



The Board of Directors of KIM HIN JOO (MALAYSIA) BERHAD hereby announce the following unaudited consolidated results for the fourth quarter and financial year ended (“FYE”) 31 December 2023.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND FYE 31 DECEMBER 2023

	3 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Revenue	24,489	29,084	95,795	104,635
Cost of sales	(14,945)	(16,062)	(53,379)	(54,450)
Gross profit	9,544	13,022	42,416	50,185
Other operating income	1,248	292	2,370	1,128
Selling and marketing costs	(1,049)	(956)	(3,056)	(2,813)
Administration and other operating expenses	(10,740)	(11,109)	(41,690)	(40,872)
Finance cost	(185)	(207)	(773)	(828)
(Loss)/Profit before tax	(1,182)	1,042	(733)	6,800
Tax expense	74	(515)	(55)	(1,963)
(Loss)/Profit and total comprehensive (loss)/income for the period	(1,108)	527	(788)	4,837
Basic earnings per ordinary share (sen)	(0.29)	0.14	(0.21)	1.27

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 2022 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	As at 31.12.2023 RM'000	As at 31.12.2022 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Plant and equipment	4,900	8,376
Right-of-use assets	15,280	20,114
Deferred tax assets	682	250
Refundable deposits	2,537	2,934
	23,399	31,674
Current Assets		
Inventories	52,355	61,746
Trade receivables	1,573	1,803
Other receivables, deposits and prepaid expenses	3,162	3,023
Amount due from immediate holding company	82	-
Amount due from other related company	701	-
Tax recoverable	1,002	367
Short-term investments	2,039	1,971
Fixed deposits with licensed banks	6,097	7,411
Cash and bank balances	13,411	11,666
	80,422	87,987
TOTAL ASSETS	103,821	119,661



Kim Hin Joo (Malaysia) Berhad

197801000642 (37655-U)

Wisma Pang Cheng Yean, Lot 5205C, Jalan Perindustrian Balakong Jaya 1/3, Kawasan Perindustrian Balakong Jaya, 43300 Seri Kembangan, Selangor, Malaysia. General Line +603 8940 6638

	As at 31.12.2023 RM'000	As at 31.12.2022 RM'000 (Audited)
Equity attributable to owners of the parent		
Share capital	31,128	31,128
Retained earnings	45,143	48,211
TOTAL EQUITY	76,271	79,339
Non-Current Liabilities		
Lease liabilities	6,845	13,626
	6,845	13,626
Current Liabilities		
Trade payables	6,708	11,596
Other payables, accrued expenses and provision	5,021	8,011
Amount due to other related company	-	^
Lease liabilities	8,976	7,089
	20,705	26,696
TOTAL LIABILITIES	27,550	40,322
TOTAL EQUITY AND LIABILITIES	103,821	119,661
Net assets per ordinary share attributable to ordinary equity holders of the Company (sen)	20.07	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 2022 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FYE 31 DECEMBER 2023**

←—Attributable to owners of the Company—→

	Share Capital RM'000	Retained Earnings RM'000	Total RM'000
Balance as at 1 January 2022	31,128	47,174	78,302
Total comprehensive income for the year	-	4,837	4,837
Dividend paid (12 April 2022)	-	(3,800)	(3,800)
Balance as at 30 December 2022	31,128	48,211	79,339
Balance as at 1 January 2023	31,128	48,211	79,339
Total comprehensive loss for the year	-	(788)	(788)
Dividend paid (18 August 2023)	-	(2,280)	(2,280)
Balance as at 31 December 2023	31,128	45,143	76,271

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FYE 31 DECEMBER 2023**

	12 months ended 31.12.2023 RM'000	12 months ended 31.12.2022 RM'000
CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(733)	6,800
Adjustments:		
Amortisation of right-of-use asset	7,424	7,397
Depreciation for plant and equipment	3,992	3,815
Fair value gain from short-term investment	(68)	(42)
Finance costs:		
- Unwinding of interest expense of provision for restoration cost	18	16
- Lease interest expense	755	812
Fit out contribution	(166)	(166)
Gain on disposal of plant and equipment	(40)	(5)
Gain on termination of MFRS 16	(91)	-
Interest income	(323)	(271)
Inventories		
- Write-down	377	2
- Written off	733	365
Unrealised loss on foreign exchange	118	(30)
Unwinding of interest income – refundable deposit	(116)	(134)
Operating profit before changes in working capital	11,880	18,559
Changes in working capital:		
(Increase)/Decrease in		
Inventories	8,281	(11,429)
Trade receivables	229	(243)
Other receivables, deposits and prepaid expenses	371	1,305
Amount due from holding company	(83)	-
Amount due from other related company	(700)	5
Increase/(Decrease) in		
Trade payables	(4,998)	5,880
Other payables, accrued expenses and provision	(2,842)	(617)
Amount due to other related company	^	(279)
Cash generated used in operations	12,138	13,181
Income tax paid	(1,122)	(2,368)
Net cash from operating activities	11,016	10,813

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FYE 31 DECEMBER 2023**

	12 months ended 31.12.2023 RM'000	12 months ended 31.12.2022 RM'000
CASH FLOWS (USED IN)/ FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(593)	(5,483)
Interest received	323	271
Increase in fixed deposit pledged	-	(279)
Proceed from disposal of plant and equipment	116	5
Net cash used in investing activities	(154)	(5,486)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Dividend paid	(2,280)	(3,800)
Interest paid	(755)	(812)
Repayment of lease liabilities	(7,399)	(7,139)
Net cash used in financing activities	(10,434)	(11,751)
NET DECREASE IN CASH AND CASH EQUIVALENTS	428	(6,424)
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	18,110	24,533
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	18,541	18,110
Cash and cash equivalents comprise:		
Fixed deposits	6,097	7,411
Cash and bank balances	13,411	11,666
	19,508	19,077
Less: Fixed deposits pledged with licensed banks	(967)	(967)
	18,541	18,110

[^] *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 2022 and the accompanying explanatory notes attached to the interim financial statements.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 31 DECEMBER 2023**

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 2022 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 2022.

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 2022, save for the adoption of the following amendments to MFRS, which became effective and relevant to the Group for financial period beginning 1 January 2023:

Amendments/Improvements to MFRS

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

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.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 31 DECEMBER 2023**

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	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
Amendments to MFRS 16	<i>Lease Liability in a Sale and Leaseback¹</i>
Amendments to MFRS 101	<i>Non-current Liabilities with Covenants¹</i>
Amendments to MFRS 107 and MFRS 7	<i>Supplier Finance Arrangements¹</i>
Amendments to MFRS 121	<i>Lack of Exchangeability²</i>

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 2022 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.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 31 DECEMBER 2023**

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 period.

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		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Retail	21,607	25,644	84,782	89,631
Distribution	2,882	3,440	11,013	15,004
Total	24,489	29,084	95,795	104,635

The major contributor to the revenue stream of the Group was from the retail segment, which constituted 88.50% of the Group's total revenue for FYE 31 December 2023, recording sales totalling RM84.78 million. This represents a decrease of approximately 5.41% compared to RM89.63 million recorded in the previous FYE 31 December 2022.

Meanwhile, the Distribution segment revenue recording a decrease of 26.60% in revenue from RM15.0 million in the FYE 31 December 2022 to RM11.01 million in the FYE 31 December 2023.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 31 DECEMBER 2023**

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

Effective from 1 August 2023, Global Retail Network Sdn Bhd, a wholly owned subsidiary has ceased operation and become dormant.

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 FYE 31 December 2023:

	12 months ended 31.12.2023 RM’000	12 months ended 31.12.2022 RM’000
Purchases	740	3,296
Sales	714	133
Rental payable	480	960
E-Commerce management fees payable	194	208
Corporate management fees payable	135	203
Management service routine fees	106	-

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 31 DECEMBER 2023****B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS****B1 Review of Performance**

	Individual Period (3 rd Quarter)				Cumulative Period (12 Months)			
	Current Year Quarter 31 December 2023	Preceding Year Corresponding Quarter 31 December 2022	Variance		Current Year-to-date 31 December 2023	Preceding Year Corresponding Period 31 December 2022	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	24,489	29,084	(4,595)	(15.80)	95,795	104,635	(8,840)	(8.45)
Gross Profit	9,544	13,022	(3,478)	(26.71)	42,416	50,185	(7,769)	(15.48)
(Loss)/Profit Before Tax	(1,182)	1,042	(2,224)	(213.44)	(733)	6,800	(7,533)	(110.80)

Current quarter (“Q4 2023”) against preceding corresponding quarter (“Q4 2022”)

The Group registered a revenue of RM24.49 million for the current quarter as compared to a revenue of RM29.08 million recorded in the previous year’s corresponding quarter. The decrease in revenue was primarily attributed to lower sales volume in both retail and distribution segments. As a result, the Group recorded a loss before tax (“LBT”) of RM1.18 million in Q4 2023, representing a decrease of RM2.22 million as compared to profit before tax (“PBT”) of RM1.04 million in Q4 2022.

Current year to date ended 31 December 2023 (“Q4 2023”) against preceding year corresponding period dated 31 December 2022 (“Q4 2022”)

For the FYE 31 December 2023, the Group registered a revenue of RM95.80 million as compared to a revenue of RM104.64 million recorded in FYE 31 December 2022, representing a decrease of RM8.84 million or 8.45%.

The Group recorded a LBT of RM0.73 million as compared to PBT of RM6.80 million in FYE 31 December 2022.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 31 DECEMBER 2023**

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

	Current Quarter 31 December 2023	Immediate Preceding Quarter 30 September 2023	Variance	
	RM'000	RM'000	RM'000	%
Revenue	24,489	23,026	1,463	6.35%
Gross Profit	9,544	10,568	(1,024)	(9.69%)
Gross Profit Margin	38.97%	45.90%		
(Loss)/Profit Before Tax	(1,182)	106	(1,288)	(1,215.09%)

For the current quarter under review, the Group registered revenue of RM24.49 million and LBT of RM1.18 million as compared to the revenue of RM23.03 million and PBT of RM0.11million reported in the preceding quarter. The increase in revenue of 6.35% was attributed to higher sales generated from the Retail segment.

B3 Prospects

In the coming year, the Group will optimize the number of stores to improve overall productivity. There will be greater efforts to acquire new parents and, in the process, increase market share.

For distribution segment, we have recently acquired Kids2 family of brands which includes Ingenuity, Bright Starts, Baby Einstein, and Summer Infant. We will continue to look for more brands to enhance our portfolio in upcoming year.

We will continue to increase our efficiency through better working capital management and focus on generating cash flow.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 31 DECEMBER 2023**

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		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Current tax	392	294	487	1,755
Deferred tax	(466)	221	(432)	208
Total	(74)	515	55	1,963

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.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 31 DECEMBER 2023**

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		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
BASIC EPS				
(Loss)/Profit attributable to owners of the Company (RM'000)	(1,108)	527	(788)	4,837
Weighted average number of ordinary shares in issue ('000)	380,000	380,000	380,000	380,000
Basic EPS (sen)	(0.29)	0.14	(0.21)	1.27

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 December 2023.

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.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 31 DECEMBER 2023**

B12 Notes to the Statement of Comprehensive Income

	3 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
The following items have been charged / (credited) in arriving profit from operations:				
Auditors' remuneration	60	70	235	235
Amortisation of right-of-use assets	1,896	1,866	7,424	7,397
Depreciation for plant and equipment	773	1,067	3,992	3,815
Fair value gain from short-term investment	(17)	(16)	(68)	(42)
Finance costs:				
Unwinding of interest expense of provision for restoration cost	5	7	18	16
Lease interest expense	180	200	755	812
Fit out contribution	(41)	(41)	(166)	(166)
Gain on disposal of plant and equipment	(6)	-	(40)	(5)
Gain on termination of MFRS 16	(113)	-	(91)	-
Loss /(Gain) on foreign exchange:				
- Realised	43	(7)	(133)	(52)
- Unrealised	21	(59)	118	(30)
Government grant on wage subsidy	-	-	-	(76)
Interest income	(97)	(63)	(323)	(271)
Written off inventories	727	300	733	365
Rent concessions	(483)	(18)	(492)	(69)
Unwinding of interest income – refundable deposit	(66)	(30)	(116)	(134)
Write down / (Reversal) of inventories	465	(62)	377	2

^ Negligible



Kim Hin Joo (Malaysia) Berhad 197801000642 (37655-U)

Wisma Pang Cheng Yean, Lot 5205C, Jalan Perindustrian Balakong Jaya 1/3, Kawasan Perindustrian Balakong Jaya,
43300 Seri Kembangan, Selangor, Malaysia. General Line +603 8940 6638

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 31 DECEMBER 2023**

B13 Utilisation of Proceeds Raised from Public Issue

For information purposes, the gross proceeds arising from the Public Issue amounting to RM32.68 million was fully utilised in the third quarter of the FYE 31 December 2023.

B14 Authorisation for issue

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Board dated 26 February 2024.