in net interest expenses resulting from a loan taken in December 2023 to fund the acquisition of an additional 20% stake in DSPC.

However, the effect of these higher interest expenses was more than compensated by the increased profit from the additional effective equity interest in DSPC, which contributed to an 18.7% growth in the Division’s PATNCI, reaching RM191.8 million, compared to RM161.6 million in 1H2023.

Resources Division

Revenue grew by 11.3%, rising from RM108.2 million in 1H2023 to RM120.4 million in 1H2024, driven by a 7.3% increase in sales volume of lime products and a 6.0% currency gain in export sales.

Pre-tax profit surged by 134.1%, reaching RM27.1 million in 1H2024 (compared to RM11.6 million in 1H2023), due to higher revenue, production efficiency gains and a favorable shift in the sales mix.

Packaging Division

Despite a challenging operating environment characterised by weak consumer demand and industry overcapacity, the Division achieved a 1.5% increase in revenue for the first half of 2024, reaching RM207.0 million, compared to RM203.9 million in the same period in 2023.

Pre-tax profit rose by 14.9% to RM17.7 million, up from RM15.4 million in the first half of 2023, driven by higher revenue and a favorable shift in the sales mix.

B2. Performance review - 30 June 2024 versus (“vs”) 31 December 2023

(a) Assets and Liabilities as at 30 June 2024

Changes in key assets and liabilities since 31 December 2023 are explained below:

Asset/Liability Items	As At 30.06.2024 RM'000	As At 31.12.2023 RM'000	Changes RM'000	Explanation
Service concession asset	1,948,924	1,940,046	8,878	The increase was mainly due to RM54.8 million translation gain, largely offset by amortisation charge of RM45.9 million.
Property, plant and equipment (“PPE”)	1,023,466	531,945	491,521	The increase was primarily due to: (a) RM354.8 million transfer from Development Expenditures, representing the cumulative costs incurred for the 5 th turbine upon successful commissioned and tested; (b) Effect of CSC consolidation (+RM79.8 million); (c) RM73.5 million CAPEX, mainly by the Packaging Division (RM58.6 million for construction of new factories and restoration of manufacturing facilities damaged by fire) and RM8.6 million by the Food Security Division; and (d) RM3.0 million translation gain. partly offset by RM19.3 million depreciation charges in current period.
Development expenditures	17,732	203,048	(185,316)	The decrease was mainly due to transfer to PPE (as explained above). The balance represents mainly cumulative costs incurred for the construction of 11.4MW solar power plants in the Republic of Maldives.

B2. Performance review – 30.06.2024 vs 31.12.2023 (Cont’d)

(a) Assets and Liabilities as at 30 June 2024 (Cont’d)

Changes in key assets and liabilities since 31 December 2023 are explained below (Cont’d):

Asset/Liability Items	As At 30.06.2024 RM’000	As At 31.12.2023 RM’000	Changes RM’000	Explanation
Investment properties	268,138	168,746	99,392	The increase was due to RM75.4 million acquisition of 688-acre land for future development of renewable energy and food security projects, and the effect of CSC’s consolidation (+RM24.0 million).
Right-Of-Use (“ROU”) assets	117,859	116,312	1,547	The increase was mainly due to consolidation of CSC (+RM3.2 million), partly offset by RM1.9 million amortisation charges for current period.
Joint ventures and associates	143,222	166,674	(23,452)	The decrease was due to share of loss in the current period, as explained earlier.
Investment in quoted shares	138,119	133,278	4,841	The increase was due to RM3.6 million fair value gain and RM1.2 million new investment made in the current period.
Inventories (current)	141,813	131,737	10,076	The increase was in line with higher revenue base and effect from CSC consolidation.
Receivables and Prepayments	481,319	490,098	(8,779)	The decrease was mainly due to 7.8% declined in USD receivable from Électricité du Laos (“EDL”), partly offset by effect of CSC consolidation (+RM10.3 million).
Deferred tax liabilities	139,089	126,954	12,135	The increase was mainly due to consolidation of CSC (+RM9.9 million) and translation loss of RM2.2 million.
Payables and accruals (current)	257,773	168,823	88,950	The increase was mainly due to increase amount owing to fifth turbine contractor and accruals of related development costs, as well as consolidation of CSC (+RM29.7 million)

B2. Performance review – 30.06.2024 vs 31.12.2023 (Cont'd)

(b) Group borrowings and debt securities

The Table below sets out the salient information on the Group’s bank borrowings:

	Long-term		Short-term		Total	
	Foreign Currency ('000)	RM ('000)	Foreign Currency ('000)	RM ('000)	Foreign Currency ('000)	RM ('000)
As at 30 June 2024						
Secured						
Trade financing and loans	-	-	-	64,039	-	64,039
Term loans	-	226,184	-	36,549	-	262,733
Term loan (USD) ^	27,500	129,786	18,333	86,524	45,833	216,310
Revolving credit	-	-	-	149,000	-	149,000
		<u>355,970</u>		<u>336,112</u>		<u>692,082</u>
Unsecured Loan						
Term loan	-	15,971	-	-	-	15,971
Term loan (USD) ^	30,000	141,585	40,000	188,780	70,000	330,365
Revolving credit	-	-	-	5,000	-	5,000
		<u>157,556</u>		<u>193,780</u>		<u>351,336</u>
Total Borrowings		<u>513,526</u>		<u>529,892</u>		<u>1,043,418</u>
As at 31 December 2023						
Secured						
Trade financing and loans	-	-	-	38,710	-	38,710
Term loans	-	114,228	-	26,724	-	140,952
Term loan (USD) *	36,667	168,300	18,333	84,150	55,000	252,450
Revolving credit	-	-	-	97,019	-	97,019
		<u>282,528</u>		<u>246,603</u>		<u>529,131</u>
Unsecured Loan						
Term loan (USD) *	40,000	183,600	40,000	183,600	80,000	367,200
Revolving credit	-	-	-	5,000	-	5,000
		<u>183,600</u>		<u>188,600</u>		<u>372,200</u>
Total Borrowings		<u>466,128</u>		<u>435,203</u>		<u>901,331</u>

^ - translated at exchange rate of 4.73 as at 30 June 2024

* - translated at exchange rate of 4.59 as at 31 December 2023

B2. Performance review – 30.06.2024 vs 31.12.2023 (Cont’d)

(b) Group borrowings and debt securities (Cont’d)

At 30 June 2024, total borrowings (excluding hire purchase liabilities) amounted to RM1.043 billion, an increase of RM142 million from RM0.901 billion at 31 December 2023. The increase was mainly due to:

- (i) Net loans drawdown of RM97.7 million to part finance the purchase of PPE, investment properties and ROU assets, as detailed in Note B2(a) above;
- (ii) RM26.7 million term loans arising from consolidation of CSC; and
- (iii) RM17.6 million translation loss on USD-denominated loans.

The Group’s borrowings are predominantly floating in nature as at 30 June 2024 and none of the borrowings denominated in foreign currencies are hedged to RM.

The Group has not issued any debt securities at end of the reporting period.

(c) Cash flow analysis for the 6-month period ended 30 June 2024

During the 6-month period ended 30 June 2024, the Group generated RM299.4 million in after-tax cash from operating activities and RM15.4 million in net investment income. Together with RM97.7 million new loans (as above), a total of RM412.5 million funds were made available to the Group during the period.

Of this amount, RM270.6 million was deployed in the following manner:

- (i) RM182.7 million for capital expenditure, comprising:
 - RM75.4 million for land acquisition;
 - RM73.4 million for purchase of PPE and ROU assets; and,
 - RM33.9 million for the 5th turbine.
- (ii) RM42.1 million as dividends payments;
- (iii) RM35.7 million finance cost paid to lenders (including hire purchase);
- (iv) RM6.4 million for purchase of additional equity stake in a subsidiary; and
- (v) RM3.7 million net cash paid for the acquisition of CSC.

The balance of RM141.9 million, together with RM10.2 million translation gain on USD-denominated cash and bank balances, resulted in the Group’s cash balance rising 30% from RM508.6 million at 31 December 2023 to RM660.8 million as at 30 June 2024.

Group’s net debt position improved 2.6% from RM392.7 million at 31 December 2023 to RM382.6 million at 30 June 2024, representing a reduction in net gearing ratio from 12.2% to 10.9%.

B3. Variation of Current Quarter (“2Q2024”) versus (“vs”) Preceding Quarter (“1Q2024”)

	2Q2024	1Q2024	Changes	
	RM'000	RM'000	RM'000	%
Revenue	331,950	313,479	18,471	5.9%
Other income	20,211	40,206	(19,995)	-49.7%
Other expenses	(11,728)	(10,060)	(1,668)	16.6%
Earning before interest, tax, depreciation and Amortisation ("EBITDA")	171,036	176,766	(5,730)	-3.2%
Operating profit	143,705	148,075	(4,370)	-3.0%
Profit before tax	118,286	117,821	465	0.4%
Profit after tax	112,461	108,046	4,415	4.1%
Profit after tax attributable to owners of the Company	105,355	95,464	9,891	10.4%
Revenue				
Renewable Energy	156,211	137,685	18,526	13.5%
Resources	56,672	63,763	(7,091)	-11.1%
Packaging	104,220	102,819	1,401	1.4%
Sub-total	317,103	304,267	12,836	4.2%
Investment Holding & Others	14,847	9,212	5,635	61.2%
Total revenue	331,950	313,479	18,471	5.9%
Profit before tax				
Renewable Energy	110,241	88,778	21,463	24.2%
Resources	12,646	14,440	(1,794)	-12.4%
Packaging	9,124	8,595	529	6.2%
Sub-total	132,011	111,813	20,198	18.1%
Investment Holding & Others	(13,725)	6,008	(19,733)	-328.4%
Total profit before tax	118,286	117,821	465	0.4%
Significant income/(expense) items:				
1 Share of loss in equity accounted investments	(9,537)	(13,915)	4,378	-31.5%
2 Insurance income recognised (partial) for assets damaged by fire incident in 2023	2,467	22,389	(19,922)	-89.0%
3 Gain on foreign exchange	147	3,305	(3,158)	-95.6%

Group turnover increased 5.9% from RM313.5 million in the preceding quarter to RM331.9 million in the current quarter. The increase was attributable primarily to a 13.5% seasonal increase in the Renewable Energy Division, higher sales contribution from the Packaging Division (+1.4%) and CSC’s maiden sales contribution of RM7.0 million, partially offset by an 11.1% decrease in the Resources Division to RM56.7 million.

B3. Variation of 2Q2024 vs 1Q2024 (Cont’d)

Despite an 18.1% increase in the combined pre-tax profit of the Group’s key operating segments to RM132.0 million (1Q2023: RM111.8 million), the overall Group pre-tax profit rose only marginally by 0.4% to RM118.3 million because of losses recorded by the Investment Holding & Others segment.

Investment Holding and Others Division swung from a RM6.0 million pre-tax profit in the preceding quarter to a RM13.7 million pre-tax loss in the current quarter due mainly to lower insurance claim income (down RM19.9 million) and lower forex gain (down RM3.2 million) despite a lower share of loss in joint venture and associates of RM9.5 million (1Q2024: RM13.9 million).

Group PATNCI rose by 10.4%, from RM95.5 million to RM105.4 million.

Renewable Energy Division

Revenue increased by 13.5%, rising from RM137.7 million in the preceding quarter to RM156.2 million this quarter primarily due to higher hydro energy volumes. The average EAF improved by 10.4%-points, reaching 89.7% in the current quarter, up from 79.3% in 1Q2024, as Laos gradually exited the dry season. Solar revenue remained stable at RM2.8 million, with an installed capacity of 28.3 MWp.

Pre-tax profit rose by 24.2% to RM110.2 million, driven by increased hydro energy income.

Resources Division

Compared to the preceding quarter, revenue decreased by 11.1%, falling to RM56.7 million (1Q2024: RM63.8 million), primarily due to lower sales volume of lime products. It is important to note that the sales volume in the previous quarter was artificially inflated due to delivery delays experienced in the fourth quarter of 2023. Therefore, this sequential decline does not indicate an overall decrease in regional demand for lime products.

Pre-tax profit declined by 12.4% to RM12.6 million, down from RM14.4 million in 1Q2024, attributed to lower revenue and higher unit production costs.

Packaging Division

Despite a generally weak consumer market, overall revenue increased by 1.4% to RM104.2 million, up from RM102.8 million in 1Q2024, driven by the division’s relatively diverse product offerings and customer base.

Pre-tax profit rose by 6.2%, from RM8.6 million to RM9.1 million, supported by higher revenue and a favourable shift in the sales mix.

B4. Prospects

The Group reported a 26.2% increase in profit after tax and non-controlling interest (PATNCI), rising from RM159.2 million in 1H2023 to RM200.8 million in 1H2024. When excluding the share of joint venture and associates’ earnings, as well as one-off non-operational items from both periods, the Group’s normalised PATNCI recorded an 18.4% increase, from RM179.7 million in 1H2023 to RM212.7 million in 1H2024.

This robust growth in normalised PATNCI underscores the underlying strength of the Group’s core businesses and reflects the impact of increasing our effective ownership of Don Sahong Power Company Ltd (DSPC) from 80% to 95% at the end of 2023.

With the new fifth turbine in operation since July 4, 2024, we are confident that the growth momentum achieved in normalised PATNCI during the first half will be exceeded in the second half of 2024, despite challenges posed by a stronger Malaysian Ringgit and subdued consumer sentiment.

Additionally, the Group's joint venture, Edenor, reported a share of loss amounting to RM23.3 million in 1H2024, primarily due to a significant loss of capacity stemming from unscheduled plant shutdowns for repairs and major upgrades. With the plant now operating at higher efficiency and improvements in market conditions, Edenor’s management is optimistic about a recovery in earnings in the second half of 2024.

In 1H2024, Food Security Division’s results were presented under the Investment Holding & Other segment which recorded sales revenue of approximately RM7 million, with about RM1.25 million pre-tax loss. Although we do not expect any material profit and loss contribution from the Food Security Division in the second half of 2024, management anticipates that the division's earnings will improve and grow significantly over the next five years, driven by increasing mature acreage and tree maturity of the planted long-term crops in Cambodia and Malaysia, as well as the expansion of greenhouse farming in Malaysia.

B4. Prospects (Cont’d)

Renewable Energy Division

Hydro (Don Sahong)

The new 5th turbine was successfully tested, commissioned and put into operation on July 4, 2024, increasing the total generation capacity from 260 MW to 325 MW. Currently, Don Sahong is operating at 315 MW, which corresponds to an impressive average Energy Availability Factor (EAF) of 96.9%.

The enhanced generation capacity, along with the increased EAF during the wet season, is expected to lead to higher hydro energy sales volumes in the second half of 2024, compared to the same period in 2023 and the first half of this year.

We anticipate that the new Concession Agreement (CA) and Power Purchase Agreement (PPA) for the five turbines will be finalised later this year. The Company will announce the salient terms of these agreements to Bursa Malaysia once they are officially executed.

It is worth noting that the recent appreciation of the Malaysian Ringgit (5-6% increase since the end of June 2024), if maintained for the remainder of the year, may result in lower reported earnings in Ringgit terms (on same USD term) for the second half of 2024.

Despite the stronger Ringgit, and considering the increase in effective ownership of Don Sahong Power Company (DSPC) from 80% to 95%, we expect that the PATNCI for Don Sahong will demonstrate robust double-digit year-on-year growth of more than 20% in the second half of 2024.

Solar

We anticipate that our solar earnings will continue to grow in 2024, driven by the progressive installation of secured solar capacities. Currently, 28.8 MWp of solar generation facilities are operational, with an additional 67.1 MWp expected to begin commercial operations in 2024 (16.1 MWp) and 2025 (51.0 MWp). Once these projects are completed, our cumulative solar portfolio will reach a total capacity of 95.9 MWp.

The National Energy Transition Roadmap (NETR), launched in August 2023, is expected to significantly enhance the development of Malaysia’s renewable energy (RE) sector and create more investment opportunities for the Group over the next two decades. As part of our strategy to expand our RE portfolio, management submitted a bid for 60 MW under the 5th Large-Scale Solar (LSS5) competitive bidding program announced by the Energy Commission on April 1, 2024.

B4. Prospects (Cont’d)

Resources Division

While we anticipate overall demand for lime products in this region to remain robust, the visibility of our export sales is uncertain, clouded by shifting competitive dynamics due to sharp changes in shipping and logistics costs, as well as heightened competition amid an overcapacity situation.

Management will closely monitor these market dynamics and make necessary adjustments to pricing and market channels to defend and potentially grow our overall sales volume of lime products.

We expect earnings to continue registering healthy year-on-year growth in the second half of 2024.

Packaging Division

The packaging industry is expected to continue facing subdued consumer sentiment and constrained purchasing power in the second half of 2024. The recent strengthening of the Malaysian Ringgit presents additional challenges for export sales and profit margins, while global excess capacities will heighten price competition.

Despite these obstacles, we remain committed to delivering innovative value-added packaging solutions at competitive prices. Coupled with our high service quality and a focus on operational efficiencies and cost-effectiveness, these commitments will be essential for sustaining growth and building a competitive edge in both local and international markets.

Status of new factory construction

Stenta's new factory and its first two Linear Low-Density Polyethylene (“LLDPE”) production lines are expected to be completed and commissioned in 4Q2024.

Hexachase’s new factory building is expected to be completed in 4Q2024 and its first production line is expected to be commissioned in 1Q2025. Restoration of the production facilities damaged by fire in September in 2023 has been completed and ready for commercial run in July 2024.

B5. Profit forecast

The Group did not issue any profit forecast or profit guarantee.

B6. Income tax expense

	2nd Quarter Ended 30 June		6-Month Period Ended 30 June	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Tax expense for current period	5,825	5,461	15,600	8,889
Tax expense for previous years:				
- additional assessment	-	-	-	11,400
	<u>5,825</u>	<u>5,461</u>	<u>15,600</u>	<u>20,289</u>

The Group’s effective tax rate for the current quarter and 6-month period ended 30 June 2024 was significantly lower than the Malaysia’s statutory tax rate of 24% mainly because the profit derived from energy sales in the Lao People’s Democratic Republic (“Lao PDR”) is exempted from income tax during the period until the end of the 5th anniversary of Don Sahong Plant’s commercial operation date (“COD”) of 1 October 2020.

B7. Status of corporate proposal

There was no corporate proposal announced but not completed at 15 August 2024, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

B8. Material litigations

The Group has no material litigation as at 15 August 2024, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

B9. Dividends

- (a) A final single-tier dividend of 4.25 sen per ordinary share for the financial year ended 31 December 2023 was declared on 28 February 2024 and paid to entitled shareholders on 19 April 2024; and
- (b) The Board has declared an interim single-tier dividend of 4.50 sen per ordinary share for the financial year ending 31 December 2024, of which the entitlement and payment dates will be announced at a later date. Accordingly, total dividend declared to-date for the current financial year is 4.50 sen (30.06.2023: 4.00 sen) per ordinary share.

B10. Detailed disclosure for consolidated statement of profit or loss and other comprehensive income

	2nd Quarter Ended 30 June		6-Month Period Ended 30 June	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
After crediting:				
Dividend income	515	514	689	743
Gain on disposal of:				
- a subsidiary	-	1,020	-	1,020
- property, plant and equipment	29	20	132	77
Gain on foreign exchange:				
- realised	433	7,842	134	11,733
- unrealised	-	674	3,318	2,569
Interest income	6,675	5,240	11,377	10,326
Write-back of:				
- impairment loss on receivables	33	459	33	470
Insurance claims income	2,490	-	24,880	-
After charging:				
Amortisation of:				
- service concession asset	(22,987)	(21,992)	(45,934)	(43,328)
- other intangible asset	(123)	(89)	(246)	(254)
Fair value loss on put option liability	(883)	(1,020)	(1,765)	(2,041)
Depreciation of:				
- property, plant and equipment	(9,913)	(8,149)	(19,307)	(17,139)
- right-of-use assets	(983)	(2,088)	(1,912)	(3,191)
Finance costs	(15,882)	(8,882)	(32,221)	(18,012)
Impairment losses on:				
- receivables, net	(7,097)	(6,791)	(14,182)	(13,378)
Inventories written down	(20)	(6)	(20)	(9)
Inventories written off	-	(3,276)	-	(3,276)
Loss on foreign exchange:				
- unrealised	(286)	-	-	-
Loss on deconsolidation of subsidiary	-	-	99	-
Plant and equipment written off	(4)	-	(4)	(3)
Tax penalties	-	(29)	-	(14,929)
After other comprehensive income/(expenses):				
Foreign currency translation				
- changes in current period	(711)	127,328	60,780	135,349
Fair value changes of equity investments	15,633	(20,799)	3,641	(18,235)

Except for those disclosed above, there were no gain or loss on disposal of quoted or unquoted investments.

B11. Earnings per share

	2nd Quarter Ended 30 June		Financial Year Ended 30 June	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit after tax attributable to owners of the Company	105,355	88,609	200,819	159,157
Weighted average number of ordinary shares ('000):				
Issued ordinary shares outstanding at beginning of the period	988,352	988,352	988,352	988,352
Effect of treasury shares held	(45,593)	(43,524)	(45,593)	(43,286)
	942,759	944,828	942,759	945,066
Basic earnings per share (sen)	11.18	9.38	21.30	16.84

The basic earnings per share is calculated by dividing the Group's profit after tax attributable to owners of the Company by the weighted average number of ordinary shares in issue during the current quarter and 6-month period ended 30 June 2024, excluding treasury shares held by the Company.

The diluted earnings per share is equal to the basic earnings per share as there are no outstanding potentially dilutive equity instruments issued by the Company as at 30 June 2024.

B12. Authorised for issue

These interim financial statements were authorised for issue by the Board of Directors on 22 August 2024.

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