

# KUMPULAN H & L HIGH-TECH BERHAD

Registration No. 199401032123 (317805-V)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 31 OCTOBER 2023 (UNAUDITED)

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		3 MONTHS ENDED		12 MONTHS ENDED	
		31-Oct-2023	31-Oct-2022	31-Oct-2023	31-Oct-2022
		RM' 000	RM' 000	RM' 000	RM' 000
		Unaudited	Unaudited	Unaudited	Audited
<b>Revenue</b>	B1	<b>7,025</b>	<b>6,784</b>	<b>27,237</b>	<b>26,687</b>
Operating Expenses		(4,840)	(4,865)	(20,483)	(18,788)
Other Income		5,373	3,085	6,671	3,891
FV Gain/(Loss) on derivative financial instrument		-	(13)	13	(13)
Investing Income		29	23	76	52
Finance costs		(257)	(240)	(1,038)	(879)
<b>Pofit before tax</b>	B2	<b>7,330</b>	<b>4,774</b>	<b>12,476</b>	<b>10,950</b>
Tax expense	B5	(1,122)	(1,271)	(2,337)	(1,779)
<b>Profit after tax</b>		<b>6,208</b>	<b>3,503</b>	<b>10,139</b>	<b>9,171</b>
<b>Other Comprehensive Income:</b>					-
Exchange translation reserve		-	-	-	-
Fair value reserve		1,044	9,611	1,044	9,611
<b>Other Comprehensive Income net of tax</b>		<b>1,044</b>	<b>9,611</b>	<b>1,044</b>	-
<b>Total Comprehensive Income</b>		<b>7,252</b>	<b>13,114</b>	<b>11,183</b>	<b>18,782</b>
<b>Profit/(Loss) attributable to:</b>					
Equity holders of the Company		6,208	3,503	10,139	9,171
Non-Controlling Interest		-	-	-	-
		6,208	3,503	10,139	9,171
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		7,252	13,114	11,183	18,782
Non-Controlling Interest		-	-	-	-
		7,252	13,114	11,183	18,782
<b>Earnings per share attributable to equity holders of the Company:</b>	B10				
-Basic EPS (sen) *		5.24	2.92	8.51	7.58
-Diluted EPS (sen)		N/A	N/A	N/A	N/A

\* Based on weighted average number of shares during the period

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the financial year ended 31 October 2022 and the accompanying explanatory notes attached to the interim financial statement.)

**KUMPULAN H & L HIGH-TECH BERHAD**

Registration No. 199401032123 (317805-V)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE QUARTER ENDED 31 OCTOBER 2023 (UNAUDITED)**

	AS AT 31-Oct-2023 (Unaudited) RM' 000	AS AT 31-Oct-2022 (Audited) RM' 000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, Plant & Equipment	8,541	8,365
Right-of-use Assets	38,181	37,484
Investment Properties	77,800	72,900
Land Held for Development	49	77
Other investment	51	51
	<u>124,622</u>	<u>118,876</u>
<b>CURRENT ASSETS</b>		
Land Held for Development	-	130
Inventories	3,693	3,756
Bearer Biological Assets	230	230
Trade Receivables	2,956	3,569
Other Receivables, Deposit & Prepayments	414	349
Other Investments	1,013	1,081
Tax Recoverable	-	136
Cash & Cash Equivalents	39,832	39,201
	<u>48,138</u>	<u>48,452</u>
<b>TOTAL ASSETS</b>	<u><b>172,760</b></u>	<u><b>167,328</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		
Share Capital	40,612	40,612
Treasury Share, At Cost	(3,266)	(1,901)
Revaluation Reserves	19,436	18,392
Retained Earnings	B13 78,796	72,218
<b>TOTAL EQUITY</b>	<u><b>135,578</b></u>	<u><b>129,321</b></u>
<b>NON-CURRENT LIABILITIES</b>		
Long Term Borrowings	B7 12,089	13,517
Lease Liabilities	9,307	9,159
Deferred Tax	11,338	10,352
	<u>32,734</u>	<u>33,028</u>
<b>CURRENT LIABILITIES</b>		
Trade Payables	366	1,032
Other Payables, Deposits & Accruals	2,101	1,927
Short Term Borrowings	B7 1,474	1,600
Lease Liabilities	48	229
Derivative financial liabilities	-	13
Tax Payable	459	178
	<u>4,448</u>	<u>4,979</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>172,760</b></u>	<u><b>167,328</b></u>
<b>NET ASSETS PER SHARE( RM)</b>	1.1475	1.0807

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the financial year ended 31 October 2022 and the accompanying explanatory notes attached to the interim financial statements).

# KUMPULAN H & L HIGH-TECH BERHAD

Registration No. 199401032123 (317805-V)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 OCTOBER 2023 (UNAUDITED)

		<-----Attributable to Equity Holders of the Company ----->						Minority Interest	Total Equity
		Share Capital	<-----Non distributable-----> Revaluation Reserve	Exchange translation reserve	<-----Distributable-----> Treasury Share	Retained Earnings	Total		
		(RM '000 )	(RM '000 )	(RM '000 )	(RM '000 )	(RM '000 )	(RM '000 )	(RM '000 )	(RM '000 )
<b>12 months ended</b>									
<b>31 October 2023</b>									
<b>Balance as 01 November 2022</b>	Audited	40,612	18,392	0	-1,901	72,218	<b>129,321</b>	0	129,321
Share buy-back as treasury shares					-1,365		-1,365		-1,365
<i>Total comprehensive income:-</i>									
Profit for the year						10,139	10,139	0	10,139
Revaluation Reserve			1,044				1,044		1,044
<i>Transaction with owner:-</i>									
Dividend paid		0	0	0	0	-3,561	-3,561	0	-3,561
<b>Balance as 31 October 2023</b>	Unaudited	40,612	19,436	0	-3,266	78,796	135,578	0	135,578
		-	-	-	-	-	-	-	-
<b>12 months ended</b>									
<b>31 October 2022</b>									
<b>Balance as 01 November 2021</b>	Audited	40,612	8,781	0	-45	66,659	<b>116,007</b>	0	116,007
Share buy-back as treasury shares					-1,856		-1,856	0	-1,856
<i>Total comprehensive income:-</i>									
Profit/(Loss) for the year			0		0	9,171	9,171	0	9,171
Revaluation Reserve			9,611				9,611		
<i>Transaction with owner:-</i>									
Dividend paid						-3,612	-3,612	0	-3,612
<b>Balance as 31 October 2022</b>	Audited	40,612	18,392	0	-1,901	72,218	129,321	0	119,710
		-	-	-	-	-	-	-	-

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statement for the financial year ended 31 October 2022 and the accompanying explanatory notes attached to the interim financial statement.)

**KUMPULAN H & L HIGH-TECH BERHAD**

Registration No. 199401032123 (317805-V)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 31 OCTOBER 2023 (UNAUDITED)**

	2023 12 MONTHS ENDED 31-Oct-2023 (RM'000 ) Unaudited	2022 12 MONTHS ENDED 31-Oct-2022 (RM'000 ) Audited
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
<b>PROFIT BEFORE TAXATION</b>	<b>12,475</b>	<b>10,951</b>
<i>ADJUSTMENTS:-</i>		
Non Cash Items	(4,268)	(1,988)
Non Operating Items (Investing/Financing)	807	724
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>9,014</b>	<b>9,687</b>
<b><u>CHANGES IN WORKING CAPITAL</u></b>		
Inventories	7	(726)
Receivables	547	878
Property Development Cost	215	55
Payables	(485)	704
<b>CASH GENERATED FROM OPERATIONS</b>	<b>9,298</b>	<b>10,598</b>
Tax Refund	129	153
Tax Paid	(1,392)	(1,372)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>8,035</b>	<b>9,379</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Dividend Received From Quoted Investment	76	52
Interest Received	36	162
Proceed From Disposal Of Property, Plant And Machineries	18	(10)
Proceed From Disposal Of Quoted Shares	167	88
Proceeds From Disposal Of Treasury Shares	-	-
Purchase Of Investment Property	-	(14,480)
Purchase Of Property, Plant And Equipment	-	-
Share Buy-Back as Treasury Shares	(1,365)	(1,856)
Purchase Of Quoted Shares	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,068)</b>	<b>(16,044)</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Dividend Paid	(3,561)	(3,612)
Interest Paid	(1,038)	(879)
Repayment of Lease Liabilities	(184)	(190)
Placement of Deposits with Licensed Financial Institutions	-	-
Net Repayment of Borrowings	(1,553)	-
Net Drawdown of Borrowings	-	6,242
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(6,336)</b>	<b>1,561</b>
<b>Net (Decrease) / Increased In Cash And Cash Equivalents</b>	<b>631</b>	<b>(5,104)</b>
Currency Translation Difference	-	-
Cash And Cash Equivalents At Beginning Of Period	39,201	44,304
<b>Cash And Cash Equivalents At End Of Period</b>	<b>39,832</b>	<b>39,200</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the financial year ended 31 October 2022 and the accompany explanatory notes attached to the interim financial statement.)

## **Kumpulan H & L High-Tech Berhad**

**199401032123 (317805-V)**

Notes to quarterly report for the quarter ended 31 October 2023

Part A-Explanatory Notes Pursuant to FRS 134

### **A1. Accounting policies and methods of computation**

The interim financial report has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The figures for the quarter ended 31 October 2023 have not been audited.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2022.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 October 2022.

### **A2. Seasonal or cyclical of interim operations**

The Group's business operations were not affected by any seasonal or cyclical factors.

### **A3. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There are no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review.

### **A4. Material changes in estimates**

There were no changes in the nature and amount of changes in estimates of amounts reported in the immediate preceding quarter or changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter under review.

### **A5. Capital management, issuances, repurchase, and repayment of debts and equity instruments**

The Group's objective of managing capital are to safeguard the Group's ability to continue in operations as going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

The Group's strategy is to maintain a maximum gearing ratio of 50%. The ratio is calculated as the total borrowings to total equity.

The gearing ratios as at 31 October 2023 and 31 October 2022, which are within the Group's objectives for capital management, are as follows:

**Kumpulan H & L High-Tech Berhad**  
**199401032123 (317805-V)**

Notes to quarterly report for the quarter ended 31 October 2023

As At	31-Oct-2023 (Unaudited) RM'000	31-Oct-2022 (Audited) RM'000
Total borrowings	22,918	24,505
Total equity	135,578	129,321
Gearing Ratio	16.9%	18.9%

There were no shares issued, shares cancellation, resale of treasury shares and repayments of debts and equity securities during the current quarter.

On 28 March 2007, approval has been obtained from the shareholders for the Company to buy-back its own shares. The authority granted by the shareholders was subsequently renewed in the Annual General Meeting held on 18 April 2023. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the share buy-back scheme can be applied in the best interest of the Company and its shareholders.

During the quarter under review, a total of 630,700 shares bought back as treasury shares ("share buyback") in the open market for approximately RM0.8873 per share, total value of share buyback approximately RM0.559 million only.

**A6. Dividends paid**

During the quarter under review, an interim dividend of 2.0 sen per Ordinary Shares for Financial Year Ended 31 October 2023 total RM2.366 million has been paid in October 2022.

During Financial Year Ended 31 October 2023, shareholders of the company had received a total of RM3.561 million as dividend.

**Kumpulan H & L High-Tech Berhad****199401032123 (317805-V)**

Notes to quarterly report for the quarter ended 31 October 2023

**A7. Operating segment information**

With the adoption of MFRS 8, Operating Segments, the Group has four reportable segments: Manufacturing and trading, property investment and investment holdings and joint property development.

Segment information for the financial period ended 31 October 2023	Manufacturing & Trading	Property Investment	Joint Property Development	Plantation	Total
	RM '000	RM '000	RM '000	RM '000	RM '000
Revenue from external customer	16,848	3,271	1,226	6,153	27,498
Intersegment revenue	341	22	-	-	363
Reportable segment profit / (loss)	3,355	1,106	891	2,069	7,421

**Reconciliation of profit or loss***RM '000***Total profit for reportable segments****7,421**

Investment income

76

Gain on disposal of quoted investments

100

Net fair value gain/(loss) on held for quoted shares

(40)

Fair value adjustment on investment properties

4,900

Interest income

472

Unallocated amounts:-

Corporate expenses

(440)

Other expenses

(14)

**Group's profit before income tax expense****12,475****A8. Material events subsequent to the end of the interim period**

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statement for the interim period.

**A9. Effects of changes in composition of the Group**

There were no changes to the composition of the Group during the interim period, including business combinations, acquisition and long term investments, restructuring and discontinuing operations.

**Kumpulan H & L High-Tech Berhad****199401032123 (317805-V)**

Notes to quarterly report for the quarter ended 31 October 2023

**A10. Changes in contingent liabilities and contingent assets since the date of statement of financial position of prior audited financial statement**

Save as disclosed below, the Company is not aware of any contingent liabilities or contingent assets as at 31 October 2023 except as follow:-

	31-Oct-2022 (Audited) RM '000	Changes RM '000	31-Oct-2023 (Unaudited) RM '000
Total limit	19,200	0	19,200
Total utilised	15,117	-1,554	13,563

Contingent liabilities for corporate guarantee given by the Company to financial institutions for credit facilities granted to subsidiary companies

**A11. Capital Commitment**

There was no capital commitments as at 31 October 2023.

\* End of Part A \*



**B1. Detailed analysis of the performance the current quarter**

RM '000	Individual quarter		Cumulative quarters	
	Current year	Preceding year corresponding quarter	Current year	Preceding year corresponding quarters
	31-Oct-2023	31-Oct-2022	31-Oct-2023	31-Oct-2022
<b>Revenue</b>				
Manufacturing & Trading	4,389	4,104	16,848	14,779
Property Investment	841	804	3,271	3,094
Property Development	-	97	1,226	498
Plantation	1,860	1,842	6,153	8,568
<b>Profit/(Loss) before tax</b>				
Manufacturing & Trading	727	786	3,355	2,625
Property Investment	519	490	1,106	1,857
Property Development	(16)	53	891	258
Plantation	1,239	900	2,069	3,633

**For current quarter under review as compared to preceding year corresponding quarter:-**

Manufacturing segment registered higher revenue and pre-tax profit mainly due to higher order from plastic division.

Property investment segment revenue and pre-tax profit approximate preceding year corresponding quarter due to an uneventful quarter.

Property development segment remain relatively dormant pending launching of new project.

Plantation segment maintained approximately same level of revenue but higher pre-tax profit due to lower operating expenses.

**B2. Comment on any material change in the profit before taxation as compared with immediate preceding quarter.**

Revenue merely increased by 1.6% or RM0.108 million mainly due to increase in order in plastic division.

Pre-tax profit jumped 201.6% or RM4.899 million mainly due to recognition of a RM4.900 million fair value gain on property during the current quarter under review.

**Kumpulan H & L High-Tech Berhad****199401032123 (317805-V)**

Notes to quarterly report for the quarter ended 31 October 2023

**B3. Current financial year's prospect**

Barring unforeseen circumstances, the Boards foresee a very challenging year ahead for financial year ending 31 October 2024 as there are news on potential global recession under high interest rate environment. Nevertheless the Directors endeavor to maintain current performance.

**B4. Profit forecast**

There were no revenue or profits estimate, forecast, projection of internal targets announced or disclosed in a public document.

**B5. Taxation**

	Current Quarter RM '000	Year-to-date RM '000
Current Year	466	1,706
Prior Year	-	(25)
Deferred Taxation	656	656
Tax expense *	1,122	2,337

\* The effective tax rate for financial period ended 31 October 2023 was slightly below the statutory tax rate of 24% due to certain gain not subject to income tax.

**B6. Status of corporate proposals**

There was no corporate proposal announced but not completed as at 31 October 2023.

**B7. Group borrowings and debt securities**

The group's borrowings as at 31 October 2023 as follows:-

RM '000	Secured	Unsecured	Total
Short term	1,474	-	1,474
Long term	12,089	-	12,089
<b>Total</b>	<b>13,563</b>	<b>-</b>	<b>13,563</b>

All borrowings are denominated in local currency.

There was no debt securities issued.

**B8. Changes in material litigation**

There was no material litigation pending as at the date of this report.

**Kumpulan H & L High-Tech Berhad****199401032123 (317805-V)**

Notes to quarterly report for the quarter ended 31 October 2023

**B9. Proposed Dividends**

There were no dividend proposed.

**B10. Earnings per share****a. Basic**

The calculation of the basic earnings per share is based on the Group's net profit attributable to the equity holders divided by the weighted average number of ordinary shares in issue during the year excluding the weighted average treasury shares held by the Company.

	Current Quarter	Year-to-date
Net profit / (loss) attributable to equity holders of the Company (RM '000)	6,208	10,139
Weighted average number of ordinary shares ( '000)	118,443	119,124
Basic earning/(loss) per share (sen)	5.24	8.51

**b. Diluted**

Not applicable

**B11. Audit report qualification and status of matters raised**

The audit report of the Group's annual financial statements for the financial year ended 31 October 2022 did not contain any qualification.

**Kumpulan H & L High-Tech Berhad****199401032123 (317805-V)**

Notes to quarterly report for the quarter ended 31 October 2023

**B12. The profit / (loss) after tax was derived after charging / (crediting) the following:-**

	Current Quarter RM'000	Year-To-Date RM'000
1 interest income;	(8)	(36)
2 other income including investment income;	(29)	(76)
3 interest expense;	257	1,038
4 depreciation of property, plant and equipment (ppe)	222	938
5 amortisation of right-of-use assets	168	647
6 amortisation of biological assets	83	332
7 auditors' remuneration	54	144
8 realised (gain)/loss on foreign exchange	(24)	36
9 unrealised (gain)/loss on foreign exchange	9	(62)
10 rental expenses	65	151
11 rental income	(841)	(3,271)
12 net fair value (gain)/loss on held for quoted shares	1	40
13 (gain)/loss on disposal of ppe	2	(18)
14 (gain)/loss on disposal of treasury shares	0	0
15 (gain)/loss on disposal of quoted investment	0	(100)
16 fair value gain on investment properties	(4,900)	(4,900)

**B13. DISCLOSURES OF REALISED AND UNREALISED PROFITS/LOSSES**

The breakdown of retained earnings as at the reporting date, which has been prepared by the Directors in accordance with the directives from **Bursa Malaysia Securities Berhad** stated above and Guidance on Special Matter No. 1 issued on 20 December 2010 by the Malaysian Institute of Accountants, are as follows:-

As At	31-Oct-2023
	<b>RM'000</b>
Realised	63,710
Unrealised	33,683
	<u>97,393</u>
Less: Consolidated adjustments	(18,597)
Retained earnings	<u>78,796</u>