

**HIAP TECK VENTURE BERHAD**  
(Registration No. 199701005844 (421340-U))  
(Incorporated in Malaysia)

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for second quarter ended 31 January 2025**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31/01/2025	31/01/2024	31/01/2025	31/01/2024
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	348,258	459,454	749,977	866,960
Cost of Sales	(334,196)	(425,078)	(729,646)	(812,186)
Gross Profit	14,062	34,376	20,331	54,774
Other Income	215	1,499	3,234	6,594
Operating Expenses	(13,940)	(13,248)	(25,848)	(25,455)
Profit/(Loss) from Operations	337	22,627	(2,283)	35,913
Finance Costs	(5,953)	(5,534)	(13,373)	(10,920)
Finance Income	627	519	1,087	1,021
Share of profit/(loss) of equity-accounted investees, net of tax	25,335	8,434	67,317	(8,172)
<b>Profit Before Tax</b>	20,346	26,046	52,748	17,842
Tax income/(expense)	398	(4,187)	2,886	(5,379)
<b>Profit for the Period</b>	20,744	21,859	55,634	12,463
<b>Other Comprehensive (Loss)/Income</b>				
Fair value profit on other investments	-	301	-	(142)
Foreign currency translation differences for foreign operations	(4)	3	34	13
	(4)	304	34	(129)
<b>Total Comprehensive Income</b>	20,740	22,163	55,668	12,334
<b>Profit Attributable to:</b>				
Owners of the parent	20,436	21,434	55,134	12,002
Non-Controlling Interests	308	425	500	461
	20,744	21,859	55,634	12,463
<b>Total Comprehensive Income Attributable to:</b>				
Owners of the parent	20,432	21,738	55,168	11,873
Non-Controlling Interests	308	425	500	461
	20,740	22,163	55,668	12,334
<b>Earnings Per Share (EPS)</b>				
(a) Basic (sen)	1.17	1.23	3.16	0.69
(b) Diluted (sen)	NA	NA	NA	NA

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 July 2024 and the accompanying explanatory notes attached to the interim financial statements.

**HIAP TECK VENTURE BERHAD**  
**(Registration No. 199701005844 (421340-U))**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Statements of Financial Position as at 31 January 2025**

	<b>31/01/2025</b> <b>(Unaudited)</b>	<b>31/07/2024</b> <b>(Audited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	338,639	303,243
Right-of-use assets	2,798	3,252
Investment properties	55,409	9,869
Investment in joint venture	792,188	724,871
Other investments	140	140
Deferred tax assets	9,057	4,737
Other receivables	-	34,745
	<u>1,198,231</u>	<u>1,080,857</u>
<b>Current assets</b>		
Inventories	445,015	492,074
Trade and other receivables	312,501	412,574
Derivative financial assets	69	244
Current tax assets	12,627	11,304
Other investments	7,262	4,728
Cash and cash equivalents	107,010	93,881
	<u>884,484</u>	<u>1,014,805</u>
<b>Total assets</b>	<b><u>2,082,715</u></b>	<b><u>2,095,662</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	872,654	872,654
Treasury shares	(7,499)	(7,499)
Translation reserves	(319)	(353)
Retained earnings	565,530	519,107
	<u>1,430,366</u>	<u>1,383,909</u>
Non-Controlling Interests	1,254	754
<b>Total equity</b>	<b><u>1,431,620</u></b>	<b><u>1,384,663</u></b>
<b>Non-current liabilities</b>		
Loans and borrowings	16,081	-
Lease liabilities	2,004	2,458
Deferred tax liabilities	11,401	13,512
	<u>29,486</u>	<u>15,970</u>
<b>Current liabilities</b>		
Loans and borrowings	573,532	565,501
Trade and other payables	44,418	118,115
Lease liabilities	916	908
Derivative liabilities	-	2,803
Contract liabilities	-	6,381
Current tax payable	2,743	1,321
	<u>621,609</u>	<u>695,029</u>
<b>Total liabilities</b>	<b><u>651,095</u></b>	<b><u>710,999</u></b>
<b>Total equity and liabilities</b>	<b><u>2,082,715</u></b>	<b><u>2,095,662</u></b>
Net assets per share attributable to owners of the parent (RM)	0.8217	0.7948

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 July 2024 and the accompanying explanatory notes attached to the interim financial statements.

**HIAP TECK VENTURE BERHAD**  
**(Registration No. 199701005844 (421340-U))**  
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**Condensed Consolidated Statements of Cash Flows for the period ended 31 January 2025**

	<b>Current Year To-date 31/01/2025 RM'000</b>	<b>Preceding Year Corresponding Period 31/01/2024 RM'000</b>
<b><u>Operating Activities</u></b>		
Profit Before Tax	52,748	17,842
Adjustments for:		
Allowance for impairment loss on trade receivables	-	604
Dividend income	-	(43)
Depreciation of investment properties	141	141
Depreciation of property, plant and equipment	12,588	9,037
Depreciation of right-of-use assets	454	454
Fair value gain on foreign exchange derivative	(2,629)	(1,844)
Finance income:		
Other investments	(27)	(69)
Deposits with licensed banks	(1,061)	(952)
Gain on disposal of property, plant and equipment	(1,903)	(1,560)
Gain on disposal of investment properties	-	(32)
Finance costs	13,373	10,920
Net unrealised foreign exchange gain	(419)	(704)
Property, plant and equipment written off	17	28
Reversal of inventories to net realisable value	-	(4,630)
Share of (profit)/loss of equity-accounted joint venture, net of tax	(67,317)	8,172
Operating profit before changes in working capital	5,965	37,364
Net changes in inventory	47,234	(64,790)
Net changes in trade and other receivables	100,750	(27,979)
Net changes in trade and other payables	(80,266)	8,470
Cash generated from/(used in) operations	73,683	(46,935)
Interest paid	(13,322)	(10,855)
Net income tax paid	(3,448)	(112)
<b>Net cash generated from/(used in) operating activities</b>	<b>56,913</b>	<b>(57,902)</b>
<b><u>Investing Activities</u></b>		
Additional investment in equity-accounted joint venture	-	(53,235)
Dividend income	-	43
Finance income:		
Other investments	27	69
Deposits with licensed banks	1,061	952
(Increase)/Decrease in other investments	(2,534)	1,922
Proceeds from disposal of property, plant and equipment	2,999	3,244
Proceeds from disposal of investment properties	-	535
Purchase of property, plant and equipment	(49,272)	(25,262)
Purchase of investment properties	(10,936)	-
<b>Net cash used in investing activities</b>	<b>(58,655)</b>	<b>(71,732)</b>
<b><u>Financing Activities</u></b>		
Dividend paid	(8,711)	(8,711)
Payment of lease liabilities	(497)	(498)
Drawdown of borrowings (net)	24,112	85,889
<b>Net cash generated from financing activities</b>	<b>14,904</b>	<b>76,680</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	13,162	(52,954)
Effect of exchange rate changes	(33)	10
Cash and Cash Equivalents at beginning of period	93,881	134,315
Cash and Cash Equivalents at end of period	<b>107,010</b>	<b>81,371</b>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 July 2024 and the accompanying explanatory notes attached to the interim financial statements.

HIAP TECK VENTURE BERHAD  
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Condensed Consolidated Statements of Changes in Equity for the period ended 31 January 2025

	-----> Attributable to equity holders of the parent <----->							
	----- Non-distributable -----			<-Distributable->				
	Share Capital RM'000	Treasury Shares RM'000	Translation Reserves RM'000	Fair Value Reserves RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<b>As at end of current quarter ended 31 January 2025</b>								
Opening balance as at 1 August 2024	872,654	(7,499)	(353)	-	519,107	1,383,909	754	1,384,663
<b>Total comprehensive income</b>	-	-	34	-	55,134	55,168	500	55,668
<b>Transactions with owners</b>								
Final dividend for the financial year ended 31 July 2024 (Single tier of 0.5 sen)	-	-	-	-	(8,711)	(8,711)	-	(8,711)
<b>Transactions with owners</b>	-	-	-	-	(8,711)	(8,711)	-	(8,711)
<b>Closing balance as at 31 January 2025</b>	<b>872,654</b>	<b>(7,499)</b>	<b>(319)</b>	<b>-</b>	<b>565,530</b>	<b>1,430,366</b>	<b>1,254</b>	<b>1,431,620</b>
<b>As at preceding year corresponding quarter ended 31 January 2024</b>								
Opening balance as at 1 August 2023	872,654	(7,499)	(316)	(1,614)	423,046	1,286,271	(259)	1,286,012
<b>Total comprehensive loss</b>	-	-	13	(142)	12,002	11,873	461	12,334
<b>Transactions with owners</b>								
Final dividend for the financial year ended 31 July 2023 (Single tier of 1.0 sen)	-	-	-	-	(8,711)	(8,711)	-	(8,711)
<b>Transactions with owners</b>	-	-	-	-	(8,711)	(8,711)	-	(8,711)
<b>Closing balance as at 31 January 2024</b>	<b>872,654</b>	<b>(7,499)</b>	<b>(303)</b>	<b>(1,756)</b>	<b>426,337</b>	<b>1,289,433</b>	<b>202</b>	<b>1,289,635</b>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2024 and the accompanying explanatory notes attached to the statements.

**Explanatory Notes on the Quarterly Report – Second Quarter ended 31 January 2025**

**PART A : EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**1. Basis of preparation**

These interim financial statements are unaudited and have been prepared in accordance with MFRS 134 “Interim Financial Reporting” issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirement of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Company’s annual audited financial statements for the year ended 31 July 2024. These explanatory notes attached to the 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 July 2024.

**2. Significant Accounting Policies**

This interim financial report has been prepared based on accounting policies and methods of computation which are consistent with those adopted in the annual audited financial statements for the year ended 31 July 2024.

The Group has not adopted the following standards, interpretations and amendments that have been issued but not yet effective:

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

## 2. Significant Accounting Policies (cont'd)

### *MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026*

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*

### *MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027*

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

### *MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed*

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

The Group plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 August 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 August 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 August 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Group.

## 3. Audit qualification

There were no audit qualifications on the annual financial statements of the Group for the year ended 31 July 2024.

**4. Seasonal or cyclical factors**

The Group's business operations are not materially affected by any major seasonal factors except during Hari Raya and Chinese New Year festive seasons where business activities generally slow down.

**5. Material unusual items**

There were no items of an unusual nature or amount affecting assets, liabilities, equity, net income or cash flows during the quarter.

**6. Material changes in estimates**

There were no material changes in estimates of amount reported in prior interim period that have material impact in the current quarter under review.

**7. Issuances, cancellation, repurchase, resale and repayment of debt and equity securities**

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter under review. As at quarter ended 31 January 2025, a total of 5,492,000 buy-back shares were held as treasury shares and carried at cost.

**8. Dividend paid**

No dividend was paid during the quarter under review.

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## 9. Segment information

The Group's activities are identified into the following business segments:

6 months ended 31 January 2025								
	Trading	Manufac- turing	Property and Investment	Transport- ation	Mining explor- ation	Selling of Electricity	Others/ Elimination	Group
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>SALES</b>								
- External sales	363,750	373,819	(139)	(87)	1,578	11,056	-	749,977
- Intersegment sales	-	22,326	21,250	1,718	-	-	(45,294)	-
<b>Total sales</b>	<b>363,750</b>	<b>396,145</b>	<b>21,111</b>	<b>1,631</b>	<b>1,578</b>	<b>11,056</b>	<b>(45,294)</b>	<b>749,977</b>
<b>RESULTS</b>								
Finance income	552	456	42	9	-	28	-	1,087
Finance costs	7,047	6,275	51	-	-	-	-	13,373
Depreciation & amortisation	247	10,567	1,700	82	518	69	-	13,183
Share of profit of joint venture	-	-	-	-	-	-	67,317	67,317
Segment (loss) / profit	(25,475)	8,627	261	(38)	1,003	1,053	67,317	52,748

6 months ended 31 January 2024								
	Trading	Manufac- turing	Property and Investment	Transport- ation	Mining explor- ation	Selling of Electricity	Others/ Elimination	Group
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>SALES</b>								
- External sales	477,740	379,485	-	54	2,099	7,582	-	866,960
- Intersegment sales	-	14,473	21,724	1,330	-	-	(37,527)	-
<b>Total sales</b>	<b>477,740</b>	<b>393,958</b>	<b>21,724</b>	<b>1,384</b>	<b>2,099</b>	<b>7,582</b>	<b>(37,527)</b>	<b>866,960</b>
<b>RESULTS</b>								
Finance income	446	447	80	23	-	25	-	1,021
Finance costs	6,997	3,858	65	-	-	-	-	10,920
Depreciation & amortisation	266	6,804	1,687	106	699	70	-	9,632
Share of profit of joint venture	-	-	-	-	-	-	(8,172)	(8,172)
Segment profit / (loss)	79	19,507	4,364	(4)	1,354	714	(8,172)	17,842



## 10. Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendments from the previous annual report.

## 11. Significant events

There were no material events subsequent to the end of the interim period up to the date of this report.

## 12. Changes in the composition of the Group

There were no significant changes in the composition of the Group as at the date of this report.

## 13. Changes in contingent liabilities and assets

The Group has no contingent liabilities and assets as at 31 January 2025.

## 14. Capital commitments

The amount of commitments not provided for in the interim financial reports as at 31 January 2025 is as follows:

	<b>RM'000</b>
Property, plant and equipment	
- Authorised and contracted for	7,300
- Authorised but not contracted for	9,500
	<u>16,800</u>

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## 15. Related party transactions

Related party transactions for the quarter under review in which certain Directors have direct/indirect interest are as follows:

	<b>Group</b>	
	<b>Current year quarter</b>	<b>Current year-to- date</b>
	<b>31.01.2025</b>	<b>31.01.2025</b>
	<b>RM'000</b>	<b>RM'000</b>
Purchases of steel products by certain wholly owned subsidiaries of the Group from JK Ji Seng Sdn.Bhd.	68,332	180,005
Rent of office space by Hiap Teck Venture Berhad from Pedoman Cekap Sdn. Bhd.	249	498

These transactions have been entered into in the normal course of business and at arm's length basis and on terms no more favorable to the related party than those generally available to the public and are not detrimental to minority shareholders.

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**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**16. Review of performance**

Table 1: Financial review for current quarter and financial year to date for the quarter ended 31 January 2025.

	Individual Quarter		Changes		Cumulative Quarter		Changes	
	Current Year	Preceding Year	Amount	%	Current Year	Preceding Year	Amount	%
	Quarter	Corresponding Quarter			To-date	Corresponding Period		
	31/01/2025	31/01/2024	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	348,258	459,454	(111,196)	-24%	749,977	866,960	(116,983)	-13%
<b>Gross profit</b>	14,062	34,376	(20,314)	-59%	20,331	54,774	(34,443)	-63%
<b>Profit/(Loss) from operations</b>	337	22,627	(22,290)	-99%	(2,283)	35,913	(38,196)	-106%
<b>Share of profit/(loss) of equity-accounted investees, net of tax</b>	25,335	8,434	16,901	200%	67,317	(8,172)	75,489	924%
<b>Profit before tax</b>	20,346	26,046	(5,700)	-22%	52,748	17,842	34,906	196%
<b>Profit for the period</b>	20,744	21,859	(1,115)	-5%	55,634	12,463	43,171	346%
<b>Profit attributable to:</b>								
Owners of the parent	20,436	21,434	(998)	-5%	55,134	12,002	43,132	359%
Non-controlling interests	308	425	(117)	-28%	500	461	39	8%
	20,744	21,859	(1,115)	-5%	55,634	12,463	43,171	346%

In the current quarter under review, the Group recorded a 24% decrease in revenue to RM348.258 million compared to RM459.454 million in the same period last year. The decline was primarily attributed to lower sales volumes during the Chinese New Year festive season and a reduction in average selling prices.

Revenue from the Trading division fell 32% to RM156.399 million from RM230.088 million, mainly due to lower volumes and reduced average selling prices. Likewise, revenue from the Manufacturing division declined 12% to RM196.694 million from RM224.479 million, reflecting similar impacts from decreased volumes and selling prices.

Overall, profit from operations drop 99% to RM0.337 million from RM22.627 million in the same quarter last year. This decrease was mainly due to lower revenue and compressed margins arising from the downward trend in steel prices.

In contrast, the share of profit from the Joint Venture entity surged to RM25.335 million from RM8.434 million, driven by improved margins and higher revenue from expanded capacity utilisation, despite the unfavourable foreign exchange translation impact.

As a result, the Group posted a lower decline in Profit before tax ("PBT") of 22% to RM20.346 million compared to RM26.046 million in the same quarter last year.

## 17. Comparison with immediate preceding quarter's results

Table 2: Financial review for current quarter compared with immediate preceding quarter.

	Individual Quarter		Changes	
	Current Year Quarter 31/01/2025	Immediate Preceding Quarter 31/10/2024	Amount	%
	RM'000	RM'000	RM'000	%
<b>Revenue</b>	348,258	401,719	(53,461)	-13%
<b>Gross profit</b>	14,062	6,269	7,793	124%
<b>Profit/(Loss) from operations</b>	337	(2,620)	2,957	113%
<b>Share of profit of equity-accounted investees, net of tax</b>	25,335	41,982	(16,647)	-40%
<b>Profit before tax</b>	20,346	32,402	(12,056)	-37%
<b>Profit for the period</b>	20,744	34,890	(14,146)	-41%
<b>Profit attributable to:</b>				
Owners of the parent	20,436	34,698	(14,262)	-41%
Non-controlling interests	308	192	116	60%
	20,744	34,890	(14,146)	-41%

In the current quarter, the Group's revenue declined by 13% compared to RM348.258 million from RM401.719 million in the immediate preceding quarter, primarily due to lower sales volumes following seasonal demand slowdown during the Chinese New Year festival.

Profit from operations for the Group rose to RM0.337 million in the current quarter, compared to a loss of RM2.620 million in the preceding quarter, mainly attributable to a reduced loss from the trading division and the commendable performance of the scaffolding business.

However, Group PBT decreased by 37% to RM20.346 million from RM32.402 million in the previous quarter, largely due to a lower contribution from the Joint Venture entity, which reported RM25.335 million compared to RM41.982 million in the previous quarter. The decline in the share of Joint Venture entity's profit was mainly attributed to unfavourable foreign exchange translation impacts despite achieving a stronger operating profit margin.

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## **18. Prospects**

The global steel industry faces heightened uncertainty due to recent policy developments. The U.S. has announced a 25% tariff on all steel and aluminium imports, took effect on March 12, 2025. This policy shift is expected to disrupt international trade dynamics, potentially leading to supply chain adjustments and increased market volatility.

Meanwhile, in March 2025, China announced a robust growth target of around 5% for its economy in 2025 and has also pledged to continue curbing crude steel production while promoting the consolidation of the steel industry in conjunction with capacity reduction. These provide some optimism to the industry and may help in its recovery.

Domestically, Malaysia's economy grew by 5.0% in Q4 2024, bringing the full-year GDP growth to 5.1%, supported by robust domestic demand and investment. Bank Negara Malaysia (BNM) forecasts GDP growth of 4.5% to 5.5% in 2025, with inflation expected to remain manageable despite planned subsidy rationalisations. The government's fiscal measures, including petrol subsidy restructuring and new taxes, aim to support long-term economic stability.

In November 2023, the Ministry of International Trade and Industry (MITI) implemented a two-year moratorium to reassess and update the strategic direction of the steel industry, aiming to enhance its competitiveness and sustainability. This moratorium was extended in February 2025 to provide further support amid ongoing global challenges. The Malaysian Iron and Steel Industry Federation (MISIF) has expressed concerns that the new U.S. tariffs may divert steel exports towards Southeast Asia, including Malaysia, potentially leading to market saturation and price pressures. MISIF emphasises the need for the Malaysian government to enhance anti-dumping measures to protect the domestic steel industry from an influx of cheaper imports.

Operationally, the Joint Venture entity's 1450mm Hot Rolled Coil (HRC) project commenced production in January 2025, enriching the Group's product portfolio and bolstering competitiveness in both domestic and regional markets. As the Trading division faces challenges due to subdued steel prices, the Group will continue to focus and optimise the Manufacturing division, in particular, the downstream scaffolding business where there is space for further robust growth. Nonetheless, the Group remains committed to enhancing operational efficiency, optimising costs, and leveraging strategic investments to navigate the evolving market dynamics. While uncertainties persist, these strategic initiatives position the Group to adapt effectively to market challenges and capitalise on emerging opportunities.

## **19. Variance of actual and forecast profit**

Not applicable.

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## 20. Tax

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding Year Corresponding Quarter	Current year-to-date	Preceding Year Corresponding Period
	31.01.2025	31.01.2024	31.01.2025	31.01.2024
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current year	2,092	2,009	3,579	3,787
- prior year	-	-	(31)	(421)
Deferred tax				
- current year	(2,490)	2,178	(6,434)	2,153
- prior year	-	-	-	(140)
	(398)	4,187	(2,886)	5,379

The Group's effective tax rate for the current year-to-date was marginally higher than the statutory income tax rate after excluding the share of profit of the joint venture due to losses incurred by certain subsidiaries where no group relief on losses were available.

## 21. Status of corporate proposal

There was no corporate proposal as at the date of this announcement.

## 22. Loans and borrowings

The Group's borrowings are as follows:

	As at 31.01.2025	As at 31.07.2024
	RM'000	RM'000
<b>Long-Term</b>		
Term loan	16,081	-
<b>Short-Term</b>		
Bankers' acceptances	274,156	317,755
Post shipment buyer loan	71,693	55,711
Accepted bills	128,657	142,973
Revolving credit	50,000	49,062
Term loan	1,504	-
	573,532	565,501
<b>Total</b>	<b>589,613</b>	<b>565,501</b>

All borrowings are secured by corporate guarantees of the Company. The financial impact of the guarantees is not material as the subsidiaries concerned are in positive financial standings to meet their obligations as and when they fall due.

### 23. Material litigation

There is no material litigation for the quarter under review.

### 24. Dividend

The Board of Directors does not recommend any dividend for the period under review.

### 25. Earnings per share (“EPS”)

The basic earnings per share is calculated by dividing the Group’s net profit attributable to ordinary equity holders for the period by the weighted average number of ordinary shares in issue.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2025	Preceding Year Corresponding Quarter 31.01.2024	Current Year To-Date 31.01.2025	Preceding Year Corresponding Period 31.01.2024
Profit attributable to owners of the parent (RM'000)	20,436	21,434	55,134	12,002
Weighted average number of ordinary shares in issue ('000)	1,742,230	1,742,230	1,742,230	1,742,230
<b>Basic earnings per share (sen)</b>	<b>1.17</b>	<b>1.23</b>	<b>3.16</b>	<b>0.69</b>

The Group does not have in issue any financial instrument or other contract that may entitle its holder to ordinary shares and therefore, dilutive to its basic earnings per share.

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## 26. Profit from operations

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2025 RM'000	Preceding Year Corresponding Quarter 31.01.2024 RM'000	Current Year-to-date 31.01.2025 RM'000	Preceding Year Corresponding Period 31.01.2024 RM'000
<b><i>Profit for the period is arrived at after charging:</i></b>				
Allowance for impairment loss on trade receivables	-	604	-	604
Depreciation of property, plant and equipment	6,849	4,627	12,588	9,037
Depreciation of investment properties	71	71	141	141
Depreciation of right-of-use assets	227	227	454	454
Finance costs	5,953	5,534	13,373	10,920
Reversal of inventories to net realisable value	-	(3,000)	-	(4,630)
Property, plant and equipment written off	17	1	17	28
<b><i>and after crediting / (charging):</i></b>				
Gain on disposal of property, plant and equipment	855	772	1,903	1,560
Gain on disposal of investment properties	-	32	-	32
Fair value (loss)/gain on foreign exchange derivative	(112)	(242)	2,629	1,844
Finance income:				
Other investments	14	39	27	69
Deposits with licensed banks	614	480	1,061	952
Net foreign exchange (loss)/gain				
Realised	(739)	(115)	(881)	544
Unrealised	441	(134)	419	704
Rental income	259	259	518	518
Share of profit/(loss) of equity-accounted joint venture, net of tax	25,335	8,434	67,317	(8,172)

## 27. Authorisation for Issue

The Interim Financial Statements were authorised for issue by the Board of Directors on 27 March 2025.