

**HIAP TECK VENTURE BERHAD**  
 (Registration No. 199701005844 (421340-U))  
**SUMMARY OF KEY FINANCIAL INFORMATION (UNAUDITED)**  
**THIRD QUARTER ENDED 30 APRIL 2025**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CURRENT YEAR TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/04/2025	30/04/2024	30/04/2025	30/04/2024
	RM'000	RM'000	RM'000	RM'000
1 Revenue	344,836	399,676	1,094,813	1,266,636
2 Profit before tax	36,273	50,739	89,021	68,581
3 Profit for the period	34,727	47,247	90,361	59,710
4 Profit attributable to owners of the parent	34,275	46,818	89,409	58,820
5 Basic earnings per share (sen)	1.97	2.69	5.13	3.38
6 Proposed/Declared dividend per share (sen)	-	-	-	-
		AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR	
7 Net assets per share attributable to ordinary equity holders of the parent (RM)		0.8417	0.7948	
<b>ADDITIONAL INFORMATION</b>				
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CURRENT YEAR TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/04/2025	30/04/2024	30/04/2025	30/04/2024
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	453	607	1,540	1,628
2 Gross interest expense	5,068	7,264	18,441	18,184

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

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for third quarter ended 30 April 2025**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	30/04/2025	30/04/2024	30/04/2025	30/04/2024
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>	344,836	399,676	1,094,813	1,266,636
Cost of Sales	(331,162)	(369,580)	(1,060,808)	(1,181,766)
Gross Profit	13,674	30,096	34,005	84,870
Other Income	(15)	1,055	3,219	7,649
Operating Expenses	(13,623)	(11,461)	(39,471)	(36,916)
Profit/(Loss) from Operations	36	19,690	(2,247)	55,603
Finance Costs	(5,068)	(7,264)	(18,441)	(18,184)
Finance Income	453	607	1,540	1,628
Share of profit of equity-accounted investees, net of tax	40,852	37,706	108,169	29,534
<b>Profit Before Tax</b>	36,273	50,739	89,021	68,581
Tax income/(expense)	(1,546)	(3,492)	1,340	(8,871)
<b>Profit for the Period</b>	<b>34,727</b>	<b>47,247</b>	<b>90,361</b>	<b>59,710</b>
<b>Other Comprehensive (Loss)/Income</b>				
Fair value profit on other investments	-	153	-	11
Foreign currency translation differences for foreign operations	3	(2)	37	11
	3	151	37	22
<b>Total Comprehensive Income</b>	<b>34,730</b>	<b>47,398</b>	<b>90,398</b>	<b>59,732</b>
<b>Profit Attributable to:</b>				
Owners of the parent	34,275	46,818	89,409	58,820
Non-Controlling Interests	452	429	952	890
	<b>34,727</b>	<b>47,247</b>	<b>90,361</b>	<b>59,710</b>
<b>Total Comprehensive Income Attributable to:</b>				
Owners of the parent	34,278	46,969	89,446	58,842
Non-Controlling Interests	452	429	952	890
	<b>34,730</b>	<b>47,398</b>	<b>90,398</b>	<b>59,732</b>
Earnings Per Share (EPS)				
(a) Basic (sen)	1.97	2.69	5.13	3.38
(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 30 April 2025**

	30/04/2025 (Unaudited)	31/07/2024 (Audited)
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	344,160	303,243
Right-of-use assets	2,571	3,252
Investment properties	55,337	9,869
Investment in joint venture	833,040	724,871
Other investments	140	140
Deferred tax assets	9,057	4,737
Other receivables	-	34,745
	<u>1,244,305</u>	<u>1,080,857</u>
<b>Current assets</b>		
Inventories	334,563	492,074
Trade and other receivables	329,283	412,574
Derivative financial assets	106	244
Current tax assets	13,360	11,304
Other investments	5,748	4,728
Cash and cash equivalents	73,409	93,881
	<u>756,469</u>	<u>1,014,805</u>
<b>Total assets</b>	<b><u>2,000,774</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	(316)	(353)
Retained earnings	599,805	519,107
	<b><u>1,464,644</u></b>	<b><u>1,383,909</u></b>
Non-Controlling Interests	1,706	754
<b>Total equity</b>	<b><u>1,466,350</u></b>	<b><u>1,384,663</u></b>
<b>Non-current liabilities</b>		
Loans and borrowings	29,371	-
Lease liabilities	1,771	2,458
Deferred tax liabilities	11,377	13,512
	<u>42,518</u>	<u>15,970</u>
<b>Current liabilities</b>		
Loans and borrowings	439,432	565,501
Trade and other payables	49,185	118,115
Lease liabilities	1,005	908
Derivative liabilities	-	2,803
Contract liabilities	-	6,381
Current tax payable	2,283	1,321
	<u>491,906</u>	<u>695,029</u>
<b>Total liabilities</b>	<b><u>534,424</u></b>	<b><u>710,999</u></b>
<b>Total equity and liabilities</b>	<b><u>2,000,774</u></b>	<b><u>2,095,662</u></b>
Net assets per share attributable to owners of the parent (RM)	0.8417	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.

**Condensed Consolidated Statements of Cash Flows for the period ended 30 April 2025**

	Current Year To-date 30/04/2025	Preceding Year Corresponding Period 30/04/2024
	RM'000	RM'000
<b><u>Operating Activities</u></b>		
Profit Before Tax	89,021	68,581
Adjustments for:		
Allowance for impairment loss on trade receivables	-	604
Dividend income	-	(43)
Depreciation of investment properties	211	211
Depreciation of property, plant and equipment	20,259	13,940
Depreciation of right-of-use assets	681	681
Fair value gain on foreign exchange derivative	(2,665)	(1,844)
Finance income:		
Other investments	(38)	(82)
Deposits with licensed banks	(1,502)	(1,546)
Gain on disposal of property, plant and equipment	(2,323)	(2,390)
Gain on disposal of investment properties	-	(30)
Finance costs	18,441	18,184
Net unrealised foreign exchange gain	(387)	(525)
Property, plant and equipment written off	19	30
Reversal of inventories to net realisable value	-	(4,630)
Share of profit of equity-accounted joint venture, net of tax	<u>(108,169)</u>	<u>(29,534)</u>
Operating profit before changes in working capital	13,548	61,607
Net changes in inventory	157,525	(150,547)
Net changes in trade and other receivables	83,989	(28,289)
Net changes in trade and other payables	<u>(75,484)</u>	<u>23,833</u>
Cash generated from/(used in) operations	179,578	(93,396)
Interest paid	(18,367)	(18,089)
Net income tax paid	<u>(6,211)</u>	<u>(1,490)</u>
<b>Net cash generated from/(used in) operating activities</b>	<b>155,000</b>	<b>(112,975)</b>
<b><u>Investing Activities</u></b>		
Additional investment in equity-accounted joint venture	-	(53,235)
Dividend income	-	43
Finance income:		
Other investments	38	82
Deposits with licensed banks	1,502	1,546
(Increase)/Decrease in other investments	(1,020)	(2,034)
Proceeds from disposal of property, plant and equipment	3,839	4,350
Proceeds from disposal of investment properties	-	535
Purchase of property, plant and equipment	(58,943)	(34,195)
Purchase of investment properties	<u>(10,934)</u>	<u>-</u>
<b>Net cash used in investing activities</b>	<b>(65,518)</b>	<b>(82,908)</b>
<b><u>Financing Activities</u></b>		
Dividend paid	(8,711)	(8,711)
Payment of lease liabilities	(664)	(747)
Drawdown of borrowings (net)	<u>(96,698)</u>	<u>158,683</u>
<b>Net cash (used in)/generated from financing activities</b>	<b>(106,073)</b>	<b>149,225</b>
Net Decrease in Cash and Cash Equivalents	(16,591)	(46,658)
Effect of exchange rate changes	(3,881)	9
Cash and Cash Equivalents at beginning of period	93,881	134,315
Cash and Cash Equivalents at end of period	<b>73,409</b>	<b>87,666</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**  
 (Registration No. 199701005844 (421340-U))  
 (Incorporated in Malaysia)

**Condensed Consolidated Statements of Changes in Equity for the period ended 30 April 2025**

	Attributable to equity holders of the parent								Total Equity RM'000	
	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			
<b>As at end of current quarter ended 30 April 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>	-	-	37	-	89,409	89,446	952	90,398		
<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 30 April 2025</b>	<u>872,654</u>	<u>(7,499)</u>	<u>(316)</u>	<u>-</u>	<u>599,805</u>	<u>1,464,644</u>	<u>1,706</u>	<u>1,466,350</u>		
<b>As at preceding year corresponding quarter ended 30 April 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 income</b>	-	-	11	11	58,820	58,842	890	59,732		
<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 30 April 2024</b>	<u>872,654</u>	<u>(7,499)</u>	<u>(305)</u>	<u>(1,603)</u>	<u>473,155</u>	<u>1,336,402</u>	<u>631</u>	<u>1,337,033</u>		

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 integrated statements.

**Explanatory Notes on the Quarterly Report – Third Quarter ended 30 April 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 30 April 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.

---- the rest of the page is intentionally left blank ----

## 9. Segment information

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

	9 months ended 30 April 2025							
	Trading RM'000	Manufacturing RM'000	Property and Investment RM'000	Transportation RM'000	Mining exploration RM'000	Selling of Electricity RM'000	Others/ Elimination RM'000	Group RM'000
<b>SALES</b>								
- External sales	528,811	541,683	-	(139)	2,386	22,072	-	1,094,813
- Intersegment sales	-	31,690	27,314	2,634	-	-	(61,638)	-
<b>Total sales</b>	<b>528,811</b>	<b>573,373</b>	<b>27,314</b>	<b>2,495</b>	<b>2,386</b>	<b>22,072</b>	<b>(61,638)</b>	<b>1,094,813</b>

	Trading RM'000	Manufacturing RM'000	Property and Investment RM'000	Transportation RM'000	Mining exploration RM'000	Selling of Electricity RM'000	Others/ Elimination RM'000	Group RM'000
<b>RESULTS</b>								
Finance income	749	668	64	12	-	47	-	1,540
Finance costs	9,752	8,615	74	-	-	-	-	18,441
Depreciation & amortisation	382	17,202	2,551	130	783	103	-	21,151
Share of profit of joint venture	-	-	-	-	-	-	108,169	108,169
Segment (loss) / profit	(30,955)	7,455	816	(70)	1,523	2,083	108,169	89,021

	Trading RM'000	Manufacturing RM'000	Property and Investment RM'000	Transportation RM'000	Mining exploration RM'000	Selling of Electricity RM'000	Others/ Elimination RM'000	Group RM'000
<b>SALES</b>								
- External sales	682,983	564,926	-	63	3,574	15,090	-	1,266,636
- Intersegment sales	-	19,451	19,366	2,080	-	-	(40,897)	-
<b>Total sales</b>	<b>682,983</b>	<b>584,377</b>	<b>19,366</b>	<b>2,143</b>	<b>3,574</b>	<b>15,090</b>	<b>(40,897)</b>	<b>1,266,636</b>
<b>RESULTS</b>								
Finance income	726	725	107	28	-	42	-	1,628
Finance costs	11,140	6,949	95	-	-	-	-	18,184
Depreciation & amortisation	388	10,443	2,535	190	1,172	104	-	14,832
Share of profit of joint venture	-	-	-	-	-	-	29,534	29,534
Segment profit / (loss)	(1,757)	31,082	6,059	(35)	2,329	1,369	29,534	68,581

## **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 30 April 2025.

## **14. Capital commitments**

The amount of commitments not provided for in the interim financial reports as at 30 April 2025 is as follows:

	<b>RM'000</b>
Property, plant and equipment	
- Authorised and contracted for	12,000
- Authorised but not contracted for	2,000
	<b>14,000</b>

---- the rest of the page is intentionally left blank ----

## **15. Related party transactions**

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

	Group	
	Current year quarter	Current year-to- date
	30.04.2025	30.04.2025
Purchases of steel products by certain wholly owned subsidiaries of the Group from JK Ji Seng Sdn.Bhd.	RM'000	RM'000
	85,525	265,531
Rent of office space by Hiap Teck Venture Berhad from Pedoman Cekap Sdn. Bhd.		
	249	747

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.

---- the rest of the page is intentionally left blank ----

**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 30 April 2025.

	Individual Quarter		Changes		Cumulative Quarter		Changes	
	Current Year Quarter 30/04/2025	Preceding Year Corresponding Quarter 30/04/2024	Amount	%	Current Year To-date 30/04/2025	Preceding Year Corresponding Period 30/04/2024	Amount	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
<b>Revenue</b>	344,836	399,676	(54,840)	-14%	1,094,813	1,266,636	(171,823)	-14%
<b>Gross profit</b>	13,674	30,096	(16,422)	-55%	34,005	84,870	(50,865)	-60%
<b>Profit/(Loss) from operations</b>	36	19,690	(19,654)	-100%	(2,247)	55,603	(57,850)	-104%
<b>Share of profit of equity-accounted investees, net of tax</b>	40,852	37,706	3,146	8%	108,169	29,534	78,635	266%
<b>Profit before tax</b>	36,273	50,739	(14,466)	-29%	89,021	68,581	20,440	30%
<b>Profit for the period</b>	34,727	47,247	(12,520)	-26%	90,361	59,710	30,651	51%
<b>Profit attributable to:</b>								
Owners of the parent	34,275	46,818	(12,543)	-27%	89,409	58,820	30,589	52%
Non-controlling interests	452	429	23	5%	952	890	62	7%
	34,727	47,247	(12,520)	-26%	90,361	59,710	30,651	51%

In the current quarter under review, the Group recorded a 14% decline in revenue to RM344.836 million, compared to RM399.676 million in the corresponding quarter last year. The decrease was primarily due to both lower average selling prices and reduced sales volume.

Revenue from the Trading division dropped 22% to RM122.718 million from RM157.118 million, attributable to reduced sales volumes and lower average selling prices. Similarly, the Manufacturing division reported a 10% decline in revenue to RM177.228 million from RM196.815 million, also impacted by the decline in average selling prices.

Overall, profit from operations fell sharply to RM0.036 million from RM19.690 million in the same quarter last year, mainly due to the lower revenue and margin compression stemming from the continued downtrend in steel prices.

In contrast, the Group's share of profit from its Joint Venture entity rose to RM40.852 million from RM37.706 million, supported by steady margins arising from higher capacity utilisation and higher positive foreign exchange translation impact.

As a result, the Group recorded a decline in Profit Before Tax ("PBT") of RM36.273 million compared to RM50.739 million in the corresponding 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 30/04/2025	Immediate Preceding Quarter 30/04/2024	Amount RM'000	% %
	RM'000	RM'000		
<b>Revenue</b>	344,836	348,258	(3,422)	-1%
<b>Gross profit</b>	13,674	14,062	(388)	-3%
<b>Profit from operations</b>	36	337	(301)	89%
<b>Share of profit of equity-accounted investees, net of tax</b>	40,852	25,335	15,517	61%
<b>Profit before tax</b>	36,273	20,346	15,927	78%
<b>Profit for the period</b>	34,727	20,744	13,983	67%
<b>Profit attributable to:</b>				
Owners of the parent	34,275	20,436	13,839	68%
Non-controlling interests	452	308	144	47%
	34,727	20,744	13,983	67%

In the current quarter, the Group's revenue declined marginally by 1% to RM344.836 million from RM348.258 million in the preceding quarter, mainly due to lower average selling prices.

Profit from operations fell to RM0.036 million from RM0.337 million in the previous quarter, primarily reflecting a narrowed loss in the trading division offset by the solid performance of the scaffolding business.

Despite the lower operating profit, the Group's profit before tax (PBT) rose by 78% to RM36.273 million, compared to RM20.346 million in the preceding quarter. The significant improvement was largely driven by a higher contribution from the joint venture entity, which recorded a profit of RM40.852 million, up from RM25.335 million previously. The increase was mainly attributable to favourable foreign exchange translation impacts, in addition to steady operating margins.

---- the rest of the page is intentionally left blank ----

## **18. Prospects**

According to OECD STEEL OUTLOOK 2025, global steel demand peaked in 2021 and has weakened over the last three years. The sharp decline in demand in the People's Republic of China (China) largely offset strong demand growth in many emerging markets during 2024 driven by infrastructure projects and government-led industrial growth. Steel prices have trended lower since 2021 but the rate of decline has slowed, and prices seem to have stabilised recently. However, President Trump's announcement on May 30 to the doubling of steel import tariffs to 50% added to market uncertainty, while China's stimulus policies will provide support but are unlikely to reverse the recent decline in Chinese steel demand. Against these backdrops, the challenges of the steel industry will likely persist in 2025.

Domestically, Malaysia's economy expanded by 4.4% in Q1 2025 (Q4 2024: 4.9%), driven by resilient consumer spending and steady investment, although growth was tempered by lower oil and gas output. While Bank Negara Malaysia projects full-year GDP growth of 4.5% to 5.5%, the government has indicated a potential downward revision in view of the U.S. tariff impact on trade.

In February 2025, the Ministry of Investment, Trade and Industry (MITI) extended its moratorium on new steel manufacturing licenses to continue reviewing industry direction amid external challenges. In May, Malaysia imposed definitive anti-dumping duties on selected flat-rolled steel imports from China, India, Japan, and South Korea, reinforcing efforts to protect domestic producers from unfair trade practices.

Operationally, production at the JV's 1450mm Hot Rolled Coil (HRC) line has ramped up steadily, delivering improved economies of scale and contributing positively to Group performance. However, the Trading division remains subdued due to weak global and domestic pricing conditions, while the scaffolding business continues to show strong performance. The Group remains focused on enhancing operational efficiency and cost optimisation to navigate the evolving market landscape.

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

Not applicable.

---- the rest of the page is intentionally left blank ----

## 20. Tax

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30.04.2025	Preceding Year Corresponding Quarter 30.04.2024	Current year-to-date 30.04.2025	Preceding Year Corresponding Period 30.04.2024
	RM'000	RM'000	RM'000	RM'000
Income tax - current year	1,570	3,516	5,150	7,303
- prior year	-	-	(31)	(421)
Deferred tax - current year	(24)	(24)	(6,459)	2,129
- prior year	-	-	-	(140)
	1,546	3,492	(1,340)	8,871

The Group's effective tax rate for the current year-to-date was lower than the statutory income tax rate after excluding the share of profit of the joint venture due to deferred tax effect on losses incurred by certain subsidiaries were not provided.

## 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 30.04.2025 RM'000	As at 31.07.2024 RM'000
<b>Long-Term</b>		
Term loan	29,371	-
<b>Short-Term</b>		
Bankers' acceptances	246,262	317,755
Post shipment buyer loan	71,773	55,711
Accepted bills	76,272	142,973
Revolving credit	40,000	49,062
Term loan	5,125	-
	439,432	565,501
<b>Total</b>	<b>468,803</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 30.04.2025	Preceding Year Corresponding Quarter 30.04.2024	Current Year To-Date 30.04.2025	Preceding Year Corresponding Period 30.04.2024
Profit attributable to owners of the parent (RM'000)	34,275	46,818	89,409	58,820
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>1.97</b>	<b>2.69</b>	<b>5.13</b>	<b>3.38</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.

---- the rest of the page is intentionally left blank ----

## 26. Profit from operations

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.04.2025	Preceding Year Corresponding Quarter 30.04.2024	Current Year-to-date 30.04.2025	Preceding Year Corresponding Period 30.04.2024
	RM'000	RM'000	RM'000	RM'000
<b><i>Profit for the period is arrived at after charging:</i></b>				
Allowance for impairment loss on trade receivables	-	-	-	604
Depreciation of property, plant and equipment	7,671	4,903	20,259	13,940
Depreciation of investment properties	70	70	211	211
Depreciation of right-of-use assets	227	227	681	681
Finance costs	5,068	7,264	18,441	18,184
Reversal of inventories to net realisable value	-	-	-	(4,630)
Property, plant and equipment written off	2	-	19	30
<b><i>and after crediting / (charging):</i></b>				
Gain on disposal of property, plant and equipment	420	830	2,323	2,390
Gain on disposal of investment properties	-	-	-	30
Fair value (loss)/gain on foreign exchange derivative	36	-	2,665	1,844
Finance income:				
Other investments	11	13	38	82
Deposits with licensed banks	441	594	1,502	1,546
Net foreign exchange (loss)/gain				
Realised	(1)	(105)	(882)	439
Unrealised	(32)	(179)	387	525
Rental income	259	259	777	777
Share of profit of equity-accounted joint venture, net of tax	40,852	37,706	108,169	29,534

## 27. Authorisation for Issue

The Interim Financial Statements were authorised for issue by the Board of Directors on 26 June 2025.