

TASHIN HOLDINGS BERHAD (REG NO.: 201701028709 (1242878-H))
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2023⁽¹⁾

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 01.10.2023 to 31.12.2023 RM'000	Preceding year Corresponding Quarter 01.10.2022 to 31.12.2022 RM'000	Current Year To-date 01.01.2023 to 31.12.2023 RM'000	Preceding year Corresponding Period 01.01.2022 to 31.12.2022 RM'000
Revenue	A9	94,677	98,532	362,450	434,303
Cost of sales		(89,286)	(99,882)	(338,632)	(400,093)
Gross profit/ (loss) ("GP"/("GL"))		5,391	(1,350)	23,818	34,210
Other operating income		2,399	2,850	8,038	4,255
Operating expenses		(5,669)	(3,352)	(20,612)	(18,739)
Profit/(Loss) from operation		2,121	(1,852)	11,244	19,726
Finance costs		(437)	(881)	(2,623)	(2,992)
Interest income		101	209	671	574
Profit/(Loss) before tax ("PBT"/("LBT"))	B11	1,785	(2,524)	9,292	17,308
Tax (expenses) / Income	B6	(725)	105	(3,125)	(4,183)
Profit/(Loss) for the period ("PAT"/("LAT"))		1,060	(2,419)	6,167	13,125
Profit/(Loss) for the financial period attributable to:					
- Owners of the Company		1,060	(2,419)	6,167	13,125
Total Comprehensive income/ (loss) for the financial period attributable to:					
- Owners of the Company		1,060	(2,419)	6,167	13,125
Earnings / (Loss) per share attributable to owners of the Company					
- Basic (sen) ⁽²⁾	B10	0.30	(0.69)	1.77	3.76
- Diluted (sen) ⁽³⁾	B10	0.30	(0.69)	1.77	3.76

Notes:

- (1) 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 this interim financial report.
- (2) Based on weighted average number of ordinary shares outstanding during the period under review.
- (3) Diluted earnings per share of the Company for the individual quarter ended 31 December 2023 and cumulative quarter is equivalent to the basic earnings per share as the Company does not have any convertible options as at the end of the reporting period.

TASHIN HOLDINGS BERHAD (REG NO.: 201701028709 (1242878-H))
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023⁽¹⁾

	UNAUDITED AS AT 31.12.2023 RM'000	AUDITED AS AT 31.12.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	127,679	129,939
Total non-current assets	127,679	129,939
Current assets		
Inventories	106,425	108,984
Trade receivables	74,673	84,000
Other receivables	860	1,379
Current tax assets	2,160	2,583
Cash and bank balances	25,512	50,676
Total current assets	209,630	247,622
TOTAL ASSETS	337,309	377,561
EQUITY AND LIABILITIES		
Equity		
Share Capital	179,242	179,242
Reserves	78,807	79,620
Total Equity	258,049	258,862
Liabilities		
Non-current liabilities		
Borrowings	15,224	18,124
Lease liabilities	290	623
Provision for retirement benefits	1,535	1,372
Deferred tax liabilities	9,807	8,660
Total non-current liabilities	26,856	28,779
Current liabilities		
Trade payables	20,537	30,874
Other payables	5,128	9,554
Borrowings	26,107	48,917
Derivate liabilities	237	129
Lease liabilities	395	392
Current tax liabilities	-	54
Total current liabilities	52,404	89,920
TOTAL LIABILITIES	79,260	118,699
TOTAL EQUITY AND LIABILITIES	337,309	377,561
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.74	0.74

Note:

- (1) 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 this interim financial report.

TASHIN HOLDINGS BERHAD (REG NO.: 201701028709 (1242878-H))
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2023⁽¹⁾

	Attributable to owners of the parent				Total Equity RM'000
	----- Share Capital RM'000	Non-distributable ----- Merger Reserve RM'000	Revaluation Reserve RM'000	Distributable Retained Earnings RM'000	
As at 1.1.2022	179,242	(124,831)	23,433	178,362	256,206
Total comprehensive income	-	-	-	13,125	13,125
Transfer due to crystallisation of revaluation reserves	-	-	(799)	799	-
Transactions with owners					
Dividends paid	-	-	-	(10,469)	(10,469)
As at 31.12.2022	179,242	(124,831)	22,634	181,817	258,862
As at 1.1.2023	179,242	(124,831)	22,634	181,817	258,862
Total comprehensive income	-	-	-	6,167	6,167
Transfer due to crystallisation of revaluation reserves	-	-	(814)	814	-
Transactions with owners					
Dividends paid	-	-	-	(6,980)	(6,980)
As at 31.12.2023	179,242	(124,831)	21,820	181,818	258,049

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements 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 this interim financial report.

TASHIN HOLDINGS BERHAD (REG NO.: 201701028709 (1242878-H))
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FORTH (4TH) QUARTER ENDED 31 DECEMBER 2023⁽¹⁾

	Unaudited 31.12.2023 RM'000	Audited 31.12.2022 RM'000
Cash Flows From Operating Activities		
Profit before tax	9,292	17,308
Adjustments for:		
Non-cash items	542	3,736
Non-operating items	1,952	2,418
Operating profit before working capital changes	11,786	23,462
Net change in current assets	17,935	57,137
Net change in current liabilities	(14,763)	(28,521)
Tax paid	(1,609)	(16,415)
Net cash from operating activities	13,349	35,663
Cash Flows From Investing Activities		
Interest received	672	574
Proceeds from disposal of property, plant and equipment	279	-
Purchases of property, plant and equipment	(3,747)	(56,474)
Net cash used in investing activities	(2,796)	(55,900)
Cash Flows From Financing Activities		
(Repayment) / Drawdown of borrowings	(25,710)	12,881
Repayment of lease liabilities	(438)	(557)
Interest paid	(2,589)	(2,968)
Dividend paid	(6,980)	(10,469)
Net cash used in financing activities	(35,717)	(1,113)
Net decrease in cash and cash equivalents	(25,164)	(21,350)
Cash and cash equivalents at the beginning of the financial year	50,676	72,026
Cash and cash equivalents at the end of the financial period	25,512	50,676

Note:

- (1) The basis of preparation of 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 this interim financial report.

TASHIN HOLDINGS BERHAD (REG NO.: 201701028709 (1242878-H))

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report of Tashin Holdings Berhad (“TASHIN” or “the Company”) and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting and Rule 9.22 of Listing Requirements.

This interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.

A2. Summary of Significant Accounting Policies

- (a) The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 31 December 2022, except for the adoption of the following MFRSs, Amendments to MFRSs and new Interpretations effective for the financial periods beginning on or after 1 January 2023.

<u>Title</u>	<u>Effective date</u>
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>)	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform – Pillar Two Model Rules</i>	Refer paragraph 98M of MFRS 112
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024 (Early adopt)

The above standards, amendments and annual improvements do not have significant impact on the financial reporting of the Group.

A3. Auditors’ report on preceding annual financial statements

The auditors’ report for the financial year ended 31 December 2022 of Tashin Group was not subject to any qualification.

A4. Seasonal or cyclical factors

The Group faces minor seasonal fluctuations during the major festive seasons celebrations.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial period-to-date.

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A6. Material changes in estimates

There were no significant changes in the estimates of amount, which give a material effect in the current financial quarter under review.

A7. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debts and equity securities during the financial quarter under review.

A8. Dividends paid

There was no dividend paid during the current financial quarter under review

A9. Segmental information

a) Operating Segments

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment.

b) Geographical Segment

No segmental information is provided on a geographical basis as the Group's activities are conducted primarily in Malaysia.

A10. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current financial quarter under review.

A11. Material events subsequent to the end of the current financial quarter

There were no other material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

A12. Changes in the composition of the Group

There were no material changes in the composition of the Group for the current financial period-to-date under review.

A13. Contingent liabilities

There were no material changes to the contingent liabilities since the date of last annual financial statements.

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A14. Capital commitments

There were no material capital commitments for the Group at the end of the current financial quarter.

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

B1. Review of Performance of the company and its principal subsidiaries for the current quarter and financial year-to-date (“YTD”)

	Individual Quarter		Increase/ (Decrease)		Cumulative Quarter		Increase/ (Decrease)	
	Current Year Quarter 01.10.2023 to 31.12.2023 RM'000	Preceding Year Corresponding Quarter 01.10.2022 to 31.12.2022 RM'000	RM'000	%	Current Year To-Date 01.01.2023 to 31.12.2023 RM'000	Preceding Year Corresponding Period 01.01.2022 to 31.12.2022 RM'000	RM'000	%
Revenue	94,677	98,532	(3,855)	(3.91)	362,450	434,303	(71,853)	(16.54)
Profit/(Loss) from operation	2,121	(1,852)	3,973	214.51	11,244	19,726	(8,482)	(43.00)
Profit/(Loss) before tax	1,785	(2,524)	4,309	170.72	9,292	17,308	(8,016)	(46.30)
Profit/(Loss) for the period	1,060	(2,419)	3,479	143.81	6,167	13,125	(6,958)	(53.01)

For the quarter under review, the group registered a 3.91% lower revenue at RM 94.68 million compared to the preceding year's corresponding quarter of RM 98.53 million mainly due to lower average selling price despite sales volume increased 4.26% for the current quarter as compared to the preceding year's corresponding quarter.

The Group registered profit before tax ("PBT") of RM 1.79 million for the current quarter as compared to the preceding year's corresponding quarter with a loss before tax of RM 2.52 million attributed by an improvement in gross profit ("GP") margin due to reduction in the average cost of raw materials from -1.37% preceding year's corresponding quarter to 5.69% for the quarter under review.

For the financial year ended 31.12.2023, the Group recorded RM 362.45 million in revenue and RM 9.29 million in PBT, a decrease of RM 71.85 million in revenue and RM 8.01 million in PBT compared to preceding year corresponding period due to lower selling price and sales volume.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B2. Comparison with immediate preceding quarter's results

	Current Quarter 01.10.2023 to 31.12.2023	Immediate Preceding Quarter 01.07.2023 to 30.09.2023	Increase/ (Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	94,677	90,373	4,304	4.76
Profit from Operation	2,121	1,807	314	17.38
Profit before tax ("PBT")	1,785	1,162	623	53.61
Profit for the Period ("PAT")	1,060	487	573	117.66

Compared with the immediate preceding quarter, the Group's revenue for the current quarter under review increased by 4.76% from RM 90.37 million to RM 94.68 million, mainly due to higher sales volume.

The PBT for the current quarter under review increased 53.61% from RM 1.16 million to RM 1.79 million as compared to the immediate preceding quarter mainly due to better gross profit ("GP") margin as a result of reduction in the average cost of raw materials.

B3. Prospects and outlook

The global economic uncertainties, geo-political tensions in the Middle East and prolonged Russian/Ukraine war could lead to surging energy price with negative implications on trades and inflation from the global and domestic economy.

The Group remains cautious and continues to adopt a prudent approach on procurement and inventory management strategies to enhance its operation efficiency and improve profit margin.

Barring unforeseen circumstances, the Group is cautiously optimistic that its prospects for the coming quarters would remain positive and satisfactory.

B4. Profit Forecast or Profit Guarantee

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

B5. Status of corporate proposals

There were no corporate proposals announced but not completed as at the date of this interim report.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B6. Income tax expenses

	Individual Quarter		Cumulative Quarter	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Current tax expenses	506	(622)	1,978	4,814
Deferred tax expenses	219	517	1,147	(631)
Total tax expenses	725	(105)	3,125	4,183

Note:

(1) Income tax expense is recognised based on management's best estimate.

B7. Group bank borrowings

	As at 31.12.2023	Audited as at
	RM'000	31.12.2022
		RM'000
Current liabilities:		
Secured	6,066	11,368
Unsecured	20,041	37,549
	<u>26,107</u>	<u>48,917</u>
Non-current liabilities:		
Unsecured	15,224	18,124
	<u>15,224</u>	<u>18,124</u>
Total bank borrowings	<u>41,331</u>	<u>67,041</u>

All the Groups borrowings are denominated in Ringgit Malaysia.

B8. Material litigation

There were no material litigation involving the Group as at 31 December 2023.

B9. Dividend

The Board of Directors has recommended a final single-tier dividend of 1.5 sen per ordinary share amounting to RM 5,234,865 in respect of the financial year ended 31 December 2023, subject to the approval of the shareholders in the forthcoming Annual General Meeting.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B10. Earnings per share

The basic earnings per share ("EPS") are calculated by dividing the profit for the period attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial period as follows:

	Individual Quarter		Cumulative Quarter	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Profit attributable to ordinary owners of the Company (RM'000)	1,060	(2,419)	6,167	13,125
Number of ordinary shares ('000)	348,991	348,991	348,991	348,991
Basic EPS (sen)	0.30	(0.69)	1.77	3.76
Diluted EPS (sen) ⁽¹⁾	0.30	(0.69)	1.77	3.76

Note:

- (1) Diluted EPS of the Company for the individual quarter and period-to-date ended 31 December 2023 and 31 December 2022 is equivalent to the basic earnings per share as the Company does not have any convertible options as at the end of the reporting period.

B11. Disclosure on selected expense/income items as required by the Listing Requirements

Profit before tax is arrived after charging/(crediting):

	Individual Quarter		Cumulative Quarter	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Interest Income	(101)	(209)	(671)	(574)
Interest Expenses	437	881	2,623	2,992
Depreciation	1,542	1,469	5,807	5,095
Fixed Assets Written off	97	-	97	-
Foreign exchange loss / (gain)				
- Realised and unrealised	2	(74)	(118)	(195)
Loss on derivatives	226	149	108	126
Gain on disposal of plant, property & equipment	-	-	(103)	-
Provision/ (Reversal) of impairment losses on trade receivables	260	(1,490)	172	(143)
Reversal of inventories written down	(1,470)	(2,245)	(5,702)	(1,491)
Provision / (Reversal) of provision for employee benefits	69	(32)	69	(32)
Scrap income	(1,041)	(842)	(2,074)	(2,098)
Miscellaneous income	(7)	-	(39)	(5)

Note:

- (1) Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements are not applicable.