

KHIND HOLDINGS BERHAD (380310-D)

(Incorporated in Malaysia)

The directors are pleased to announce the unaudited condensed consolidated quarterly report for the three months period ended 31 March 2023

Condensed Consolidated Statement of Comprehensive Income

For the three months period ended 31 March 2023 - Unaudited

	Individual Period 31 March		Cumulative Period 31 March	
	2023 RM'000	2022 RM'000 Restated	2023 RM'000	2022 RM'000 Restated
Revenue	118,545	130,344	118,545	130,344
Cost of sales	(83,623)	(94,287)	(83,623)	(94,287)
Gross profit	34,922	36,057	34,922	36,057
Other operating (loss) / income	(188)	694	(188)	694
Interest income	96	19	96	19
Operating expenses	(33,148)	(32,936)	(33,148)	(32,936)
Finance cost	(934)	(684)	(934)	(684)
Share of results of associate	-	-	-	-
Profit before tax	748	3,150	748	3,150
Tax expense	(332)	(984)	(332)	(984)
Net profit for the period	416	2,166	416	2,166
Other comprehensive income				
Item that may be reclassified subsequently to profit or loss				
Foreign exchange translation difference	886	427	886	427
Cash flow hedges	(11)	-	(11)	-
Total comprehensive income for the period	1,291	2,593	1,291	2,593
Profit attributable to:				
Equity holders of the parent	438	2,258	438	2,258
Non-controlling interest	(22)	(92)	(22)	(92)
Net profit for the period	416	2,166	416	2,166
Total comprehensive income attributable to:				
Equity holders of the parent	1,313	2,685	1,313	2,685
Non-controlling interest	(22)	(92)	(22)	(92)
Total comprehensive income for the period	1,291	2,593	1,291	2,593
Basic earning per share attributable to equity holders of the parent (sen)	1.04	5.64	1.04	5.64

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

KHIND HOLDINGS BERHAD (380310-D)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Financial Position
As at 31 March 2023 - Unaudited

	As at 31 March 2023 RM'000	As at 31 December 2022 RM'000
ASSETS		
<i>Non-current assets</i>		
Property, plant and equipment	42,781	43,263
Right-of-use assets	17,761	18,478
Intangible assets	3,704	3,734
Deferred Tax Assets	5,055	5,034
	<u>69,301</u>	<u>70,509</u>
<i>Current assets</i>		
Inventories	99,898	109,357
Other Investment	13,297	3,459
Current tax assets	495	358
Trade and other receivables	116,143	108,185
Derivative Financial Assets	22	-
Cash and cash equivalents	50,914	54,244
	<u>280,769</u>	<u>275,603</u>
TOTAL ASSETS	<u>350,070</u>	<u>346,112</u>
EQUITY AND LIABILITIES		
<i>Capital and reserves</i>		
Share capital	45,266	45,266
Translation reserve	12,020	11,134
Other reserve	(11)	-
Retained earnings	150,331	149,893
Total equity attributable to owner of the Company	207,606	206,293
Non-controlling interests	(589)	(567)
Total equity	<u>207,017</u>	<u>205,726</u>
<i>Non Current liabilities</i>		
Deferred tax liabilities	1,967	1,964
Loans and borrowings	16,155	15,616
Lease liabilities	1,041	1,558
Contract liabilities	264	-
	<u>19,427</u>	<u>19,138</u>
<i>Current liabilities</i>		
Loans and borrowings	55,231	51,586
Lease liabilities	2,698	2,866
Contract liabilities	136	329
Trade and other payables	65,527	66,249
Derivative Financial Liabilities	34	-
Current tax liabilities	-	218
	<u>123,626</u>	<u>121,248</u>
Total liabilities	<u>143,053</u>	<u>140,386</u>
TOTAL EQUITY AND LIABILITIES	<u>350,070</u>	<u>346,112</u>
Net assets per share attributable to equity holders of the parent (RM)	<u>4.94</u>	<u>4.89</u>

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

KHIND HOLDINGS BERHAD (380310-D)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity
For the three months ended 31 March 2023 - Unaudited

	Attributable to Equity Holders of the Parent					
	Share Capital RM'000	Non Distributable Translation Reserve RM'000	Other Reserve RM'000	Distributable Retained Earnings RM'000	Non-controlling Interest RM'000	Total RM'000
<u>3 months ended 31 March 2022</u>						
At 1 January 2022	40,059	8,541	-	132,355	(279)	180,676
Total comprehensive income for the period	-	427	-	2,258	(92)	2,593
At 31 March 2022	40,059	8,968	-	134,613	(371)	183,269
<u>3 months ended 31 March 2023</u>						
At 1 January 2023	45,266	11,134	-	149,893	(567)	205,726
Total comprehensive income for the period	-	886	(11)	438	(22)	1,291
At 31 March 2023	45,266	12,020	(11)	150,331	(589)	207,017

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

KHIND HOLDINGS BERHAD (380310-D)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Cash Flows
For the three months period ended 31 March 2023 - Unaudited

	31 March 2023 RM'000	31 March 2022 RM'000
Profit before taxation	748	3,150
Adjustment for :		
Depreciation & amortisation	2,228	1,865
Finance cost	899	656
Interest expense for lease liabilities	35	28
Interest income	(96)	(19)
Dividend income	-	(4)
Gain on disposal of property, plant and equipment	(10)	(17)
Gain on disposal of other investments	(10)	-
Write down of inventories	372	-
Reversal of provision for bad debts	(93)	-
Net fair value loss on financial assets	-	57
Operating profit before changes in working capital	4,073	5,716
Changes in working capital :		
Inventories	9,088	(1,569)
Trade and other receivables	(7,865)	14,263
Payables and accruals	(722)	(11,923)
Contract Liabilities	71	-
Cash generated from operations	4,645	6,487
Tax refunded	-	27
Tax paid	(703)	(1,685)
Net cash generated from operating activities	3,942	4,829
Cash flows from investing activities		
Interest income	96	19
Dividend income	-	4
Acquisition of property, plant and equipment	(945)	(589)
Acquisition of other investment	(9,828)	(1,255)
Proceeds from disposal of :		
- property, plant and equipment	-	129
Net cash used in investing activities	(10,677)	(1,692)
Cash flows from financing activities		
Finance cost	(899)	(656)
Interest expense for lease liabilities	(35)	(28)
Net drawdown of bank borrowings	6,199	58
Net Repayment of lease liabilities	(685)	(544)
Net repayment of hire purchase liabilities	(38)	(402)
Net cash generated / (used) from financing activities	4,542	(1,572)
Net (decrease) / increase in cash and cash equivalents	(2,193)	1,565
Cash and cash equivalents at beginning of financial period	52,264	49,350
Effect of exchange rate changes	840	391
Cash and cash equivalents at end of financial period	50,911	51,306
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at 31 March 2023 RM'000	As at 31 March 2022 RM'000
Cash and bank balances	50,914	52,498
Bank overdrafts	(3)	(1,192)
	50,911	51,306

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

KHIND HOLDINGS BERHAD (380310-D)
(Incorporated in Malaysia)

Part A2 : Summary of Key Financial Information

Part A2 : Summary of Key Financial Information

		Individual Period		Cumulative Period	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding period
		31/03/2023 RM'000	31/03/2022 RM'000	31/03/2023 RM'000	31/03/2022 RM'000
1	Revenue	118,545	130,344	118,545	130,344
2	Profit before tax	748	3,150	748	3,150
3	Profit for the period	416	2,166	416	2,166
4	Profit attributable to ordinary equity holders of the parent	438	2,258	438	2,258
5	Basic earnings per ordinary share (sen)	1.04	5.64	1.04	5.64
6	Proposed/Declared dividend per share (sen)	0.00	0.00	0.00	0.00
		As at End of Current Quarter		As at Preceding Financial Year End	
7	Net assets per share attributable to ordinary equity holders of the parent (RM)	4.94		4.89	
Remark:					

Part A3 : Additional Information

		Individual Period		Cumulative Period	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding period
		31/03/2023 RM'000	31/03/2022 RM'000	31/03/2023 RM'000	31/03/2022 RM'000
1	Gross interest income	96	19	96	19
2	Gross interest expense	934	684	934	684

KHIND HOLDINGS BERHAD

Quarterly Report on unaudited consolidated results for the first financial quarter ended 31 March 2023

Notes to the Interim Financial Report

1. Basis of preparation

The unaudited consolidated interim financial statements (Condensed Report) have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The Condensed Report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2022.

2. Significant Accounting Policies

2.1 Amendments to MFRSs adopted

The accounting policies adopted are consistent with those of the previous financial year, except in the current financial year, the Group adopted amendments to MFRS as follows:

Amendments to MFRSs effective for annual periods beginning on or after 1 January 2023

- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 112 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The adoption of these amendments to MFRS did not result in significant changes in the accounting policies of the Group and have no significant effect on the financial performance or position of the Group.

2.2 Amendments to MFRSs not yet effective

The following are amendments to the MFRSs that have been issued by the MASB up to the date of the issuance of this Condensed Report, but have not been adopted by the Group:

Amendments to MFRSs effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16 *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101 *Presentation of Financial Statements – Non-current Liabilities with Covenants*

Amendments to MFRSs effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10 *Consolidated Financial Statements* and MFRS 128 *Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The directors anticipate that the above-mentioned amendments will be adopted by the Group when they become effective.

The initial application of amendments to MFRSs is not expected to have any significant impact on the financial statements of the Group.

KHIND HOLDINGS BERHAD

Quarterly Report on unaudited consolidated results for the first financial quarter ended 31 March 2023

3. Audit qualification

The auditor's report on the financial statements of the Group and the Company for the year ended 31 December 2022 was not subject to any qualification.

4. Seasonal or cyclical factors

Generally, sales of our products are enhanced during festive seasons celebrated in Malaysia.

5. Unusual items

Other than those stated in the notes, there were no other items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

6. Changes in estimates

There were no changes in estimates for the financial period under review.

7. Issuance or repayment of debts and equity securities

There were no other issuance and repayment of debt and equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

8. Dividend paid

There were no dividends paid in the current quarter.

9. Segment reporting

The Group has three reportable segments, as described below, which are the Group's strategic business units.

- (i) Investment holdings – includes the holding of investment in subsidiaries
- (ii) Trading and service – includes trading of electrical products and providing general repair and rework services
- (iii) Manufacturing – includes manufacturing and distribution of electrical products

KHIND HOLDINGS BERHAD

Quarterly Report on unaudited consolidated results for the first financial quarter ended 31 March 2023

9. Segment reporting (Continued)

(Period ended 31.03)	Investment holding		Trading & service		Manufacturing		Elimination		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Turnover										
External										
Local	-	-	70,197	70,807	2,535	3,908	-	-	72,733	74,715
Overseas	-	-	45,023	52,299	790	3,331	-	-	45,813	55,629
Internal	1,752	2,437	4,177	2,049	22,332	25,480	(28,261)	(29,966)	-	-
Total revenue	1,752	2,437	119,397	125,155	25,657	32,718	(28,261)	(29,966)	118,545	130,344
Segment results	(924)	(134)	1,170	5,860	(131)	626	980	(2,537)	1,095	3,815
Finance cost									(934)	(684)
Interest income									96	19
Other income									491	-
Profit before tax									748	3,150
Tax expense									(332)	(984)
Net Profit for the period									416	2,166

10. Valuation of property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the previous annual financial statements.

11. Material events during the financial period

There was no significant event during the current quarter ended 31 March 2023.

12. Material subsequent events

As at the date of issue of this quarterly report, there were no material events subsequent to the end of this period reported on that have not been reflected in the financial statement for the said period.

13. Changes in the composition of the group

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

14. Contingent liabilities

There were no material changes in contingent liabilities or contingent assets since the last annual reporting date.

KHIND HOLDINGS BERHAD

Quarterly Report on unaudited consolidated results for the first financial quarter ended 31 March 2023

ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

1. Review of Performance

Comparison results of current quarter and previous corresponding quarter

The Group recorded revenue of RM118.55 million for the current quarter under review representing a decrease of 9.0% over revenue of RM130.34 million of previous corresponding quarter.

The Group recorded profit before tax of RM0.75 million for the current quarter under review representing a decrease of 76.2% over profit before tax of RM3.15 million of previous corresponding quarter.

The performance of the business segments for the current period is described as below:

1) Investment Holdings Division

The Investment Holdings Division recorded lower revenue as compared to previous corresponding period due to lower management fees received from subsidiaries. As a result, the division recorded higher segmental loss compared with the previous corresponding period.

2) Trading and Service Division

The revenue in Trading and Service Division recorded a slight decrease by 4.60% as compared to previous corresponding period. The results were underpinned by the lower overseas sales.

The division's results decreased by 80.03% as compared to previous corresponding period in tandem with lower revenue coupled with increased distribution and operating expenses amidst challenging market condition.

3) Manufacturing Division

The revenue in Manufacturing Division has decreased by 21.6% as compared to previous corresponding period which were mainly due to the decrease in intercompany and overseas sales.

The division's segmental results turned into marginal loss as compared to the previous corresponding period mainly attributed to the lower gross profit from lower revenue despite slight improvement in gross margin. The Company continues to focus on improving efficiency and productivity.

KHIND HOLDINGS BERHAD

Quarterly Report on unaudited consolidated results for the first financial quarter ended 31 March 2023

1. Review of Performance (Continued)

Financial review for current quarter and financial year to date

	Individual Period				Cumulative Period			
	31 March		Variance		31 March		Variance	
	2023	2022			2023	2022		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	118,545	130,344	-11,799	-9.1%	118,545	130,344	-11,799	-9.1%
Profit before interest and tax	1,586	3,815	-2,229	-58.4%	1,586	3,815	-2,229	-58.4%
Profit before tax	748	3,150	-2,402	-76.3%	748	3,150	-2,402	-76.3%
Profit after tax	416	2,166	-1,750	-80.8%	416	2,166	-1,750	-80.8%
Profit attributable to Equity Holders of the Parent	438	2,258	-1,820	-80.6%	438	2,258	-1,820	-80.6%

Financial review for current quarter compared with immediate preceding quarter

	Current Quarter	Immediate Preceding Quarter	Variance	
	31 March 2023	31 December 2022		
	RM'000	RM'000	RM'000	%
Revenue	118,545	128,463	-9,918	-7.7%
Profit before interest and tax	1,586	4,355	-2,769	-63.6%
Profit before tax	748	3,450	-2,702	-78.3%
Profit after tax	416	2,442	-2,026	-83.0%
Profit attributable to Equity Holders of the Parent	438	2,522	-2,084	-82.6%

2. Variation of results against immediate preceding quarter

The Group recorded revenue of RM118.55 million for the current quarter under review, representing a decrease of 7.7% as compared to RM128.46 million in the immediate preceding quarter. Meanwhile, the Group recorded profit before tax of RM0.75 million, representing a decrease of 78.3% as compared to the preceding quarter's profit before tax of RM3.45 million, mainly due to increased distribution and operating expenses in the current quarter coupled with other income of RM2.24 million recognised in the immediate preceding quarter for realisation of foreign currency translation reserve upon liquidation of a subsidiary.

3. Commentary on prospect

The Group is cautious on 2023 growth prospect due to continuing geopolitical tensions, rising interest rates, and persistent inflation that impact consumer buying power. Nonetheless, the Group is actively managing on the supply chain and material cost challenges, also embarking on cost optimisation exercises as well as improving operational efficiency and expanding its regional business.

The Group is working toward protecting our market position in Malaysia and Singapore and will continue to invest, in some cases intensify resources in people development, process methodology, data and analytics, and enhance branding strategies.

KHIND HOLDINGS BERHAD

Quarterly Report on unaudited consolidated results for the first financial quarter ended 31 March 2023

4. Profit forecast

Not applicable as no profit forecast was published.

5. Tax expense

	<u>Individual period</u>		<u>Cumulative period</u>	
	31/03/23 RM'000	31/03/22 RM'000	31/03/23 RM'000	31/03/22 RM'000
- Current tax expense	315	669	315	669
- Deferred tax expense	17	315	17	315
Total	332	984	332	984

The group's effective tax rate for the period ended 31 March 2023 is 44.4%.

6. Status of corporate proposals

On 6 July 2022, Hong Leong Investment Bank ("HLIB") announced on behalf of the Board of Directors that the Company proposes to undertake a private placement of up to 10% of the total number of issued shares of the Company to be undertaken in accordance with the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 which was renewed and obtained from the shareholders of the Company at its 26th Annual General Meeting convened on 27 May 2022.

On 25 August 2022, the first tranche of the Private Placement has been completed following the listing and quotation of 1,980,000 Placement Shares on the Main Market of Bursa Securities, raising total gross proceeds of RM5,207,400.

On 3 January 2023, the Company has decided not to place out the remaining 2,020,000 Placement Shares out of the 4,000,000 Placement Shares that was approved by Bursa Securities. As such, the Private Placement is deemed completed.

KHIND HOLDINGS BERHAD

Quarterly Report on unaudited consolidated results for the first financial quarter ended 31 March 2023

7. Status of utilisation of proceeds raised from the Private Placement

The status of utilisation of proceeds gross proceeds arising from the Private Placement amounting to RM5,207,400 and its utilisation is disclosed in the following manner as at 31 March 2023:

Details	Gross Proceeds (1 st Tranche) RM'000	Actual utilisation (1 st Tranche) RM'000	Unutilised Proceeds (1 st Tranche) RM'000	Intended timeframe for utilisation
Working capital	5,188	(4,546)	642	Within 12 months
Estimated expenses for the Proposed Private Placement	19	(19)	-	Within 6 months
Total gross proceeds	5,207	(4,565)	642	

8. Borrowings and debt securities

(a) Bank Borrowings (current and repayable within 1 year)

Details of the Group's bank borrowings as at the end of this reporting period: -

	Foreign Currency '000	31/03/23 RM'000	Foreign Currency '000	31/12/22 RM'000
Bank Overdrafts				
Secured		-		401
Unsecured		3		1,594
Banker Acceptances				
Secured – denominated in Ringgit Malaysia		18,641		-
Unsecured – denominated in Ringgit Malaysia		25,909		43,532
Revolving Credit				
Denominated in Ringgit Malaysia		6,900		2,500
Total		51,453		48,027

Secured bank borrowings are secured by fixed charges over the long term leasehold or freehold land and building of certain subsidiary company and are guaranteed by the Company. Unsecured bank overdraft and bankers' acceptances are guaranteed by the Company.

The bank overdrafts bear interest at rates 6.35% to 7.85% (2022 – 5.22% to 7.89%) per annum. The banker acceptances bear interest at rates ranging from 3.30% to 6.80% (2022 – 3.73% to 7.32%) per annum.

KHIND HOLDINGS BERHAD

Quarterly Report on unaudited consolidated results for the first financial quarter ended 31 March 2023

8. Borrowings and debt securities (Continued)

(b) Term Loans

Details of the Group's term loans as at the end of this reporting period :-

	Foreign Currency '000	31/03/23 RM'000	Foreign Currency '000	31/12/22 RM'000
Current Term Loans				
Secured – Denominated in Ringgit Malaysia		1,587		1,364
Secured – Denominated in foreign currency	SGD233	775	SGD241	791
Total		<u>2,362</u>		<u>2,155</u>
Non-Current Term Loans				
Secured – Denominated in Ringgit Malaysia		7,504		6,843
Secured – Denominated in foreign currency	SGD2,279	7,574	SGD2,330	7,646
Total		<u>15,078</u>		<u>14,489</u>
Grand Total		<u><u>17,440</u></u>		<u><u>16,644</u></u>

Term loans repayment schedule:

	Total RM'000	Under 1 year RM'000	1-2 year RM'000	2-5 year RM'000	Over 5 year RM'000
Secured	17,440	2,362	2,411	5,483	7,184
Total	<u>17,440</u>	<u>2,362</u>	<u>2,411</u>	<u>5,483</u>	<u>7,184</u>

The term loans are secured by :-

- fixed charges over the respective subsidiary's long term leasehold or freehold land and building, and
- corporate guarantee from the Company.

The term loans bear interest at 4.07% to 5.13% (2022 – 3.32% to 4.83%) per annum.

(c) Hire purchase liabilities

Details of the Group's hire purchase liabilities as at the end of this reporting period:-

	31/03/23 RM'000	31/12/22 RM'000
Hire Purchase Creditors	2,693	2,737
Less: Interest in suspense	(200)	(206)
Balance	<u>2,493</u>	<u>2,531</u>
Repayable within one year	1,416	1,404
Repayable one to five years	1,077	1,127
Balance	<u>2,493</u>	<u>2,531</u>

The finance lease liabilities bear interest at rates ranging from 2.20% to 4.60% (2021 – 2.20% to 4.60%) per annum.

KHIND HOLDINGS BERHAD

Quarterly Report on unaudited consolidated results for the first financial quarter ended 31 March 2023

9. Material Litigation

There was no impending material litigation as at 11 May 2023, being the date not earlier than 7 days from the date of this announcement.

10. Dividend

An interim tax exempt dividend of 8 sen per share in respect of the financial year ending 31 December 2023 was announced on 18 April 2023 and will be paid on 18 May 2023 to the shareholders whose names appear in the Record of Depositors on the entitlement date of 8 May 2023.

11. Earnings per share

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Quarter 31.03.23	Preceding year corresponding quarter 31.03.22	Three Months to 31.03.23	Three Months to 31.03.22
Net profit attributable to ordinary equity holders of the parent (RM'000)	438	2,258	438	2,258
Weighted average number of ordinary shares ('000)	42,039	40,059	42,039	40,059
Basic earnings per share (sen)	1.04	5.64	1.04	5.64

Basic earnings per share of the Group is calculated by dividing net profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the financial period.

12. Profit for the period is arrived at after charging/(crediting):-

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Quarter 31.03.23	Preceding year corresponding quarter 31.03.22	Three Months to 31.03.23	Three Months to 31.03.22
(RM'000)				
Depreciation & Amortisation	2,228	1,865	2,228	1,865
Net gain on disposal of property, plant and equipment	(10)	(17)	(10)	(17)
Foreign exchange loss / (gain)	662	(119)	662	(119)

KHIND HOLDINGS BERHAD

Quarterly Report on unaudited consolidated results for the first financial quarter ended 31 March 2023

13. Financial Instrument

The Group's outstanding derivatives as at 31 March 2023 were as follows:

31 March 2023	Notional Value RM'000	Fair Value RM'000	Difference RM'000
Foreign currency forward contracts	14,909	14,897	(12)

The above instruments were executed with established financial institutions in Malaysia. There is no cash requirement for these contracts.

Foreign currency forward contracts measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of forecast purchases in the United States Dollars and Chinese Yuan to hedge against foreign currency exchange rate fluctuations. These forecast transactions are highly probable.

The foreign exchange forward contract balances vary with the level of expected foreign currency purchases and changes in foreign exchange forward rates and its terms has been negotiated for the expected highly probable forecast transactions.

14. Changes in comparatives

The Group has effected certain reclassifications principally to more appropriately reflect the nature of incentives given to its customers and the detailed disclosure requirements of MFRS 15, Revenue from Contracts with Customers.

The changes in certain comparative amounts to conform to the current year's financial statements of the Group are as follows:

	As previously reported	Reclassification	As restated
For the three months ended 31 March 2022			
(RM'000)			
Group			
Revenue	136,195	(5,851)	130,344
Operating expenses	38,787	(5,851)	32,936