

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2025
(THE FIGURES HAVE NOT BEEN AUDITED)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2025

		3 MONTHS ENDED		PERIOD ENDED	
	Note	30/6/2025	30/6/2024	30/6/2025	30/6/2024
		RM'000	RM'000	RM'000	RM'000
Revenue		240,752	238,735	479,622	486,913
Cost of sales		(181,933)	(182,699)	(365,235)	(375,112)
Gross profit		58,819	56,036	114,387	111,801
Other income		3,296	4,355	6,364	10,376
Selling & marketing expenses		(25,811)	(24,583)	(51,382)	(51,146)
Administrative expenses		(8,226)	(7,429)	(16,148)	(15,303)
Other expenses		(335)	(133)	(675)	(548)
Operating profit		27,743	28,246	52,546	55,180
Finance costs		(511)	(164)	(1,052)	(280)
Share of results of associated companies		(2,640)	999	(4,205)	476
Profit before tax	A7	24,592	29,081	47,289	55,376
Income tax expense	B6	(5,774)	(5,438)	(10,887)	(10,524)
Net profit for the period		18,818	23,643	36,402	44,852
Other comprehensive income:					
Exchange differences on translation of foreign operations, net of tax		(3)	(4)	(5)	4,921
Total comprehensive income for the period		18,815	23,639	36,397	49,773
Net profit attributable to:					
Equity owners of the parent		18,818	23,643	36,402	44,852
Total comprehensive income attributable to:					
Equity owners of the parent		18,815	23,639	36,397	49,773
Earnings per share attributable to owners of the parent:		Sen	Sen	Sen	Sen
- Basic	B11	2.63	3.31	5.09	6.27
- Diluted	B11	2.63	3.30	5.09	6.26

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

	Note	As at 30/6/2025 RM'000	As at 31/12/2024 RM'000 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment	A12	248,842	255,658
Investment properties		14,806	9,070
Intangible assets	A13	9,368	9,144
Right-of-use assets		8,229	9,213
Investments in associated companies		159,681	183,886
Other Investment		994	726
Deferred tax assets		1,035	692
		<u>442,955</u>	<u>468,389</u>
Current Assets			
Inventories		141,010	132,353
Receivables		202,600	192,492
Prepayments		4,143	1,544
Tax recoverable		87	88
Derivative financial instruments	A16 & B12	5	-
Deposits, bank and cash balances		<u>227,616</u>	<u>214,020</u>
		<u>575,461</u>	<u>540,497</u>
TOTAL ASSETS		<u>1,018,416</u>	<u>1,008,886</u>
EQUITY AND LIABILITIES			
Current Liabilities			
Payables		145,653	149,295
Borrowings	B8	7,143	7,143
Lease liabilities		2,186	2,089
Derivative financial instruments	A16 & B12	-	6
Current tax payable		<u>4,713</u>	<u>4,480</u>
		<u>159,695</u>	<u>163,013</u>
Non-Current Liabilities			
Borrowings	B8	36,309	39,881
Lease liabilities		6,716	7,718
Deferred tax liabilities		<u>10,590</u>	<u>8,654</u>
		<u>53,615</u>	<u>56,253</u>
TOTAL LIABILITIES		<u>213,310</u>	<u>219,266</u>
NET ASSETS		<u>805,106</u>	<u>789,620</u>
EQUITY			
Equity attributable to owners of the parent			
Share capital		137,465	137,137
Reserves		18,903	18,570
Retained earnings		<u>648,738</u>	<u>633,913</u>
		<u>805,106</u>	<u>789,620</u>
TOTAL EQUITY		<u>805,106</u>	<u>789,620</u>
		RM	RM
Net Assets per share attributable to owners of the parent		<u>1.13</u>	<u>1.10</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2025
(THE FIGURES HAVE NOT BEEN AUDITED)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2025

		← Non-Distributable →		Distributable		
	Note	Share Capital RM'000	Share option reserve RM'000	Foreign currency translation reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
PERIOD ENDED 30 JUNE 2025						
Balance at 1 January 2025		137,137	1,462	17,108	633,913	789,620
Total comprehensive income		-	-	(5)	36,402	36,397
Share options granted		-	448	-	-	448
Share options lapsed		-	(34)	-	34	-
Transfer to share capital for share options exercised		76	(76)	-	-	-
Transaction with owners						
Dividends on ordinary shares	A8	-	-	-	(21,611)	(21,611)
Issuance of ordinary share pursuant to ESOS		252	-	-	-	252
Total transaction with owners		252	-	-	(21,611)	(21,359)
Balance as at 30 June 2025		137,465	1,800	17,103	648,738	805,106
PERIOD ENDED 30 JUNE 2024						
Balance at 1 January 2024		133,287	1,540	20,967	762,480	918,274
Total comprehensive income		-	-	4,921	44,852	49,773
Share options granted		-	362	-	-	362
Share options lapsed		-	(15)	-	15	-
Transfer to share capital for share options exercised		622	(622)	-	-	-
Transaction with owners						
Dividends on ordinary shares	A8	-	-	-	(161,921)	(161,921)
Issuance of ordinary share pursuant to ESOS		1,888	-	-	-	1,888
Total transaction with owners		1,888	-	-	(161,921)	(160,033)
Balance as at 30 June 2024		135,797	1,265	25,888	645,426	808,376

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2025
(THE FIGURES HAVE NOT BEEN AUDITED)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 JUNE 2025

	PERIOD ENDED	
	30/6/2025	30/6/2024
	RM'000	RM'000
Operating activities		
Profit before tax	47,289	55,376
Adjustments for:		
Depreciation and amortisation	10,673	9,449
Net profit on disposal of property, plant and equipment	(51)	(188)
Property, plant and equipment written off	4	-
Share of results of associated companies	4,205	(476)
Fair value changes of derivative financial instruments	(11)	10
Share options granted	448	362
Depreciation of right-of-use assets	1,092	763
Lease interest expense	214	213
Inventories written off/written down net of reversals	127	100
Impairment on receivables net of reversals	(360)	(276)
Interest expense	838	67
Interest income	(2,472)	(5,236)
Operating cash flows before changes in working capital	61,996	60,164
Inventories	(8,784)	(7,718)
Receivables	(12,347)	(9,989)
Payables	(3,642)	(26,506)
Cash generated from operations	37,223	15,951
Tax paid	(9,060)	(8,405)
Net cash flows generated from operating activities	28,163	7,546
Investing activities		
Investment in trust fund	(268)	-
Purchase of property, plant and equipment & intangible assets	(9,883)	(19,046)
Proceeds from disposal of property, plant and equipment	108	307
Proceeds from disposal of investment in trust fund	-	497
(Placement in)/withdrawal from short term deposit	(2)	895
Dividend from associated company	20,000	-
Interest received	2,472	5,236
Net cash flows generated from/(used in) investing activities	12,427	(12,111)
Financing activities		
Proceeds from issuance of shares under ESOS	252	1,887
Repayment of term loans	(3,571)	(2,929)
Dividends paid	(21,611)	(161,921)
Interest paid	(838)	(67)
Payment of lease liabilities	(1,228)	(802)
Net cash flows used in financing activities	(26,996)	(163,832)
Net increase/(decrease) in cash and cash equivalents	13,594	(168,397)
Cash and cash equivalents at 1 January	212,219	380,321
Effect of exchange rate changes on cash and cash equivalents	-	2,411
Cash and cash equivalents at the end of the financial period	225,813	214,335

Included in the deposits, bank and cash balances was RM 1,803,000 (30 June 2024: RM 1,753,000) placed with money market fund held for investment purposes and deposits with licensed banks with tenure more than 3 months. Both of these do not form part of cash and cash equivalents.

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2025
(THE FIGURES HAVE NOT BEEN AUDITED)
A NOTES PURSUANT TO MFRS 134 FOR THE PERIOD ENDED 30 JUNE 2025
A1 Basis of preparation

These unaudited condensed consolidated interim financial statements for the period ended 30 June 2025 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 unaudited condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. It should be read in conjunction with the Group's most recent audited financial statements for the year ended 31 December 2024.

These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial assets and liabilities classified as financial assets and liabilities at fair value through profit or loss, other comprehensive income and financial assets designated as available for sale.

A2 Significant accounting policies

The significant accounting policies adopted in preparing these unaudited condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2024 except for the adoption of the following standards, wherever applicable to the Group and Company:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 7 and MFRS 9: Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 7 and MFRS 9: Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The initial application of the abovementioned standards and amendments do not have any material impacts to the current and prior periods financial statements upon their first adoption.

A3 Seasonality or cyclicity of interim operations

The Group's interim operations are not affected materially by any seasonal or cyclical factors.

A4 Unusual items

There were no unusual items that affected the assets, liabilities, equity, net income or cash flows for the period ended 30 June 2025.

A5 Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial year

There were no changes in estimates of amounts reported in the prior interim periods of the current financial year or in prior financial year.

A6 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the second quarter ended 30 June 2025 except for the issuance of 148,500 new ordinary shares pursuant to the exercise of options under the Executive Share Options Scheme ('ESOS').

A7 Profit before tax

Included in profit before tax are the following items:

	3 MONTHS ENDED		PERIOD ENDED	
	30/6/2025	30/6/2024	30/6/2025	30/6/2024
	RM'000	RM'000	RM'000	RM'000
Interest income	1,231	2,392	2,472	5,236
Other income including investment income	1,567	1,893	3,191	3,871
Interest expense	(406)	(28)	(838)	(67)
Depreciation and amortisation	(5,383)	(4,785)	(10,673)	(9,449)
Depreciation of right-of-use assets	(548)	(517)	(1,092)	(763)
Impairment on receivables net of reversals	(20)	(19)	360	276
Inventories written off/written down net of reversals	(38)	(41)	(127)	(100)
Net profit on disposal of property, plant and equipment	13	61	51	188
Property, plant and equipment written off	(4)	-	(4)	-
Fair value changes of derivative financial instruments	(13)	4	11	(10)
Foreign exchange gain/(loss)	425	(97)	480	850

A8 Dividends paid and declared

The amount of dividends paid during the current and previous years were as follows:

	30/6/2025	30/6/2024
	RM'000	RM'000
In respect of the financial year ended 31 December:		
2024: Final single-tier dividend comprising 3.00 sen per share paid on 16-June-25	21,611	-
2023: Final single-tier dividend comprising 2.50 sen per share paid on 29-May-24	-	17,991
2023: Special dividend comprising 20.0 sen per share paid on 29-May-24	-	143,930
	<u>21,611</u>	<u>161,921</u>

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2025
(THE FIGURES HAVE NOT BEEN AUDITED)
A NOTES PURSUANT TO MFRS 134 FOR THE PERIOD ENDED 30 JUNE 2025 (continued)
A9 Segment Information

The Group is organised into three main business units based on their activities, and has three reportable operating segments as follows:

- (i) Manufacturing of pharmaceutical products ('Manufacturing');
- (ii) Distribution of pharmaceutical and healthcare products ('Distribution'); and
- (iii) Corporate comprising investments, properties and others ('Corporate').

OPERATING SEGMENTS
PERIOD ENDED 30/6/2025

	Manufacturing RM'000	Distribution RM'000	Corporate RM'000	Adjustments RM'000	GROUP RM'000
External Revenue	41,550	437,826	246	-	479,622
Inter-segment revenue	96,796	7	10,238	(107,041)	-
Total Revenue	138,346	437,833	10,484	(107,041)	479,622
Segment Results	38,223	15,235	(3,469)	(1,648)	48,341
Finance costs					(1,052)
Profit before tax					47,289

PERIOD ENDED 30/6/2024

External Revenue	47,687	439,074	152	-	486,913
Inter-segment revenue	91,866	41	10,083	(101,990)	-
Total Revenue	139,553	439,115	10,235	(101,990)	486,913
Segment Results	39,734	15,524	1,748	(1,350)	55,656
Finance costs					(280)
Profit before tax					55,376

Segment assets

30-Jun-2025	344,964	372,780	308,659	(7,987)	1,018,416
31-Dec-2024	322,228	367,078	327,997	(8,417)	1,008,886

Segment liabilities

30-Jun-2025	(78,452)	(117,326)	(2,228)	(15,304)	(213,310)
31-Dec-2024	(79,508)	(120,785)	(5,839)	(13,134)	(219,266)

A10 Significant Events After the Reporting Date

There were no significant events that had arisen subsequent to the end of this current period.

A11 Changes in Group Composition

The Group did not undertake any business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinuation of operations during the current quarter ended 30 June 2025.

A12 Property, plant and equipment

During the current quarter ended 30 June 2025, the capital expenditure paid by the Group was RM 4.8 million (30 June 2024: RM 15.8 million).

Asset with carrying amount of RM Nil was disposed by the Group during the current quarter ended 30 June 2025 (30 June 2024: RM Nil) and resulting in a net disposal gain of RM 13,000 (30 June 2024: RM 61,000).

There was no material asset written off in the current quarter and the corresponding quarter in the previous year.

A13 Intangible assets

There was no intangible asset written off in the current quarter and the corresponding quarter in the previous year.

A14 Capital Commitments

Capital commitments of property, plant and equipment not provided for in the financial statements as at 30 June 2025 are as follows:

	RM'000
Authorised capital expenditure approved and contracted for	9,828
Authorised capital expenditure approved but not contracted for	20,441
	30,269

A15 Related Party Transactions

The Group did not have any significant transactions with related parties during the period ended 30 June 2025 in addition to the related party transactions disclosed in the audited financial statements for the year ended 31 December 2024.

A NOTES PURSUANT TO MFRS 134 FOR THE PERIOD ENDED 30 JUNE 2025 (continued)

A16 Fair value hierarchy

The Group uses the following level of fair value hierarchy for determining the fair value of its financial instruments carried at fair value.

	30/6/2025 RM'000	31/12/2024 RM'000
Financial assets/(liabilities):		
Other investment	(Level 2) 994	726
Derivatives - Forward currency contracts	5	(6)

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There have been no transfers between the fair value hierarchy during the current interim period and financial year ended 2025 and 2024.

A17 Changes in Contingent liabilities or Contingent assets

There were no contingent liabilities or contingent assets of the Group since the end of the last annual reporting date.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2025
(THE FIGURES HAVE NOT BEEN AUDITED)
B NOTES PURSUANT TO BURSA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A
B1 Detailed Performance Analysis of Operating Segments of the Group

	Individual Period		Changes	Cumulative Period		Changes
	Current Year	Preceding Year		Current Year	Preceding Year	
	Quarter	Corresponding Quarter		To-date	To-date	
	30/6/2025	30/6/2024		30/6/2025	30/6/2024	
	RM'000	RM'000	(%)	RM'000	RM'000	(%)
Revenue	240,752	238,735	0.8%	479,622	486,913	(1.5%)
EBITDA (excluding share of results of associated companies)	32,443	31,157	4.1%	61,840	60,156	2.8%
Operating Profit	27,743	28,246	(1.8%)	52,546	55,180	(4.8%)
Share of results of associated companies	(2,640)	999	(364.3%)	(4,205)	476	(983.4%)
Finance Cost	(511)	(164)	211.6%	(1,052)	(280)	275.7%
Profit Before Tax	24,592	29,081	(15.4%)	47,289	55,376	(14.6%)
Profit After Tax	18,818	23,643	(20.4%)	36,402	44,852	(18.8%)

Review of Current Quarter Performance versus Corresponding Quarter Last Year

For Q2 2025, the Group achieved consolidated revenue of RM 240.8 million, 0.8% higher than the RM 238.7 million reported in Q2 2024. Sales of pharmaceuticals, consumer healthcare products, and medical devices to both private and public sector customers were resilient in the second quarter across key markets. However, revenue growth was moderated by the stronger Malaysian Ringgit, which negatively affected the translation of revenue from subsidiaries in Singapore. Further, the recovery in Malaysian public sector sales in the second quarter was offset by lower revenue from certain distribution agencies, whose sales and marketing activities are not managed by the Group.

Earnings before Interest, Taxation, Depreciation and Amortization ('EBITDA') and associates reached RM 32.4 million, 4.1% higher than the same period in 2024 and 10.4% better than the RM 29.4 million achieved in the first quarter of 2025.

Operating profit from Group subsidiary companies for Q2 2025 amounted to RM 27.7 million, 1.8% lower than the RM 28.2 million reported in Q2 2024, due largely to the impact of depreciation and amortization charges from Cheng 2 and Techlink, both of which were assets acquired in the second half of 2024 to support longer term business growth.

Share of loss from 40% associate Straits Apex Group Sdn Bhd ('SAG') for the quarter is RM 2.6 million, compared to a contribution of RM 1.0 million recognized in the same period last year. From the perspective of business operations, performance was impacted by slower than expected recovery in orders and higher operating expenses arising from the relocation and consolidation of operations at the new manufacturing campus at Batu Kawan Industrial Estate. Further, the Group continues to recognize its share of reinvestment related financing costs and amortization of intangible assets as previously explained.

Group profit before tax for the second quarter is RM 24.6 million, 15.4% lower than the RM 29.1 million reported for Q2 2024, due largely to losses from associate SAG. For the same reason, Group profit after tax for the second quarter of RM 18.8 million is 20.4% lower than the same period last year.

Review of Year To Date Performance versus Corresponding Last Year

In the first half of 2025, the Group's subsidiary companies generated consolidated revenue of RM 479.6 million, representing a 1.5% decrease compared to RM 486.9 million in the same period of 2024. This marks an improvement from the sharper 3.8% decline reported at the end of the first quarter. Reported group consolidated revenue from the sales of pharmaceuticals, consumer healthcare products, and medical devices for the period was affected by the stronger Malaysian Ringgit which adversely impacted the translation of revenue from Singapore based subsidiaries. Although public sector sales in Malaysia recovered in the second quarter, this was partially offset by weaker performance from certain distribution agencies and contract manufacturing, whose sales and marketing activities are not directly managed by the Group.

In the first half year, the Group continued to drive launches of new products, a key strategic growth initiative. A total of 10 new products were successfully brought to market, comprising an equal number of pharmaceutical and consumer healthcare products.

Earnings before Interest, Taxation, Depreciation and Amortization ('EBITDA') and associates reached RM 61.8 million, 2.8% higher than H1 2024. Operating profit from Group subsidiary companies for H1 2024 of RM 52.5 million is 4.8% lower than the RM 55.2 million recorded for H1 2024, due mainly to the impact of depreciation and amortization charges from Cheng 2 and Techlink as explained above.

Share of loss from associate company SAG for the first half year is RM 4.2 million, compared to a positive contribution of RM 0.5 million in 2024. The loss is primarily attributable to the slower-than-anticipated recovery in customer orders, higher operating expenses as well as SAG's continued recognition of amortization and financing costs associated with its divestment of a 60% equity interest in Straits Apex Sdn Bhd ('SA') in May 2023 (the 'Straits Divestment').

With the increased loss from associate SAG, Group profit before tax for the first half year declined 14.6% to RM 47.3 million from RM 55.4 million achieved in H1 2024. For the same reason, profit after tax for the first half year is also lower at RM 36.4 million when compared to the RM 44.9 million recorded for the same period in 2024.

The Board of Directors is pleased to declare an interim dividend of 3.00 sen per share. In addition, a special dividend of 3.00 sen per share has also been declared, following the receipt of further dividends from SAG, a 40% associate company. Both dividends will be paid on 19 September 2025, with the entitlement date set for 8 September 2025.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2025
(THE FIGURES HAVE NOT BEEN AUDITED)
B NOTES PURSUANT TO BURSA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A (continued)
B2 Material Changes in the Profit Before Tax for the Quarter

	Current Quarter 30/6/2025	Immediate Preceding Quarter 31/3/2025	Changes	
	RM'000	RM'000	RM'000	(%)
Revenue	240,752	238,870	1,882	0.8%
EBITDA (excluding share of results of associated companies)	32,443	29,397	3,046	10.4%
Operating Profit	27,743	24,803	2,940	11.9%
Share of results of associated companies	(2,640)	(1,565)	1,075	68.7%
Finance Cost	(511)	(541)	(30)	(5.5%)
Profit Before Tax	24,592	22,697	1,895	8.3%
Profit After Tax	18,818	17,584	1,234	7.0%

Profit before tax in the current quarter of RM 24.6 million is 8.3% better than the preceding quarter. This is due to improved revenue and a greater mix of higher margin products in the sales mix.

B3 Commentary
a Prospects

The Group's core pharmaceutical manufacturing and distribution businesses continue to perform steadily in the first half of 2025, driven by the Group's commitment to sales growth, new product development, brand management, customer service and operational efficiency. Demand for pharmaceuticals, consumer healthcare products and medical devices remained firm in the first half of 2024 and is expected to remain relatively resilient in the second half of 2025, despite mounting global economic uncertainties and new trade barriers.

The Group remains confident that its increased investments in its pipeline of new products, digital capabilities, diversified distribution models and dedicated workforce will support continued growth and help navigate any unforeseen external challenges. Supported by a strong balance sheet and a net cash position, the Group is well-equipped to swiftly navigate evolving market conditions and leverage emerging prospects. Barring any unforeseen market instability, the Group is confident that its strategic initiatives will support the delivery of a satisfactory performance in 2025.

b Progress to achieve forecast revenue or profit estimate

Not applicable.

B4 Statement by the Board of Directors' opinion on the achievability of forecast revenue or profit estimate

Not applicable.

B5 Profit Forecast /Profit Guarantee

Not applicable.

B6 Income Tax Expense

	3 MONTHS ENDED		PERIOD ENDED	
	30/6/2025 RM'000	30/6/2024 RM'000	30/6/2025 RM'000	30/6/2024 RM'000
In respect of current period:				
Income tax	4,403	4,225	8,541	9,089
Deferred tax	766	373	1,593	(26)
Foreign tax	605	840	753	1,461
	<u>5,774</u>	<u>5,438</u>	<u>10,887</u>	<u>10,524</u>

The effective tax rate (excluding share of results of associated companies) for current quarter and current year increased from previous year corresponding quarter due to the expiry of Reinvestment Allowance and provision for deferred tax arising from the recognition of right-of-use assets.

B7 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 12 August 2025.

B8 Group Borrowings and Debt Securities

	As at 30/6/2025		
	Long Term	Short Term	Total Borrowings
	RM'000	RM'000	RM'000
Secured			
Secured bank loans	36,309	7,143	43,452
	As at 31/12/2024		
	Long Term	Short Term	Total Borrowings
	RM'000	RM'000	RM'000
Secured			
Secured bank loans	39,881	7,143	47,024

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2025
(THE FIGURES HAVE NOT BEEN AUDITED)
B NOTES PURSUANT TO BURSA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A (continued)
B8 Group Borrowings and Debt Securities (continued)

The bank borrowings is to part finance the acquisition of Cheng 2 by Xepa-Soul Pattinson (M) Sdn Bhd, a wholly-owned subsidiary of the Company. The loan is denominated in Ringgit Malaysia and secured by a Corporate Guarantee provided by the Company. The interest rates are tagged to a percentage margin above one-month KLIBOR. Other than the principal repayments, there were no material changes in the amount of borrowings at the end of the current quarter compared to the end of the previous financial year ended 31 December 2024.

B9 Material Litigation

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

B10 Dividend Payable

- a The Board of Directors is pleased to declare an interim single-tier dividend of 3.00 sen (Year 2024: 3.00 sen per share) and a special single-tier dividend of 3.00 sen per share (Year 2024: No special dividend) in respect of the financial year ending 31 December 2025, resulting in a total dividend to-date for the current financial year of 6.00 sen per share. (Year 2024: 3.00 sen per share).
- b The interim and special single-tier dividend will be paid on 19 September 2025 and the entitlement date is 8 September 2025.

B11 Earnings per share

The following reflect the profit and share data used in the computation of basic and diluted earnings per share:

		3 MONTHS ENDED		PERIOD ENDED	
		30/6/2025	30/6/2024	30/6/2025	30/6/2024
<u>Basic Earnings per share</u>					
Profit after tax	RM'000	18,818	23,643	36,402	44,852
Weighted average number of ordinary shares in issue	'000	715,396	715,177	715,396	715,177
Basic earnings per share	sen	2.63	3.31	5.09	6.27
<u>Diluted Earnings per share</u>					
Profit after tax	RM'000	18,818	23,643	36,402	44,852
Weighted average number of ordinary shares in issue	'000	715,396	715,177	715,396	715,177
Effect of dilution-Share options	'000	19	401	19	401
Adjusted weighted average number of ordinary shares in issue	'000	715,415	715,578	715,415	715,578
Diluted earnings per share	sen	2.63	3.30	5.09	6.26

B12 Derivative Financial Instruments

The Group is exposed to foreign currency exchange risk as a result of foreign currency transactions entered into currencies other than their functional currencies by the subsidiary companies. These companies enter into short-term forward foreign exchange contracts to manage their exposure to fluctuations in foreign currency exchange rates on specific transactions arising from trade receivables and payables.

Type of Derivatives	Contract/ Notional Value	Fair Value
	30/6/2025 RM'000	30/6/2025 RM'000
i) Forward Foreign Currency Contract entered into for the purchase of goods from foreign contract manufacturers or suppliers - Less than 1 year	(147)	(142)
	(147)	(142)

No derivative was entered into by the Company which has not been disclosed in the preceding financial year or any quarters in the current financial year. Since the end of the previous financial year or any quarters in the current financial year, there was no change in any of the information disclosed in respect of the following:

- a The credit risk, market risk and liquidity risks associated with the derivatives;
- b The policies in place for mitigating or controlling the risks associated with these derivatives;
- c The related accounting policies.

The net cash requirements relating to these contracts was RM 147,000.

B13 Fair Value Changes of Financial Assets

As at 30 June 2025, the Group did not have any significant financial assets measured at fair value through profit or loss and other comprehensive income other than the disclosure in note A16.

B14 Auditors' report on preceding annual financial statements

The Auditors' report on the Group's financial statements for the year ended 31 December 2024 was not qualified.

Authorisation for issue

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors dated 20 August 2025.