Kim Hin Joo (Malaysia) Berhad 197801000642 (37655-U)
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The Board of Directors of KIM HIN JOO (MALAYSIA) BERHAD hereby announce the following unaudited consolidated results for the first quarter and financial period ended ("**FPE**") 31 March 2024.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND FPE 31 MARCH 2024

	3 months ended		**3 months ended**	
	31.03.2024 RM'000	**31.03.2023 RM'000**	**31.03.2024 RM'000**	**31.03.2023 RM'000**
Revenue	23,095	25,419	23,095	25,419
Cost of sales	(13,360)	(13,699)	(13,360)	(13,699)
Gross profit	9,735	11,720	9,735	11,720
Other operating income	450	289	450	289
Selling and marketing costs	(777)	(725)	(777)	(725)
Administration and other operating expenses	(10,314)	(10,798)	(10,314)	(10,798)
Finance cost	(167)	(204)	(167)	(204)
(Loss)/Profit before tax	(1,074)	282	(1,074)	282
Tax expense	(118)	(18)	(118)	(18)
(Loss)/Profit and total comprehensive (loss)/income for the period	(1,192)	264	(1,192)	264
Basic earnings per ordinary share (sen)	(0.31)	0.07	(0.31)	0.07

The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	As at 31.03.2024 RM'000	As at 31.12.2023 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Plant and equipment	4,398	5,158
Right-of-use assets	13,463	15,276
Deferred tax assets	661	681
Refundable deposits	2,487	2,460
	21,009	23,575
Current Assets		
Inventories	44,660	52,355
Trade receivables	1,809	1,573
Other receivables, deposits and prepaid expenses	4,466	2,983
Amount due from immediate holding company	-	82
Amount due from other related company	175	701
Tax recoverable	1,041	1,002
Short-term investments	2,056	2,039
Fixed deposits with licensed banks	3,078	6,097
Cash and bank balances	16,741	13,411
	74,026	80,243
TOTAL ASSETS	**95,035**	**103,818**

	As at 31.03.2024 RM'000	As at 31.12.2023 RM'000 (Audited)
Equity attributable to owners of the parent		
Share capital	31,128	31,128
Retained earnings	43,953	45,145
TOTAL EQUITY	**75,081**	**76,273**
Non-Current Liability		
Lease liability	6,543	8,985
	6,543	8,985
Current Liabilities		
Trade payables	1,599	5,822
Other payables, accrued expenses and provision	4,211	5,907
Amount due to other related company	173	-
Lease Liabilities	7,428	6,831
Tax Liabilities	-	^
	13,411	18,560
TOTAL LIABILITIES	**19,954**	**27,545**
TOTAL EQUITY AND LIABILITIES	**95,035**	**103,818**
Net assets per ordinary share attributable to ordinary equity holders of the Company (sen)	19.76	20.88

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FPE 31 MARCH 2024

	←Attributable to owners of the Company→		
	Share Capital RM'000	**Retained Earnings RM'000**	**Total RM'000**
Balance as at 1 January 2023	31,128	48,211	**79,339**
Total comprehensive income for the year	-	264	**264**
Balance as at 31 March 2023	31,128	48,475	**79,603**
Balance as at 1 January 2024	31,128	45,145	**76,273**
Total comprehensive loss for the year	-	(1,192)	**(1,192)**
Balance as at 31 March 2024	31,128	43,953	**75,081**

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FPE 31 MARCH 2024

	3 months ended 31.03.2024 RM'000	3 months ended 31.03.2023 RM'000
CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES		
(Loss) / Profit before tax	(1,074)	282
Adjustments:		
Amortisation of right-of-use asset	1,813	1,853
Depreciation for plant and equipment	815	1,164
Fair value gain from short-term investment	(17)	(17)
Finance costs:		
- Unwinding of interest expense of provision for restoration cost	5	5
- Lease interest expense	162	199
Fit out contribution	(42)	(42)
Interest income	(133)	(60)
Inventories		
- Write-down / (Reversal)	-	(98)
- Written off	57	16
Unrealised loss on foreign exchange	5	108
Unwinding of interest income – refundable deposit	(26)	(17)
Operating profit before changes in working capital	**1,565**	**3,393**
Changes in working capital:		
(Increase)/Decrease in		
Inventories	7,638	2,452
Trade receivables	(236)	589
Other receivables, deposits and prepaid expenses	(1,481)	1,042
Amount due from holding company	83	-
Amount due from other related company	525	(204)
Increase/(Decrease) in		
Trade payables	(4,228)	(7,829)
Other payables, accrued expenses and provision	(1,659)	(2,743)
Amount due to other related company	174	^
Cash generated used in operations	2,381	(3,300)
Income tax paid	(137)	(644)
Net cash from / (used in) operating activities	**2,244**	**(3,944)**

	3 months ended 31.03.2024 RM'000	3 months ended 31.03.2023 RM'000
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Acquisition of plant and equipment	(55)	(108)
Interest received	133	60
Net cash from / (used in) investing activities	**78**	**(48)**
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Interest paid	(162)	(199)
Repayment of lease liabilities	(1,846)	(1,835)
Net cash used in financing activities	**(2,008)**	**(2,034)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	314	(6,026)
Effect of exchange rate differences on the balance of cash held in foreign currencies	(3)	(1)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	18,531	18,110
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**18,842**	**12,083**
Cash and cash equivalents comprise:		
Fixed deposits	3,078	7,449
Cash and bank balances	16,741	5,601
	19,819	13,050
Less: Fixed deposits pledged with licensed banks	(977)	(967)
	18,842	**12,083**

^ *Negligible*

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

A COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") ("LISTING REQUIREMENTS")

A1 Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with all the new Malaysian Financial Reporting Standards ("**MFRS**") and Amendments to MFRSs issued by the Malaysian Accounting Standards Board ("**MASB**") and Rule 9.22 and Appendix 9B of the Listing Requirements.

The unaudited condensed consolidated interim financial statements should be read in conjunction with audited financial statements for the financial year ended ("**FYE**") 31 December 2023 and the accompanying explanatory notes therein. The explanatory notes attached to these unaudited condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Kim Hin Joo (Malaysia) Berhad and its subsidiaries ("**Group**") since FYE 31 December 2023.

A2 Significant Accounting Policies

The accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements for the FYE 31 December 2023, save for the adoption of the following amendments to MFRS, which became effective and relevant to the Group for financial period beginning 1 January 2024:

Amendments/Improvements to MFRS

MFRS 17	*Insurance Contracts*
Amendments to MFRS 17	*Initial Application of MFRS 9 and MFRS 17 – Comparative Information*
Amendments to MFRS 17	*Insurance Contracts*
Amendments to MFRS 4	*Extension of the Temporary Exemption From Applying MFRS 9*
Amendments to MFRS 101	*Disclosure of Accounting Policies*
Amendments to MFRS 101	*Classification of Liabilities as Current or Non-Current*
Amendments to MFRS 108	*Definition of Accounting Estimates*
Amendments to MFRS 112	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to MFRS 112	*International Tax Reform — Pillar Two Model Rule*

The adoption of the above amendments to MFRSs did not have any material impact on the amounts reported in the financial statements of the Group and of the Company upon its initial application.

New Standards and amendments to MFRSs in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and by the Company are as listed below:

Amendments to MFRS 10 and MFRS 128	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to MFRS 16	*Lease Liability in a Sale and Leaseback*[1]
Amendments to MFRS 101	*Non-current Liabilities with Covenants*[1]
Amendments to MFRS 107 and MFRS 7	*Supplier Finance Arrangements*[1]
Amendments to MFRS 121	*Lack of Exchangeability*[2]

[1] Effective immediately for annual periods beginning before 1 January 2024 with earlier application permitted.
[2] Effective immediately for annual periods beginning before 1 January 2025 with earlier application permitted.
[3] Effective date deferred to a date to be determined and announced by MASB.

The adoption of these amendments to MFRSs are not expected to have any material financial impact on the financial statements of the Group in the period of initial application.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Group for the FYE 31 December 2023 was not subject to any qualification.

A4 Seasonality

The Group's business operations are generally dependent on the Malaysia's economy, consumer confidence and Government restrictions and policies on retail operations, as well as major festive seasons sales such as Chinese New Year, Hari Raya and Christmas celebrations.

A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

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

A6 Changes in Estimates

There were no changes in estimates that have had a material effect on the current quarter results.

A7 Changes in Debt and Equity Securities

There was no issuance, cancellations, repurchases, resale or repayments of debt and equity securities during the current financial quarter.

A8 Dividends Paid

There was no dividend paid for the current quarter.

A9 Operating segments

The business segment of the Group comprises Retail and Distribution.

The segmental analysis of the Group's revenue by business segments are set out as follows:

	3 months ended		**3 months ended**	
	31.03.2024	**31.03.2023**	**31.03.2024**	**31.03.2023**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Retail	20,060	23,065	20,060	23,065
Distribution	3,035	2,354	3,035	2,354
Total	**23,095**	**25,419**	**23,095**	**25,419**

The major contributor to the revenue stream of the Group was from the retail segment, which constituted 86.86% of the Group's total revenue for FPE 31 March 2024, recording sales totalling RM20.06 million. This represents a decrease of approximately 13.03% compared to RM23.07 million recorded in the previous FPE 31 March 2023.

Meanwhile, the Distribution segment revenue recording an increase of 28.93% in revenue from RM2.35 million in the FPE 31 March 2023 to RM3.04 million in the FPE 31 March 2024.

A10 Valuation of Plant and Equipment

There were no valuations of plant and equipment during the current quarter under review.

A11 Material Subsequent Event

There were no significant events since the end of this current quarter up to the date of this announcement.

A12 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter.

A13 Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at the date of this interim financial report.

A14 Recurrent Related Party Transactions ("RRPT")

Save as disclosed below, there was no other RRPT for the FPE 31 March 2024:

	3 months ended 31.03.2024 RM'000	**3 months ended 31.03.2023 RM'000**
Purchases	334	55
Sales	240	-
Rental payable	240	240
E-Commerce management fees payable	61	55
Corporate management fees payable	28	53
Management service routine fees	51	-

B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS

B1 Review of Performance

	Individual Period (1st Quarter)				Cumulative Period (3 Months)			
	Current Year Quarter 31 March 2024	Preceding Year Corresponding Quarter 31 March 2023	Variance		Current Year-to-date 31 March 2024	Preceding Year Corresponding Period 31 March 2023	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	23,095	25,419	(2,324)	(9.14)	23,095	25,419	(2,324)	(9.14)
Gross Profit	9,735	11,720	(1,985)	(16.94)	9,735	11,720	(1,985)	(16.94)
(Loss)/Profit Before Tax	(1,074)	282	(1,356)	(480.85)	(1,074)	282	(1,356)	(480.85)

The Group registered a revenue of RM23.10 million for the current quarter as compared to a revenue of RM25.42 million recorded in the previous year’s corresponding quarter. The decrease in revenue was primarily attributed to lower sales volume in retail segments. As a result, the Group recorded a loss before tax (“LBT”) of RM1.07 million in Q1 2024, representing a decrease of RM1.36 million as compared to profit before tax (“PBT”) of RM0.28 million in Q1 2023.

B2 Comment on material change in profit before taxation for current quarter compared with the immediately preceding quarter

	Current Quarter 31 March 2024	Immediate Preceding Quarter 31 December 2023	Variance	
	RM'000	RM'000	RM'000	%
Revenue	23,095	24,489	(1,394)	(5.69%)
Gross Profit	9,735	10,568	(833)	(7.88%)
Gross Profit Margin	42.15%	38.97%		
Loss Before Tax	(1,074)	(1,179)	105	8.91%

For the current quarter under review, the Group registered revenue of RM23.10 million and LBT of RM1.07 million as compared to the revenue of RM24.49 million and LBT of RM1.18 million reported in the preceding quarter.

B3 Prospects

The Group will continue to optimize the number of stores to improve overall productivity. We will step up our marketing efforts to acquire new customers and in the process, increase market share.

For distribution segment, we have recently acquired Baby Bjorn. We will continue to look for more brands to enhance our portfolio.

We will continue to increase our efficiency through reduction of our current inventory to focus on generating cash flow.

B4 Variance between Actual Profit and Forecast Profit

The Group has not provided any profit forecast in any public documents and announcements.

B5 Taxation

	3 months ended		3 months ended	
	31.03.2024	**31.03.2023**	**31.03.2024**	**31.03.2023**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current tax	99	14	99	14
Deferred tax	19	4	19	4
Total	**118**	**18**	**118**	**18**

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit before tax for the current quarter and current financial period.

B6 Unquoted investments and properties

There were no purchases or sales of unquoted investment or properties for the current quarter.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities for the current quarter and the financial period to date.

B8 Status of Corporate Proposals

There is no corporate proposal announced but pending completion as at the date of this report.

B9 Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the end of current quarter to the date of the interim financial report.

B10 Material Litigation

As at the date of this report, there is no litigation against the Group which has a material effect on the financial position of the Group and the Board is not aware of any material litigation or any proceedings pending or threatened or of any fact likely to give rise to any proceedings.

B11 Earnings Per Share ("EPS")

	3 months ended		3 months ended	
	31.03.2024	**31.03.2023**	**31.03.2024**	**31.03.2023**
BASIC EPS				
(Loss)/Profit attributable to owners of the Company (RM'000)	(1,192)	264	(1,192)	264
Weighted average number of ordinary shares in issue ('000)	380,000	380,000	380,000	380,000
Basic EPS (sen)	(0.31)	0.07	(0.31)	0.07

Notes:
The basic earnings per share is computed based on profit after tax attributable to the owners of the Company and divided by the weighted average number of shares in issue as at 31 March 2024.

There was no dilution in the earning per share as there was no potential diluted ordinary share outstanding as at the end of the current period under review.

B12 Notes to the Statement of Comprehensive Income

	3 months ended		3 months ended	
	31.03.2024 RM'000	31.03.2023 RM'000	31.03.2024 RM'000	31.03.2023 RM'000
The following items have been charged / (credited) in arriving profit from operations:				
Auditors' remuneration	54	59	54	59
Amortisation of right-of-use assets	1,813	1,853	1,813	1,853
Depreciation for plant and equipment	815	1,164	815	1,164
Fair value gain from short-term investment	(17)	(17)	(17)	(17)
Finance costs:				
Unwinding of interest expense of provision for restoration cost	5	5	5	5
Lease interest expense	162	199	162	199
Fit out contribution	(42)	(42)	(42)	(42)
Loss on foreign exchange:				
- Realised	83	55	83	55
- Unrealised	5	108	5	108
Interest income	(133)	(60)	(133)	(60)
Inventories:				
- Write down /(Reversal)	-	(98)	-	(98)
- Written off	57	16	57	16
Rent concessions	(2)	(3)	(2)	(3)
Unwinding of interest income – refundable deposit	(26)	(17)	(26)	(17)

B13 Authorisation for issue

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Board dated 29 May 2024.