



The Board of Directors of Mynews Holdings Berhad wishes to present the unaudited interim financial report of Mynews Holdings Berhad and its subsidiaries ("Mynews" or "the Group") for the second quarter ended 30 April 2024. This report should be read in conjunction with its audited financial statements for the financial year ended 31 October 2023 and the accompanying notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 APRIL 2024

i) Current quarter and financial year to date

	Current Quarter 3 months ended				Cumulative Quarters 6 months ended			
	30 Apr 2024 RM'000	30 Apr 2023 RM'000	Changes Fav/(Unfav) RM'000	%	30 Apr 2024 RM'000	30 Apr 2023 RM'000	Changes Fav/(Unfav) RM'000	%
Revenue	192,771	174,196	18,575	10.7	388,289	358,290	29,999	8.4
Cost of sales	(119,703)	(114,405)	(5,298)	(4.6)	(243,252)	(236,205)	(7,047)	(3.0)
Gross profit	73,068	59,791	13,277	22.2	145,037	122,085	22,952	18.8
Other income	676	1,041	(365)	(35.1)	1,337	1,513	(176)	(11.6)
Administration expenses	(10,228)	(8,963)	(1,265)	(14.1)	(19,854)	(17,539)	(2,315)	(13.2)
Selling and distribution expenses	(36,758)	(35,475)	(1,283)	(3.6)	(73,933)	(70,934)	(2,999)	(4.2)
Other expenses	(21,206)	(19,564)	(1,642)	(8.4)	(41,559)	(38,659)	(2,900)	(7.5)
Finance costs	(2,900)	(2,804)	(96)	(3.4)	(5,754)	(5,577)	(177)	(3.2)
Share of profit in jointly controlled entity	659	390	269	69.0	1,226	674	552	81.9
Profit/(Loss) before tax	3,311	(5,584)	8,895	159.3	6,500	(8,437)	14,937	177.0
Tax expense	(2,267)	(2,172)	(95)	(4.4)	(4,273)	(3,777)	(496)	(13.1)
Net profit/(loss) for the period	1,044	(7,756)	8,800	113.5	2,227	(12,214)	14,441	118.2

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED
30 APRIL 2024 (Cont'd)**
i) Current quarter and financial year to date (Cont'd)

	Current Quarter				Cumulative Quarters			
	3 months ended		Changes		6 months ended		Changes	
	30 Apr	30 Apr	Fav/(Unfav)	%	30 Apr	30 Apr	Fav/(Unfav)	%
	2024	2023	RM'000		2024	2023	RM'000	
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	
Net profit/(loss)								
attributable to:								
Owners of the Company	1,730	(6,277)	8,007	127.6	2,995	(9,490)	12,485	131.6
Non-controlling interest	(686)	(1,479)	793	53.6	(768)	(2,724)	1,956	71.8
	<u>1,044</u>	<u>(7,756)</u>	<u>8,800</u>	<u>113.5</u>	<u>2,227</u>	<u>(12,214)</u>	<u>14,441</u>	<u>118.2</u>
Total comprehensive income/(loss)								
attributable to:								
Owners of the Company	1,730	(6,277)	8,007	127.6	2,995	(9,490)	12,485	131.6
Non-controlling interest	(686)	(1,479)	793	53.6	(768)	(2,724)	1,956	71.8
	<u>1,044</u>	<u>(7,756)</u>	<u>8,800</u>	<u>113.5</u>	<u>2,227</u>	<u>(12,214)</u>	<u>14,441</u>	<u>118.2</u>
Basic earnings/(loss) per ordinary share (sen)								
(Note B11)	<u>0.23</u>	<u>(0.92)</u>			<u>0.40</u>	<u>(1.39)</u>		

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)
ii) Current quarter compared with immediately preceding quarter

	Current Quarter 30 Apr 2024	Immediately Preceding Quarter 31 Jan 2024	Changes Fav/(Unfav)	
	RM'000	RM'000	RM'000	%
Revenue	192,771	195,518	(2,747)	(1.4)
Cost of sales	(119,703)	(123,549)	3,846	3.1
Gross profit	73,068	71,969	1,099	1.5
Other income	676	661	15	2.3
Administration expenses	(10,228)	(9,626)	(602)	(6.3)
Selling and distribution expenses	(36,758)	(37,175)	417	1.1
Other expenses	(21,206)	(20,353)	(853)	(4.2)
Finance costs	(2,900)	(2,854)	(46)	(1.6)
Share of profit in jointly controlled entity	659	567	92	16.2
Profit before tax	3,311	3,189	122	3.8
Tax expense	(2,267)	(2,006)	(261)	(13.0)
Profit after tax for the period	1,044	1,183	(139)	(11.7)
Profit/(Loss) attributable to:				
Owners of the Company	1,730	1,265	465	36.8
Non-controlling interest	(686)	(82)	(604)	(736.6)
	1,044	1,183	(139)	(11.7)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	1,730	1,265	465	36.8
Non-controlling interest	(686)	(82)	(604)	(736.6)
	1,044	1,183	(139)	(11.7)
Basic earnings per ordinary share (sen)	0.23	0.17		

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2024**

	Unaudited 30 Apr 2024 RM'000	Audited 31 Oct 2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	223,419	225,744
Right-of-use assets	200,468	205,048
Intangible asset	2,875	3,082
Investment properties	8,950	8,950
Investment in jointly controlled entity	7,712	7,086
Deferred tax assets	837	837
Lease receivables	232	277
Total non-current assets	444,493	451,024
Current assets		
Inventories	87,849	91,852
Contract assets	6,914	9,150
Trade receivables	735	4,583
Other receivables	35,311	27,382
Lease receivables	94	99
Tax recoverable	-	1,920
Fixed Deposits with licensed banks	20,120	26,801
Cash and bank balances	16,932	21,094
Total current assets	167,955	182,881
Total assets	612,448	633,905

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2024 (Cont'd)**

	Unaudited 30 Apr 2024 RM'000	Audited 31 Oct 2023 RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	229,417	229,417
Revaluation reserve	23,555	23,555
Merger deficit	(45,952)	(45,952)
Retained earnings	34,542	31,547
Equity attributable to owners	241,562	238,567
Non-controlling interests	(2,717)	(1,949)
Total equity	238,845	236,618
LIABILITIES		
Non-current liabilities		
Provision for restoration costs	9,439	8,568
Bank borrowings	45,186	49,642
Lease liabilities	100,858	106,695
Deferred tax liabilities	12,309	13,282
Loans from corporate shareholders of subsidiaries	3,986	4,039
Total non-current liabilities	171,778	182,226
Current liabilities		
Trade payables	75,673	82,569
Other payables	34,451	42,457
Provision for restoration costs	144	900
Contract liabilities	1,179	1,502
Bank borrowings	38,577	39,241
Lease liabilities	50,079	48,213
Amount due to jointly controlled entity	207	179
Tax payable	1,515	-
Total current liabilities	201,825	215,061
Total liabilities	373,603	397,287
Total equity and liabilities	612,448	633,905
Net assets per share (RM)	0.32	0.32

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 APRIL 2024**

	← Non-distributable →			Distributable		Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Revaluation Reserve RM'000	Merger Deficit RM'000	Retained Earnings RM'000	Total RM'000		
As at 1 November 2022	201,581	17,950	(45,952)	46,003	219,582	2,748	222,330
Net loss for the year	-	-	-	(10,704)	(10,704)	(4,697)	(15,401)
Other comprehensive income for the financial year	-	5,605	-	-	5,605	-	5,605
Total comprehensive income/(loss) for the year	-	5,605	-	(10,704)	(5,099)	(4,697)	(9,796)
Transactions with owners:							
Dividends to owners of the Company	-	-	-	(3,752)	(3,752)	-	(3,752)
Issue of ordinary shares	27,836	-	-	-	27,836	-	27,836
	27,836	-	-	(3,752)	24,084	-	24,084
As at 31 October 2023	229,417	23,555	(45,952)	31,547	238,567	(1,949)	236,618
Net profit/(loss) for the period / Total comprehensive income/(loss) for the period	-	-	-	2,995	2,995	(768)	2,227
As at 30 April 2024	229,417	23,555	(45,952)	34,542	241,562	(2,717)	238,845

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 APRIL 2024**

	Cumulative 6 months ended	
	30 Apr 2024 RM'000	30 Apr 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	6,500	(8,437)
Adjustments for:		
Amortisation of intangible asset	208	208
Depreciation of property, plant and equipment	14,835	14,770
Depreciation of right-of-use assets	26,496	25,048
Loss/(Gain) on modification of leases	6	(65)
Interest expense	5,754	5,577
Interest income	(667)	(172)
Inventories written off	2,000	2,685
Inventories wastages	8,848	8,007
Net (gain)/loss on disposal of property, plant and equipment	(80)	49
Property, plant and equipment written off	1,444	361
Rental rebates	(891)	(576)
Share of profit in jointly controlled entity	(1,226)	(674)
Operating profit before working capital changes	63,227	46,781
Changes in working capital:		
Inventories	(6,845)	(12,323)
Receivables	(4,081)	8,131
Payables	(11,150)	(16,822)
Jointly controlled entity	28	209
Contract assets	2,236	2,384
Contract liabilities	(323)	(482)
Cash generated from operations	43,092	27,878
Tax refund	5	-
Tax paid	(1,816)	(351)
Net cash generated from operating activities	41,281	27,527

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)**

	Cumulative 6 months ended	
	30 Apr 2024	30 Apr 2023
	RM'000	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of right-of-use assets	(233)	-
Dividend received from jointly controlled entity	600	-
Income from lease receivables	50	28
Interest received	667	172
Net proceeds from disposal of investment property	-	7,678
Proceeds from disposal of property, plant and equipment	118	4
Purchase of property, plant and equipment	(13,992)	(4,888)
Placement of fixed deposits	-	(10)
Upliftment of fixed deposits	-	681
Net cash (used in)/from investing activities	(12,790)	3,665
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(3,752)	-
Drawdown of bank borrowings	32,049	30,346
Interest paid	(5,807)	(5,499)
Loan from corporate shareholder of a subsidiary	-	1,000
Payment of lease liabilities	(24,655)	(22,714)
Repayment of bank borrowings	(37,169)	(31,582)
Net cash used in financing activities	(39,334)	(28,449)
CASH AND CASH EQUIVALENTS		
Net (decrease)/increase in cash and cash equivalents	(10,843)	2,743
Cash and cash equivalents at 1 November	47,895	11,737
Cash and cash equivalents at 30 April	37,052	14,480
Reconciliation of cash and cash equivalents:		
Cash and bank balances	16,932	14,390
Fixed Deposits with licensed banks	20,120	355
	<u>37,052</u>	<u>14,745</u>
Less: Fixed deposits with maturity more than 3 months	-	(265)
	<u>37,052</u>	<u>14,480</u>

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NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2024**A. COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD NO. 134: INTERIM FINANCIAL REPORTING (“MFRS”)****A1 CORPORATE INFORMATION**

The principal activity of the Company is investment holding, while its subsidiaries are principally involved in the business of operating retail store chains, predominantly convenience store (CVS) chains. The Company owns and operates over 600 retail outlets in Malaysia, along with the brands myNEWS, Korea’s CU, the UK’s WHSmith, SUPERVALUE minimart and MARU café. Besides retailing, two of the Company’s subsidiaries, namely, Mynews Kineya Sdn Bhd and Mynews Ryoyupan Sdn Bhd, jointly referred to as Food Processing Centre (FPC), are in the business of producing ready-to-eat meals and bakery products to serve its retail chains.

A2 BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). It should be read in conjunction with the audited financial statements of Mynews for the financial year ended 31 October 2023.

A3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 October 2023. The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards (“IFRS”) and the requirements of the Companies Act 2016 in Malaysia.

A4 AUDITORS’ REPORT

There was no qualification on the audited financial statements of the Group for the financial year ended 31 October 2023.

A5 SEASONAL OR CYCLICAL FACTORS

The Group’s income was negatively affected by the Ramadan month and a shorter month in February.

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)**A. COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD NO. 134: INTERIM FINANCIAL REPORTING ("MFRS") (Cont'd)****A6 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOW**

There were no other unusual items affecting assets, liabilities, equity, net income or cash flow of the Group during the quarter under review.

A7 CHANGES IN ESTIMATES

There were no changes in estimates that had a material effect in the quarter under review.

A8 DEBT AND EQUITY SECURITIES

Saved as disclosed in Note B7, there was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the quarter under review.

A9 DIVIDEND PAID

There was no dividend declared or paid during the quarter under review.

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NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)
A. COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD NO. 134: INTERIM FINANCIAL REPORTING ("MFRS") (Cont'd)
A10 SEGMENTAL INFORMATION

The Group operates in the retail convenience segment in Malaysia and also produces ready-to-eat food and bakery products to serve its retail chains.

	Retail RM'000	Manufacturing RM'000	Elimination RM'000	Total RM'000
For the period ended 30 April 2024				
Revenue				
External	387,581	708	-	388,289
Inter-segment	-	30,549	(30,549)	-
Revenue	<u>387,581</u>	<u>31,257</u>	<u>(30,549)</u>	<u>388,289</u>
Results				
Amortisation of intangible asset	208	-	-	208
Depreciation of property, plant and equipment	13,940	895	-	14,835
Depreciation of right-of-use assets	25,659	2,365	(1,528)	26,496
Interest income	(650)	(17)	-	(667)
Interest expense	7,037	1,016	(2,299)	5,754
Gain on disposal of property, plant and equipment	(40)	(116)	76	(80)
Property, plant and equipment written off	1,444	-	-	1,444
Share of results in jointly controlled entity	(1,226)	-	-	(1,226)
Profit/(Loss) before tax	7,616	(1,567)	451	6,500
Tax	(4,273)	-	-	(4,273)
Profit/(Loss) after tax	<u>3,343</u>	<u>(1,567)</u>	<u>451</u>	<u>2,227</u>

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)
A. COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD NO. 134: INTERIM FINANCIAL REPORTING ("MFRS") (Cont'd)
A11 SUBSEQUENT MATERIAL EVENTS

There were no material events subsequent to the current quarter under review and up to the date of this report.

A12 CHANGES IN COMPOSITION OF THE GROUP

There was no change in composition of the Group during the financial quarter under review.

A13 CONTINGENT LIABILITIES OR CONTINGENT ASSETS

Save as disclosed below, there were no material contingent liabilities or assets for the reporting quarter ended 30 April 2024.

RM'000

Corporate guarantee given to:

- financial institutions in respect of banking and lease facilities granted to subsidiaries	89,174
- landlords for rental of premises	984
	90,158

A14 CAPITAL COMMITMENTS

The capital commitments of the Group as at 30 April 2024 were as follows:

RM'000

Authorised and contracted for:

- Property, plant and equipment	3,622
	3,622

A15 PROPERTY, PLANT AND EQUIPMENT

For the six (6) months ended 30 April 2024, the Group acquired assets at a total cost of RM13.99 million, which comprised principally of the cost of construction and set up, equipment, furniture and fittings for new and revamped outlets.

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NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)
A. COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD NO. 134: INTERIM FINANCIAL REPORTING ("MFRS") (Cont'd)
A16 SIGNIFICANT RELATED PARTY TRANSACTIONS

	Current Quarter		Cumulative Quarters	
	3 months ended		6 months ended	
	30 Apr 2024 RM'000	30 Apr 2023 RM'000	30 Apr 2024 RM'000	30 Apr 2023 RM'000
Transactions with jointly controlled entity				
Management fees income	207	139	410	257
Warehouse and storage fee	108	108	216	216
Administration fee	2	2	5	5
Trade sales	289	76	603	76
Advertising and promotion income	2	-	4	-
Dividend income	600	-	600	-
Sales of equipment	5	-	5	-
Transactions with related parties				
Advertising and promotion income	37	96	74	140
Trade purchases	1,489	1,487	3,296	3,213
Trade sales	51	91	113	91
Office rental income	3	3	6	6
Royalty and license fees expenses	45	38	104	79
Technical support expenses	-	75	25	155
Staff secondment expenses	81	69	176	134
Interest expenses	52	43	104	78
Hostel rental expenses	14	-	23	-
Consultancy fee expenses	145	-	340	-
Advertisement expenses	334	-	334	-

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NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)

B. COMPLIANCE WITH APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1 REVIEW OF PERFORMANCE****Review of Current Quarter Performance (Q2'24 vs Q2'23)**

The Group achieved a revenue of RM192.77 million, an increase of RM18.58 million or 10.7% as compared to the corresponding period. The increase was mainly contributed by the improvement in in-store sales. The number of outlets increased by six, from 595 to 601. Gross profit increased by RM13.28 million or 22.2%, from RM59.79 million to RM73.07 million, while the margin improved to 37.9% from 34.3%.

Administration expenses increased by RM1.27 million or 14.1%, from RM8.96 million to RM10.23 million, due to a bigger expansion plan for this year. With the increase in business volume and activities, selling and distribution expenses increased from RM35.48 million to RM36.76 million, an increase of RM1.28 million or 3.6%. Meanwhile, other expenses increased by RM1.64 million or 8.4% from RM19.56 million to RM21.21 million, mainly due to the increase in depreciation of right-of-use assets and property, plant and equipment written-off.

Profit before taxation has improved by 159.3%, from a loss of RM5.58 million to a profit of RM3.31 million. The improved quarterly performance translated to the earnings before interest, tax, depreciation (inclusive of the depreciation of right-of-use assets) and amortisation (EBITDA) of RM27.20 million as compared to RM17.35 million in the corresponding quarter.

B2 MATERIAL CHANGE IN THE PROFIT/(LOSS) BEFORE TAXATION FOR THE CURRENT QUARTER AS COMPARED WITH THE IMMEDIATELY PRECEDING QUARTER (Q2'24 vs Q1'24)

Due to the month of Ramadan, revenue was negatively affected by RM2.75 million or 1.4%, from RM195.52 million to RM192.77 million. However, gross profit increased by RM1.10 million, from RM71.97 million to RM73.07 million and the average gross profit margin improved from 36.8% to 37.9%.

There was an increase in administration expenses of RM0.60 million or 6.3%, from RM9.63 million to RM10.23 million, attributable to the ongoing execution of growth plan. Other expenses increased by RM0.85 million or 4.2%, from RM20.35 million to RM21.21 million, mainly due to the increase in property, plant and equipment written-off.

Profit before taxation for the current quarter was RM3.31 million as compared to RM3.19 million in the immediately preceding quarter.

Earnings before interest, tax, depreciation (inclusive the depreciation of right-of-use assets) and amortisation (EBITDA) increased by 2.3% to RM27.20 million from RM26.59 million.

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)
B. COMPLIANCE WITH APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)
B3 PROSPECTS

Currently, the Group is operating a total of 622 outlets, made up of 471 myNEWS (including 34 SUPERVALUE), 131 CU and 20 WHSmith outlets. Opening of new stores is ongoing while the existing stores are improved and revamped when and where necessary. Product mix and services are continually improved to meet the market trend and customers' demand. With these efforts, the Group expects the sales revenue to continue its upward trend. Consequently, the production volume of the FPC will increase as well, driven by the increasing sales at the retail front.

While it is undeniable that this market segment is becoming more crowded and competition is more intense, the Group believes that with its experience, agility and flexibility, there is still room to grow its brands. It will spare no effort in enlarging its store network while improving the financial performance.

B4 VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee in any form of public document or announcement.

B5 NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30 Apr	30 Apr	30 Apr	30 Apr
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax is arrived at after charging:				
Amortisation of intangible asset	104	104	208	208
Depreciation of property, plant and equipment	7,467	7,272	14,835	14,770
Depreciation of right-of-use assets	13,420	12,753	26,496	25,048
Property, plant and equipment written off	922	295	1,444	361
Interest expense	2,900	2,804	5,754	5,577
Net (gain)/loss on disposal of property, plant and equipment	(56)	35	(80)	49
And after crediting:				
Net gain on disposal of investment property	-	(150)	-	(150)
Interest Income	(316)	(94)	(667)	(172)

Other disclosure items pursuant to Appendix 9B Note 16 of the Main Market Listing Requirements are not applicable.

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)
B. COMPLIANCE WITH APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)
B6 TAX EXPENSE

	Current Quarter 3 months ended		Cumulative Quarters 6 months ended	
	30 Apr 2024	30 Apr 2023	30 Apr 2024	30 Apr 2023
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Provision for current period	2,670	162	5,245	294
Underprovision in prior year	1	-	1	-
Deferred tax:				
(Reversal)/Provision for current period	(404)	2,010	(973)	3,483
Total tax expense	<u>2,267</u>	<u>2,172</u>	<u>4,273</u>	<u>3,777</u>

Tax expense is recognised based on management's best estimates.

B7 STATUS OF CORPORATE PROPOSAL

There are no announced corporate proposals that are not completed during the period under review.

Utilisation of Proceeds from Private Placement as at 30 April 2024 are as follows:

Description of use of proceeds	Estimated timeframe for use of proceeds from the listing date of the Placement Shares	Amount	Re-	Actual	Balance to
		RM'000	allocation RM'000	Utilisation RM'000	be utilised RM'000
Capital expenditure	Within 12 months	22,880	-	(2,659)	20,221
Working capital	Within 12 months	4,952	4	(4,956)	-
Defray estimated expenses relating to the Proposed Placement	Within 2 months	130	(4) ⁽ⁱ⁾	(126)	-
Total		<u>27,962</u>	<u>-</u>	<u>(7,741)</u>	<u>20,221</u>

(i) Surplus of RM4,000 (of the RM130,000 allocated for the estimated listing expenses) was re-allocated to the working capital requirements of the Group.

On 21 June 2024, the Board approved an extension of timeframe for the utilisation of proceeds for another 12 months to 13 July 2025 for the capital expenditure and the change in capex utilisation ratio between Mynews and CU outlets.

NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)
B. COMPLIANCE WITH APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)
B8 BORROWINGS AND DEBT SECURITIES

The Group's borrowings as at 30 April 2024 are as follows:

	Unaudited As at 30 Apr 2024 RM'000	Audited As at 31 Oct 2023 RM'000
Short term borrowings – Secured		
Term loans	2,453	1,860
Revolving credit	18,101	16,697
Supplier financing	10,455	10,914
Banker acceptance	7,568	9,770
	38,577	39,241
Long term borrowings – Secured		
Term loans	20,404	20,432
Revolving credit	24,782	29,210
	45,186	49,642
Total borrowings – Secured		
Term loans	22,857	22,292
Revolving credit	42,883	45,907
Supplier financing	10,455	10,914
Banker acceptance	7,568	9,770
	83,763	88,883

Note: All the loans in the Group are denominated in Ringgit Malaysia.

B9 MATERIAL LITIGATION

There is no material litigation against or by the Group as at the date of this report.

B10 DIVIDEND

There was no dividend declared or paid during the quarter under review.

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NOTES TO INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2024 (Cont'd)
B. COMPLIANCE WITH APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)
B11 EARNINGS PER SHARE

	Current Quarter 3 months ended		Cumulative Quarters 6 months ended	
	30 Apr 2024 RM'000	30 Apr 2023 RM'000	30 Apr 2024 RM'000	30 Apr 2023 RM'000
Profit/(Loss) attributable to owners of the Company (RM'000)	1,730	(6,277)	2,995	(9,490)
Weighted average number ordinary shares in issue ('000)	<u>750,354</u>	<u>682,154</u>	<u>750,354</u>	<u>682,154</u>
Basic earnings/(loss) per share (sen)	<u>0.23</u>	<u>(0.92)</u>	<u>0.40</u>	<u>(1.39)</u>

The basic earnings/(loss) per share is computed based on the profit/(loss) attributable to the owners of the Company divided by the weighted average number of ordinary shares in issue for the period under review. The Company does not have any dilutive potential ordinary shares in issue for the period under review.

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