

SWS CAPITAL BERHAD [199901027346 (502246-P)]
Condensed Consolidated Statement of Financial Position
As At 30 June 2023

	Unaudited As At 30.06.2023 (6 months) RM	Audited As At 31.12.2022 (12 months) RM
ASSETS		
Non-current Assets		
Property, plant and equipment	30,592,850	31,958,898
Investment properties	2,265,000	2,265,000
Right-of-use asset	<u>77,421,827</u>	<u>73,991,530</u>
Sub-total	<u>110,279,677</u>	<u>108,215,428</u>
Current Assets		
Inventories	46,643,523	48,369,474
Trade receivables	29,169,073	21,649,595
Other receivables	3,673,072	2,218,812
Tax Recoverable	1,946,345	2,683,748
Cash and bank balances	12,832,576	16,381,489
Fixed deposits with licensed bank	<u>4,067,106</u>	<u>4,023,991</u>
Sub-total	<u>98,331,695</u>	<u>95,327,109</u>
TOTAL ASSETS	<u>208,611,372</u>	<u>203,542,537</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	125,325,602	125,325,602
Share-based payment reserve	1,440,170	1,440,170
Warrant reserve	68,816,475	68,816,475
Other reserve	(68,816,475)	(68,816,475)
Revaluation reserve	20,371,909	20,431,932
Accumulated losses	<u>(4,996,904)</u>	<u>(6,296,383)</u>
Sub-total	<u>142,140,777</u>	<u>140,901,321</u>
Non-controlling interest	<u>-</u>	<u>349,554</u>
Total Equity	<u>142,140,777</u>	<u>141,250,875</u>
LIABILITIES		
Non-current Liabilities		
Loans and borrowings	4,909,116	4,191,986
Lease liabilities	2,788,931	3,904,121
Deferred tax liabilities	<u>4,044,884</u>	<u>4,048,043</u>
Sub-total	<u>11,742,931</u>	<u>12,144,150</u>
Current Liabilities		
Trade payables	14,729,096	10,970,002
Other payables	4,955,128	4,612,036
Tax payables	54,457	58,506
Loans and borrowings	32,714,703	32,466,920
Lease liabilities	<u>2,274,280</u>	<u>2,040,048</u>
Sub-total	<u>54,727,664</u>	<u>50,147,512</u>
Net Current Assets	43,604,031	45,179,597
Total Liabilities	<u>66,470,595</u>	<u>62,291,662</u>
Net Assets	<u>142,140,777</u>	<u>141,250,875</u>
TOTAL EQUITY AND LIABILITIES	<u>208,611,372</u>	<u>203,542,537</u>
Net asset per share attributable to Owners of the Parent (In RM)	0.52	0.51

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the period ended 31 December 2022)

SWS CAPITAL BERHAD [199901027346 (502246-P)]
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
As At 30 June 2023
(Unaudited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	RM	RM	RM	RM
Revenue	31,733,609	47,071,944	67,221,397	94,149,011
Cost of Sales	(25,341,005)	(38,412,430)	(53,567,298)	(76,933,616)
Gross Profit	6,392,604	8,659,514	13,654,099	17,215,395
Administration expenses	(3,581,336)	(3,585,288)	(7,032,418)	(6,977,983)
Selling and distribution expenses	(1,431,095)	(2,061,077)	(2,996,220)	(3,823,906)
Other income / (expenses)	225,147	(5,956)	522,161	29,045
Net gain on impairment of financial instruments	-	10,520	5,287	36,820
Operating profit	1,605,320	3,017,713	4,152,909	6,479,371
Finance costs	(547,074)	(592,804)	(1,104,900)	(1,190,458)
Profit before tax	1,058,246	2,424,909	3,048,009	5,288,913
Taxation	(409,708)	(733,906)	(1,370,559)	(1,447,757)
Profit after tax for the financial period	648,538	1,691,003	1,677,450	3,841,156
Other comprehensive income net of tax	30,012	28,951	60,024	58,963
Total comprehensive income for the financial period	678,550	1,719,954	1,737,474	3,900,119
Profit attributable to :				
Owners of the Parent	623,455	1,633,878	1,431,343	3,729,449
Non-Controlling Interest	25,083	57,125	246,107	111,707
	648,538	1,691,003	1,677,450	3,841,156
Total comprehensive income attributable to :				
Owners of the Parent	653,467	1,661,697	1,491,367	3,787,280
Non-Controlling Interest	25,083	58,257	246,107	112,839
	678,550	1,719,954	1,737,474	3,900,119
Basic earning per share (in sen)	0.23	0.59	0.52	1.36
Fully diluted earning per share (in sen)	0.23	0.59	0.52	1.36

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the period ended 31 December 2022)

SWS CAPITAL BERHAD [199901027346 (502246-P)]
Condensed Consolidated Statement of Changes In Equity
As At 30 June 2023
(Unaudited)

	← Attributable to Owners of the Parent →						Non-distributable	←	→					
	Share Capital	Share-based Payment Reserve	Warrant Reserve	Other Reserve	Revaluation Reserve	Accumulated Losses						Total	Non-Controlling Interests	Total Equity
	RM	RM	RM	RM	RM	RM						RM	RM	RM
Balance as at 1 January 2023	125,325,602	1,440,170	68,816,475	(68,816,475)	20,431,933	(6,296,384)	140,901,321			349,555	141,250,876			
Profit after tax for the financial period	-	-	-	-	-	1,431,343	1,431,343			246,107	1,677,450			
Realisation of revaluation surplus upon depreciation	-	-	-	-	(60,024)	60,024	-			-	-			
Changes in ownership interest in a subsidiary companies	-	-	-	-	-	(191,887)	(191,887)			(595,662)	(787,549)			
Balance as at 30 June 2023	125,325,602	1,440,170	68,816,475	(68,816,475)	20,371,909	(4,996,904)	142,140,777			-	142,140,777			
Balance as at 1 January 2022	109,971,602	1,440,170	68,816,475	(68,816,475)	7,204,580	(9,353,838)	109,262,514			53,071	109,315,585			
Profit after tax for the financial period	-	-	-	-	-	3,729,449	3,729,449			111,707	3,841,156			
Realisation of revaluation surplus upon depreciation	-	-	-	-	(58,963)	58,963	-			-	-			
Issuance of ordinary shares pursuant to exercise of Private Placement	9,810,000	-	-	-	-	-	9,810,000			-	9,810,000			
Balance as at 30 June 2022	119,781,602	1,440,170	68,816,475	(68,816,475)	7,145,617	(5,565,426)	122,801,963			164,778	122,966,741			

(The Condensed Consolidated Statement of Change In Equity should be read in conjunction with the Annual Financial Report for the period ended 31 December 2022)

SWS CAPITAL BERHAD [199901027346 (502246-P)]
Condensed Consolidated Cash Flows Statement
As At 30 June 2023
(Unaudited)

	CUMULATIVE QUARTER	
	30.06.2023	30.06.2022
	RM	RM
Cash flows from operating activities		
Profit before tax	3,048,009	5,288,913
Adjustments for :		
Allowance for doubtful debts	(12,000)	-
Amortisation of right-of-use asset	276,949	205,551
Bad debts recovered	(5,287)	(44,820)
Bad debts written off	3,000	-
Depreciation of property, plant and equipment	3,544,533	3,537,082
Fair value gain on derivatives	-	(17,937)
Finance costs	1,096,921	1,168,719
Finance income	(148,742)	(52,035)
Gain on disposal of property, plant & equipment	(127,000)	(1,900)
Interest expense on lease liabilities	7,979	21,738
Unrealised gain on foreign exchange	(68,474)	(23,938)
Operating profit before changes in working capital	<u>7,615,888</u>	<u>10,081,373</u>
Changes in working capital:		
- Inventories	1,725,951	4,436,597
- Trade and other receivables	(8,522,730)	(11,526,587)
- Other current assets	(436,719)	(656,860)
- Trade and other payables	4,102,185	979,129
Cash flows generated from operations	<u>4,484,575</u>	<u>3,313,652</u>
Tax paid	(640,364)	(519,634)
Tax refunded	-	-
Net cash flows from operating activities	<u>3,844,211</u>	<u>2,794,018</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(909,611)	(3,191,300)
Proceeds from disposal of property, plant and equipment	138,155	30,260
Acquisition of non-controlling interest	(787,549)	-
Interest received	148,742	52,035
(Withdrawal) / Placement of deposits with licensed banks	(33,000)	967,000
Net cash flows used in investing activities	<u>(1,443,263)</u>	<u>(2,142,005)</u>
Cash flows from financing activities		
Repayment of borrowings	(1,244,692)	(1,272,689)
(Repayment) / Drawdown of lease liabilities	(5,868,234)	977,455
Repayment of term loans	(1,575,000)	(1,315,427)
Interest paid	(1,104,900)	(1,190,458)
Proceeds from issuance of ordinary shares pursuant to private placement	-	9,810,000
Net cash flows (used in) / from financing activities	<u>(9,792,826)</u>	<u>7,008,881</u>
Net (decrease) / increase in cash and cash equivalents	(7,391,878)	7,660,894

SWS CAPITAL BERHAD [199901027346 (502246-P)]
Condensed Consolidated Cash Flows Statement (cont'd)
As At 30 June 2023
(Unaudited)

	CUMULATIVE QUARTER	
	30.06.2023	30.06.2022
	RM	RM
Net (decrease) / increase in cash and cash equivalents	(7,391,878)	7,660,894
Effect of exchange rate changes on cash and cash equivalents	68,474	23,938
Cash and cash equivalents at beginning of financial period	15,740,387	1,758,382
Cash and cash equivalents at end of financial period	<u>8,416,983</u>	<u>9,443,214</u>
 Cash and cash equivalents included in the cash flow statements comprise the followings:		
Deposit, bank and cash balances	16,899,682	17,385,216
Less: Bank overdrafts	<u>(5,981,382)</u>	<u>(4,565,149)</u>
	10,918,300	12,820,067
Less: Deposits pledged with banks	<u>(2,501,317)</u>	<u>(3,376,853)</u>
	<u>8,416,983</u>	<u>9,443,214</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the period ended 31 December 2022)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2023**

**PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL
REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

A1. BASIS OF PREPARATION

These condensed consolidation interim financial statements, for the financial period ended 30 June 2023, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The audited financial statements of the Group for the financial year ended 31 December 2022 are available upon request from the Company registered office at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur.

The explanatory notes attached to these 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 the Group since the financial year ended 31 December 2022.

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2022.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2022 and include the adoption of MFRS Framework and Interpretation which applicable to the Group. The adoption of MFRS, amendments to MFRSs and Interpretation Committee Interpretations do not have material impact on the financial statement in the period of initial application.

A3. AUDITORS’ REPORT

The audited financial statements for the financial year ended 31 December 2022 was not subject to any qualification.

A4. SEASONAL OR CYCLICAL FACTORS

The Group's operation is seasonal and cyclical in nature whereby the performance is normally higher during back-to-school, Christmas, New Year and Hari Raya celebration.

A5. EXTRAORDINARY AND EXCEPTIONAL ITEMS

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows for the current quarter under review and financial period to-date.

A6. CHANGES IN ESTIMATES OF AMOUNTS REPORTED

There were no material changes in estimates of amounts reported in prior financial periods that have a material effect on the current quarter under review and financial period to-date.

A7. SEGMENTAL INFORMATION

Segmental information is presented in respect of the Group's business segment.

Revenue and Expenses	6 months ended 30 June 2023				
	Other RM	Manufacturing of furniture RM	Manufacturing of plastic wares RM	Eliminations RM	Consolidated RM
External sales	0	21,305,797	45,915,600	0	67,221,397
Management income	192,000	0	0	(192,000)	0
Inter-company transaction	0	1,051,171	8,335,206	(9,386,377)	0
Total	192,000	22,356,968	54,250,806	(9,578,377)	67,221,397

Results	6 months ended 30 June 2023				
	Other RM	Manufacturing of furniture RM	Manufacturing of plastic wares RM	Eliminations RM	Consolidated RM
Interest income	468,095	105,554	33,824	(458,731)	148,742
Finance costs	0	(559,660)	(995,992)	458,731	(1,096,921)
Interest expense on lease liabilities	0	(17,350)	(5,126)	0	(22,476)
Depreciation of property, plant and equipment	0	(1,030,871)	(2,344,646)	(169,016)	(3,544,533)
Amortisation of ROU	0	(438,942)	0	161,993	(276,949)
Taxation	(79,285)	(347,386)	(944,000)	112	(1,370,559)
Other non-cash items	0	(68,474)	0	0	(68,474)
Segment profit/(loss)	(120,501)	(1,536,425)	4,704,935	0	3,048,009
Segment assets	99,580,701	87,083,187	136,804,837	(114,857,353)	208,611,372
Segment liabilities	107,671	38,109,956	64,311,116	(36,058,148)	66,470,595

A8. CHANGES IN DEBT AND EQUITY SECURITIES

There was no issuance, repurchase and repayment of debt and equity securities for the current quarter under review and financial period to-date.

A9. DIVIDENDS PAID

There were no dividends paid during the current quarter under review.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM REPORT

There were no material events subsequent to the end of the interim reporting period reported.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period under review.

A12. CHANGES IN CONTINGENT LIABILITIES/ASSETS

There were no changes in contingent liabilities/assets since previous reporting date and there were no contingent liabilities pending at the date of this report.

A13. CAPITAL COMMITMENTS

There were no material capital commitments during the current quarter under review.

A14. RELATED PARTY TRANSACTIONS

The Group's related party transactions during the current quarter under review and financial year to-date are as follows:

Subsidiaries	Transacting parties	Relationship	Nature of transactions	Current quarter (RM)	Financial year to-date (RM)
Ee-Lian Enterprise (M) Sdn Bhd ("ELE")	Ee Jia Housewares (M) S/B ("EJ")	Director of ELE	Sales of plastic wares and other household products	1,473,265	2,602,313
			Purchases of plastic wares and other household products	139,529	306,214
ELE	E Sponge Household S/B ("ES")	Director of ELE	Sales of plastic wares and other household products	Nil	(23)
			Purchases of cleaning products	24,679	77,003
ELE	Ebottles Marketing (M) S/B ("EBM")	Director of ELE	Purchases of water bottles and tumblers	Nil	Nil
Ee-Lian Plastic Industries (M) Sdn Bhd ("ELP")	EJ	Director of ELP	Sales of plastic wares and other household products	Nil	1,775
			Purchases of plastic wares and other household products	60,000	120,000
ELP	EBM	Director of ELP	Sales of printing services	46,148	91,406

The Group's key management personnel compensation during the current quarter under review and financial year to-date is as follows:

Compensation paid/payable to key management personnel	Current quarter (RM)	Financial year to-date (RM)
Short term employee benefits	518,277	1,033,275
Other employee benefits	30,266	59,003

PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. PERFORMANCE REVIEW

Revenue	Individual quarter		+/- (%)	Cumulative quarter		+/- (%)
	30-Jun-23 (RM)	30-Jun-22 (RM)		30-Jun-23 (RM)	30-Jun-22 (RM)	
Furniture Division	12,887,677	19,787,193		21,305,797	37,494,182	
Plastic Wares Division	18,845,932	27,284,751		45,915,600	56,654,829	
Total	31,733,609	47,071,944	(33)	67,221,397	94,149,011	(29)

For current quarter under review, the Group's turnover decreased to RM31.73 million, as compared to RM47.07 million in the corresponding quarter of the previous year, which ended on 30 June 2023. The Furniture division's revenue for Q2 2023 was RM12.89 million, showing a decrease of 35.9% compared to RM19.79 million in Q2 2022.

In Q2 2023, the plastic wares division's revenue contribution decreased by 30.9% to RM18.85 million, compared to RM27.28 million in Q2 2022. The sales of Raya series products declined compared to previous years, primarily due to changes in consumer spending behaviour.

Profit / (Loss) Before Tax	Individual quarter		+/- (%)	Cumulative quarter		+/- (%)
	30-Jun-23 (RM)	30-Jun-22 (RM)		30-Jun-23 (RM)	30-Jun-22 (RM)	
Furniture Division	212,999	177,787		(1,536,425)	775,938	
Plastic Wares Division	915,114	2,355,819		4,704,935	4,698,716	
Others	(69,867)	(108,697)		(120,501)	(185,741)	
Total	1,058,246	2,424,909	(56)	3,048,009	5,288,913	(42)

For the quarter under review, the Group recorded a total gross profit of RM6.39 million, compared to RM8.66 million in the corresponding quarter of the previous year, which ended on 30 June 2022. The gross profit margin increased from 18.4% in Q2 2022 to 20.1% in Q2 2023. This improvement in gross profit margin can be attributed to fluctuations in raw material costs and improvements in monitoring production efficiency and quality within the plastic wares division. Furniture and plastic wares division contributed RM2.10 million and RM4.29 million respectively. The furniture division faced a challenge of insufficient sales orders to cover the fixed operational overhead.

In Q2 2023, the Group achieved a profit before tax of RM1.06 million, compared to a profit before tax of RM2.42 million in Q2 2022. The furniture division recorded a profit before tax of RM0.21 million in Q2 2023, in contrast to a profit before tax of RM0.18 million in Q2 2022. On the other hand, the plastic wares division saw an decrease in profit before tax by 61.2%, reaching RM0.92 million in Q2 2023, as compared to RM2.36 million in Q2 2022.

B2. VARIANCE IN PROFIT / (LOSS) BEFORE TAX

Profit / (Loss) Before Tax	Individual quarter 30-Jun-23 (RM)	Preceding quarter 31-Mar-23 (RM)	+ / - (RM)
Furniture Division	212,999	(1,749,423)	1,962,422
Plastic Wares Division	915,114	3,789,818	(3,066,591)
Others	(69,867)	(50,634)	(19,233)
Total	1,058,246	1,989,761	(1,123,402)

The Group recorded a lower turnover of RM31.73 million during the quarter under review against turnover of RM35.49 million in the preceding quarter ended 31 March 2023. Gross profit margin was consistent at 20.1% against 20.5% in the preceding quarter while absolute amount was lower at RM6.39 million against RM7.26 million in the preceding quarter.

The gross profit margin for furniture division increased from 1.0% in preceding quarter to 16.3% in Q2 2023. Gross profit margin of plastic wares division decreased from 26.5% in preceding quarter to 22.8% in Q2 2023. In addition, the Group has recorded profit before tax of RM1.06 million for the quarter under review compared to loss before tax to RM1.99 million registered in the preceding quarter.

B3. PROSPECT

On 12 August 2023, the State Elections for 6 states were completed and this will boost the stability of the Unity government. The Malaysian economy is currently grappling with issues such as inflation, cost of living pressures, increased business costs, persistent manpower shortages, and a higher interest rate environment. The GDP growth forecast for 2023 is moderate, ranging between 4% and 5%, indicating a global slowdown compared to the impressive 8.7% growth experienced in 2022. In response to these economic conditions, Bank Negara Malaysia has resumed monetary tightening by remaining the overnight policy rate (OPR) at 3%, after 25 basis points increment on 3 May 2023.

The plastic wares division is experiencing slowdown in both local and export market demand. The high inflation and cost of living changes the consumer spending behaviour. The management is working on effective marketing strategies to maintain the divisions performance. The furniture division expects the export market conditions to remain challenging. The elevated inflation rates in the US and Eurozone, along with the implementation of higher interest rates to combat inflation, are expected to negatively impact both demand and supply. The ongoing military conflict in Eastern Europe is causing disruptions in the supply chain and leading to soaring commodity prices, which raises concerns about global growth prospects.

The Group is committed to implementing strategies aimed at seizing growth opportunities. This includes increasing capacity and capabilities to enhance competitiveness. The Group plans to achieve this by introducing more value-added and sustainable products, as well as expanding its product portfolio and entering new markets. Efforts are also being made to address the existing manpower shortage, ensuring optimal utilization of existing capacity. Moreover, the Group is exploring opportunities for expansion to further enhance its operations and market presence.

B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

The Group did not issue any profit forecast or profit guarantee for the financial period under review.

B5. TAXATION

	Current quarter RM	Financial year to-date RM
Current taxation	(409,764)	(1,370,671)
Deferred taxation	56	112
	<u>(409,708)</u>	<u>(1,370,559)</u>

The Group's effective tax rate for the quarter under review was higher than the statutory tax rate mainly due to tax effects of non-deductible expenses and deferred tax assets not recognised.

B6. SALE OR PURCHASE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There was no sale of unquoted investments and/or properties by the Group for the current quarter under review.

B7. QUOTED SECURITIES

There was no purchase or disposal of quoted securities by the Group for the financial period under review.

B8. STATUS OF CORPORATE PROPOSALS

On 28 June 2023, the Board of Directors of SWS ("Board") announce that the Company proposes to undertake the following proposals:

1. proposed diversification;
2. proposed joint development;
3. proposed acquisitions;
4. proposed change of name;
5. proposed rights issue; and
6. proposed exemption

On 16 August 2023, the Board announce that the Company proposes to terminate all the 6 proposals.

Details of the proposal can be obtained from the website of Bursa Malaysia Berhad.

B9. GROUP'S BORROWINGS

The Group's borrowings as at 30 Jun 2023 are as follows:	RM
Secured Short Term Borrowings	
- denominated in Ringgit Malaysia	32,714,703
- denominated in US Dollar	0
Secured Long Term Borrowings	
- denominated in Ringgit Malaysia	4,909,116
Total Borrowings	<u>37,623,819</u>

B10. FINANCIAL INSTRUMENTS - DERIVATIVES

The Group uses derivative financial instruments, mainly foreign currency forward contracts to hedge its exposure to fluctuations in foreign exchange arising from sales. The Group does not hold or issue derivative financial instruments for trading purposes.

There were no outstanding foreign currency forward contracts as at 30 June 2023.

The above instruments are executed with credit worthy financial institutions in Malaysia. The Directors are of the view that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength. There are also no cash requirements risks as the Group only uses foreign currency forward contracts as its hedging instruments. The fair value changes have been recognised in the profit and loss.

B11. MATERIAL LITIGATION

There was no material litigation during the financial period under review.

B12. DIVIDEND

No dividend was proposed by the Board of Directors for the current quarter under review.

B13. NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Profit before tax for the financial period has been arrived at after charging / (crediting):-

	Current quarter RM	Financial year to-date RM
Allowance for doubtful debts	0	(12,000)
Amortisation of ROU	175,162	276,949
Bad debts recovered	0	(5,287)
Depreciation of property, plant and equipment	1,743,658	3,544,533
Finance costs	543,979	1,096,921
Finance income	(68,990)	(148,742)
(Gain)/Loss on foreign exchange		
Realised	104,736	113,196
Unrealised	80,760	68,474
Gain on disposal of property, plant and equipment	(7,000)	(127,000)
Interest expense on lease liabilities	3,095	7,979
Rental received	(21,000)	(42,000)

B14. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share amount are calculated by dividing the profit attributable to Owners of the Parent by the weighted average number of ordinary shares outstanding during the period.

		Current quarter	Financial year-to-date
Profit attributable to			
Owners of the Parent	(RM)	623,455	1,431,343
Weighted average number of shares	(shares)	275,078,160	275,078,160
Basic earnings per share	(sen)	0.23	0.52

Diluted earnings per share

There is no dilutive effect of the potential ordinary shares convertible under warrants and ESOS issued during the financial quarter. Warrants and ESOS have dilutive effect only when the average market price of ordinary share during the financial period under review exceeds the exercise price of the warrant.

Board of Directors
SWS Capital Berhad
28th August 2023