

B E S H O M

THE BEST STARTS FROM HOME

Beshom Holdings Berhad

(Registration No. 202101001114 (1401412-A))
(Incorporated in Malaysia)

Unaudited Interim Financial Report

31 July 2025

BESHOM HOLDINGS BERHAD
 (Registration No. 202101001114 (1401412-A))

Quarterly report on consolidated results for the financial period ended 31 July 2025
 The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS
 FOR THE QUARTER ENDED 31 JULY 2025**

| | INDIVIDUAL PERIOD (1st Quarter) | | CUMULATIVE PERIOD (1st Quarter) | |
|---|---------------------------------------|--|---------------------------------------|---|
| | CURRENT YEAR QUARTER 31/07/2025 | PRECEDING YEAR CORRESPONDING QUARTER 31/07/2024 | CURRENT YEAR TO DATE 31/07/2025 | PRECEDING YEAR CORRESPONDING PERIOD 31/07/2024 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 35,537 | 33,460 | 35,537 | 33,460 |
| Cost of sales | (22,015) | (19,565) | (22,015) | (19,565) |
| Gross Profit | 13,522 | 13,895 | 13,522 | 13,895 |
| Other income | 1,301 | 1,119 | 1,301 | 1,119 |
| Depreciation | (1,336) | (1,359) | (1,336) | (1,359) |
| Administrative expenses | (4,361) | (4,217) | (4,361) | (4,217) |
| Selling & distribution expenses | (6,618) | (6,477) | (6,618) | (6,477) |
| Other expenses | (679) | (296) | (679) | (296) |
| Operating Profit | 1,829 | 2,665 | 1,829 | 2,665 |
| Finance income | 110 | 145 | 110 | 145 |
| Finance costs | (153) | (81) | (153) | (81) |
| Share of loss of equity-accounted investee, net of tax | (29) | (24) | (29) | (24) |
| Profit before tax | 1,757 | 2,705 | 1,757 | 2,705 |
| Tax expenses | (522) | (655) | (522) | (655) |
| Profit after tax | 1,235 | 2,050 | 1,235 | 2,050 |
| Profit attributable to: | | | | |
| Owners of the Company | 1,441 | 2,166 | 1,441 | 2,166 |
| Non-controlling interests | (206) | (116) | (206) | (116) |
| | 1,235 | 2,050 | 1,235 | 2,050 |
| Earnings Per Share attributable to owners of the Company | | | | |
| - Basic (sen) | 0.48 | 0.72 | 0.48 | 0.72 |

The Condensed Consolidated Statement of Profit And Loss should be read in conjunction with the audited financial statements for the year ended 30 April 2025 and the accompanying explanatory notes attached to the interim financial statements.

BESHOM HOLDINGS BERHAD

(Registration No. 202101001114 (1401412-A))

Quarterly report on consolidated results for the financial period ended 31 July 2025
The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 JULY 2025**

| | INDIVIDUAL PERIOD (1st Quarter) | | CUMULATIVE PERIOD (1st Quarter) | |
|--|---------------------------------------|--|---------------------------------------|---|
| | CURRENT YEAR QUARTER 31/07/2025 | PRECEDING YEAR CORRESPONDING QUARTER 31/07/2024 | CURRENT YEAR TO DATE 31/07/2025 | PRECEDING YEAR CORRESPONDING PERIOD 31/07/2024 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit for the period | 1,235 | 2,050 | 1,235 | 2,050 |
| Other comprehensive income | | | | |
| - Net change in fair value of equity investments designated at fair value through other comprehensive income | (269) | 2,850 | (269) | 2,850 |
| - Foreign currency translation differences for foreign operations | 2 | (19) | 2 | (19) |
| Total comprehensive Income for the period | 968 | 4,881 | 968 | 4,881 |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | 1,174 | 4,997 | 1,174 | 4,997 |
| Non-controlling Interests | (206) | (116) | (206) | (116) |
| | 968 | 4,881 | 968 | 4,881 |

The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2025 and the accompanying explanatory notes attached to the interim financial statements.

BESHOM HOLDINGS BERHAD

(Registration No. 202101001114 (1401412-A))

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2025

| | AS AT CURRENT FINANCIAL QUARTER ENDED 31/07/2025 (RM'000) | AS AT PRECEDING FINANCIAL YEAR ENDED 30/04/2025 (RM'000) (Audited) |
|---|--|--|
| ASSETS | | |
| Non-current assets | | |
| <i>Property, Plant and Equipment</i> | 70,259 | 70,758 |
| <i>Investment properties</i> | 54,749 | 54,775 |
| <i>Right-of-use assets</i> | 12,008 | 12,042 |
| <i>Investment in jointly control entity</i> | 1,567 | 1,596 |
| <i>Other Investments</i> | 23,840 | 22,820 |
| <i>Goodwill arising from consolidation</i> | 85 | 85 |
| <i>Trade receivables - non current</i> | 1,265 | 1,452 |
| <i>Deferred tax assets</i> | 2,197 | 1,998 |
| | 165,970 | 165,526 |
| Current Assets | | |
| <i>Inventories</i> | 68,421 | 74,733 |
| <i>Trade and other receivables</i> | 29,072 | 22,359 |
| <i>Other Investments</i> | | |
| <i>Financial assets at fair value through profit or loss</i> | 63,516 | 66,082 |
| <i>Cash and Cash Equivalents</i> | 29,668 | 26,480 |
| | 190,677 | 189,654 |
| | 356,647 | 355,180 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the Company | | |
| <i>Share capital</i> | 312,978 | 312,978 |
| <i>Treasury Shares</i> | (627) | (457) |
| <i>Other reserves</i> | (154,917) | (154,650) |
| <i>Retained earnings</i> | 153,084 | 151,643 |
| | 310,518 | 309,514 |
| Non-controlling interests | 11,199 | 11,405 |
| Total Equity | 321,717 | 320,919 |
| Non-current Liabilities | | |
| <i>Contract Liabilities</i> | 64 | 87 |
| <i>Borrowings</i> | 2,935 | 3,012 |
| <i>Lease Liabilities</i> | 4,393 | 4,325 |
| <i>Deferred tax</i> | 100 | 204 |
| | 7,492 | 7,628 |
| Current Liabilities | | |
| <i>Trade & other payables</i> | 19,066 | 22,521 |
| <i>Short-term provisions</i> | 639 | 405 |
| <i>Short term borrowings</i> | 6,009 | 1,930 |
| <i>Lease Liabilities</i> | 1,415 | 1,463 |
| <i>Contract Liabilities</i> | 253 | 288 |
| <i>Current tax payables</i> | 56 | 26 |
| | 27,438 | 26,633 |
| Total Liabilities | 34,930 | 34,261 |
| TOTAL EQUITY AND LIABILITIES | 356,647 | 355,180 |
| Net assets per share attributable to owners of the Company (RM) | 1.04 | 1.03 |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2025 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 JULY 2025**

| 3-month <u>ended 31 July 2025</u> | Attributable to owners of the Company | | | | | | | Non- controlling interests | Total Equity | |
|---|---------------------------------------|--------------------|---------------------------|------------------------------------|--------------------|-----------------------|----------------------|----------------------------------|-----------------|----------------|
| | Non distributable | | | | Distributable | | | | | |
| | Share Capital | Treasury shares | Reorganisation reserve | Exchange fluctuation reserve | Capital reserve | Fair value reserve | Retained Earnings | Total | | |
| | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | |
| Balance as at 1 May 2025 | 312,978 | (457) | (155,823) | 393 | 657 | 123 | 151,643 | 309,514 | 11,405 | 320,919 |
| Profit for the period | - | - | - | - | - | - | 1,441 | 1,441 | (206) | 1,235 |
| Other comprehensive profit/(loss) for the period | - | - | - | 2 | - | (269) | - | (267) | - | (267) |
| Total comprehensive income/(expense) for the period | - | - | - | 2 | - | (269) | 1,441 | 1,174 | (206) | 968 |
| Purchase of treasury shares | - | (170) | - | - | - | - | - | (170) | - | (170) |
| Balance at end of financial period | 312,978 | (627) | (155,823) | 395 | 657 | (146) | 153,084 | 310,518 | 11,199 | 321,717 |

| 3-month <u>ended 31 July 2024</u> | Attributable to owners of the Company | | | | | | | Non- controlling interests | Total Equity | |
|---|---------------------------------------|--------------------|---------------------------|------------------------------------|--------------------|-----------------------|----------------------|----------------------------------|-----------------|----------------|
| | Non distributable | | | | Distributable | | | | | |
| | Share Capital | Treasury shares | Reorganisation reserve | Exchange fluctuation reserve | Capital reserve | Fair value reserve | Retained Earnings | Total | | |
| | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | |
| Balance as at 1 May 2024 | 312,978 | (120) | (155,823) | 423 | 657 | (124) | 152,087 | 310,078 | 11,844 | 321,922 |
| Profit for the period | - | - | - | - | - | - | 2,166 | 2,166 | (116) | 2,050 |
| Other comprehensive income for the period | - | - | - | (19) | - | 2,850 | - | 2,831 | - | 2,831 |
| Total comprehensive income for the period | - | - | - | (19) | - | 2,850 | 2,166 | 4,997 | (116) | 4,881 |
| Purchase of treasury shares | - | (7) | - | - | - | - | - | (7) | - | (7) |
| Balance at end of financial period | 312,978 | (127) | (155,823) | 404 | 657 | 2,726 | 154,253 | 315,068 | 11,728 | 326,796 |

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 April 2025 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31 JULY 2025

| | <u>2026</u> 3-month ended 31/07/2025 (RM '000) | <u>2025</u> 3-month ended 31/07/2024 (RM '000) |
|---|---|---|
| Profit before tax | 1,757 | 2,705 |
| Adjustment for :- | | |
| Depreciation on property, plant and equipment & IP | 903 | 944 |
| Depreciation on right-of-use assets | 433 | 415 |
| Dividend income | (258) | (304) |
| Fair value gain on other investments | (294) | (284) |
| Finance costs | 153 | 81 |
| Finance income | (110) | (145) |
| Gain on disposal of property, plant and equipment & IP | - | (47) |
| Net loss on impairment of trade and other receivables | 38 | 38 |
| Property, plant and equipment written off | 2 | 2 |
| Share of profit of equity-accounted investee, net of tax | 29 | 24 |
| Provision for sales campaign | 240 | 228 |
| Unrealised foreign exchange differences | 535 | 178 |
| Operating profit before changes in working capital | 3,428 | 3,835 |
| Changes in working capital | | |
| <i>Inventories</i> | 6,312 | 2,251 |
| <i>Change in trade and other receivables and prepayments</i> | (6,693) | 1,114 |
| <i>Change in trade and other payables</i> | (3,528) | (1,231) |
| Cash (used in)/generated from operations | (3,909) | 2,134 |
| <i>Sales campaign paid</i> | (6) | - |
| <i>Payment of income taxes</i> | (666) | (1,749) |
| <i>Finance cost</i> | (153) | (61) |
| Net cash flows (used in)/from operating activities | (1,306) | 4,159 |
| Investing Activities | | |
| <i>Acquisition of other investments</i> | (2,000) | (2,000) |
| <i>Acquisition of quoted investment</i> | (1,289) | - |
| <i>Proceed from other investment</i> | 5,118 | - |
| <i>Purchase of property, plant and equipment & IP</i> | (380) | (5,123) |
| <i>Proceeds from disposal of property, plant and equipment & IP</i> | - | 55 |
| <i>Interest received</i> | 110 | 145 |
| Net cash from/(used in) investing activities | 1,559 | (6,923) |
| Financing Activities | | |
| <i>(Repayment)/drawdown of term loan (net)</i> | (74) | 3,500 |
| <i>Drawdown of bill payables</i> | 4,076 | - |
| <i>Purchase of Company's own share</i> | (170) | (7) |
| <i>Payment of lease liabilities</i> | (379) | (374) |
| Net cash from financing activities | 3,453 | 3,119 |
| Net Changes in Cash & Cash Equivalents | 3,706 | 355 |
| Effect of exchange rate & fluctuations on cash held | (518) | (213) |
| Cash & Cash Equivalents at begining of financial year | 26,480 | 34,511 |
| Cash & Cash Equivalents at end of the financial period | 29,668 | 34,653 |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 April 2025 and the accompanying explanatory notes attached to the interim financial statements.

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PART A -- Notes To The Interim Financial Report

A1 Basis of preparation

The interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”). This interim financial statement also complies with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

The interim financial report should be read in conjunction with the most recent annual financial statements of the Group for the year ended 30 April 2025.

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 30 April 2025.

Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 30 April 2025 except for the adoption of new standards, amendments and interpretation that have been issued by the Malaysian Accounting Standards Board (“MASB”) which are effective for annual periods beginning on or after 1 January 2026 as stated below:

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*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

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

- MFRS 18, *Presentation and Disclosures 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 initial application of the abovementioned accounting standards, amendments and interpretations is not expected to have any material financial impact to the current period and prior period financial statements of the Group.

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A2 Seasonal or cyclical factors of interim operations

The Group's interim business operations are not significantly affected by seasonal or cyclical factors for the quarter under review except for some seasonal consumer products, which are affected by major festive seasons.

A3 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows because of their nature, size or incidence.

A4 Changes in estimates of amounts reported previously

There were no material changes in estimates of amounts reported in prior interim period of the current or previous financial years.

A5 Issues, repurchase and repayments of debts and equity securities

There have been no other issuance, cancellation, repurchases, resale and repayments of debts and equity securities during the quarter under review except for the following

| | Number of Treasury shares | Total Cost Consideration RM |
|-----------------------------------|--------------------------------------|--|
| Balance as at 1 May 2025 | 574,300 | 457,282 |
| Repurchased during the quarter | 263,700 | 169,283 |
| Balance as at 31 July 2025 | 838,000 | 626,565 |

The repurchase transactions were financed by internally generated funds.

Subsequent to the first quarter ended 31 July 2025, there was no repurchase of treasury shares.

A6 Dividend paid

No dividend has been paid during the quarter under review.

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A7 Segment information

Details of segmental analysis for the period ended 31 July 2025 are as follows:

| | Wholesale | Multi-Level Marketing | Retail | Others | Elimination | Consolidated |
|--|------------------|----------------------------------|---------------|---------------|--------------------|---------------------|
| | RM '000 | RM '000 | RM '000 | RM '000 | RM '000 | RM '000 |
| REVENUE | | | | | | |
| Revenue from external customers | 16,162 | 11,035 | 6,703 | 1,637 | - | 35,537 |
| Inter-segment revenue | 6,204 | - | - | 2,013 | (8,217) | - |
| Total revenue | 22,366 | 11,035 | 6,703 | 3,650 | (8,217) | 35,537 |
| RESULT | | | | | | |
| Segment profit/(loss) | 706 | 368 | (897) | 1,333 | 319 | 1,829 |
| Finance costs | | | | | | (153) |
| Interest income | | | | | | 110 |
| Share of loss of equity-accounted investee, net of tax | | | | | | (29) |
| Profit before taxation | | | | | | 1,757 |
| Income tax expenses | | | | | | (522) |
| Net profit for the period | | | | | | 1,235 |

| | Wholesale | Multi-Level Marketing | Retail | Others | Elimination | Consolidated |
|----------------------------|------------------|----------------------------------|---------------|---------------|--------------------|---------------------|
| | RM '000 | RM '000 | RM '000 | RM '000 | RM '000 | RM '000 |
| Segment assets | | | | | | |
| Segment assets | 188,613 | 77,345 | 40,059 | 50,630 | - | 356,647 |
| Segment liabilities | | | | | | |
| Segment liabilities | 14,891 | 8,246 | 10,701 | 1,092 | - | 34,930 |

A8 Property, plant and equipment

There is no revaluation of property, plant and equipment brought forward from the previous audited financial statements.

A9 Events after the interim period that have not been reflected in the financial statements for the interim period

There were no material events subsequent to the period ended 31 July 2025.

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A10 Changes in the composition of the Group

There was no change in the composition of the Group during the interim period ended 31 July 2025.

A11 Contingent liabilities

The changes in contingent liabilities of the Group since the last annual Statement of Financial Position date are as follows: -

| <u>Group</u> | As at 19/09/2025 | As at 31/07/2025 | As at 30/04/2025 |
|--|-----------------------------|-----------------------------|-----------------------------|
| | RM'000 | RM'000 | RM'000 |
| Bank guarantee given to third parties in respect of services rendered to the Group | 2,684 | 2,684 | 2,455 |

A12 Capital commitment

The capital commitment of the Group for the period ended 31 July 2025 is as follows:

| | Approved, contracted but not provided for |
|-------------------------------|--|
| | RM'000 |
| Property, plant and equipment | 581 |
| Total | 581 |

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PART B -- Explanatory Notes Pursuant To Appendix 9B of The Bursa Securities Listing Requirement

- B1 A detailed analysis of the performance of key operating segments of the Group, setting out material factors affecting the earnings and/or revenue of each segment for the current quarter and financial period-to-date:**

Financial review for current quarter and financial period to date

| | Quarter and Year-to-date ended | | Changes |
|--|--------------------------------|--------------------------------------|---------|
| | Current Year Quarter | Preceding Year Corresponding Quarter | |
| | 31/07/2025 (RM '000) | 31/07/2024 (RM '000) | |
| Revenue | 35,537 | 33,460 | 6.2% |
| Gross Profit | 13,522 | 13,895 | (2.7%) |
| Operating Profit | 1,829 | 2,665 | (31.4%) |
| Profit Before Tax | 1,757 | 2,705 | (35.0%) |
| Profit After Tax | 1,235 | 2,050 | (39.8%) |
| Profit Attributable to owners of the Company | 1,441 | 2,166 | (33.5%) |

Statement of Profit & Loss and Other Comprehensive Income

For the period ended 31 July 2025, the Group recorded a revenue of RM 35.5 million reflecting an increase of 6.2% as compared to RM 33.5 million in the previous year's corresponding period. Higher revenue generated from the Wholesale division was dragged by weaker performance in MLM and Retail divisions. Consumers continued to be more cautious in spending particularly on non-discretionary products due to escalating cost of living caused by geopolitical conflict and challenging economic environment.

The gross profit decreased by 2.7% to RM 13.5 million, attributed to the change in sales mix and increase in product & packaging costs. The Group registered a pre-tax profit of RM 1.8 million in the period under review, decreased by 35.0% as compared to RM 2.7 million in the preceding year corresponding period.

Statement of Financial Position

The consolidated net assets or the equity attributed to owners of the Company as at 31 July 2025 was at RM 310.5 million (FY2025: RM 309.5 million). Total assets of the Group stood at about RM 356.6 million (FY2025: RM 355.2 million), mainly due to an increase in trade and other receivables, with total liabilities of the Group maintained at about RM 34.9 million.

Net asset per share recorded at RM 1.04 as at 31 July 2025 against previous financial year ended 30 April 2025 of RM 1.03.

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Statement of Cash Flow

The total cash holding of the Group comprising financial assets, cash and cash equivalents amounted to RM 93.2 million as at 31 July 2025, which is aligned to the business activities that are mostly transacted on a cash basis.

Net cash flows used in operating activities amounted to RM 1.3 million primarily to support business operations. Net cash from investing activities including the proceeds from disposal of other investments contributed to a net inflow of RM 1.6 million. After factored in the drawdown of bill payables of RM 4.1 million, net cash flows from financing activities was RM 3.5 million. As a result, the Group's cash and cash equivalents increased by RM 3.7 million to RM 29.7 million as at financial period ended 31 July 2025.

Segmental Analysis

Current quarter compared to the preceding year's corresponding quarter

Multi-Level Marketing (MLM) division

Divisional revenue and pre-tax profit decreased by 14.2% and 65.8% to RM 11.1 million and RM 0.4 million as compared with the immediate quarter of RM 12.9 million and RM 1.2 million, respectively. Members' recruitment and renewal are slow amidst weak purchasing power, and members remained cautious with their spending especially on non-essential goods. Furthermore, the division continued to face strong competition from other MLM players particularly on members recruitment.

To mitigate these challenges, the division will continue to review and strengthen its recruitment and retention strategies while also carry out more events / activities to improve and drive business momentum.

Wholesale division

Wholesale revenue increased by 42.3% to RM 16.2 million as compared to the preceding quarter of RM 11.4 million, it was primarily driven by increased sales of wellness products. Sales of Chinese medicated tonic remained flat in view of ongoing challenging economic environment, as customers are more cautious in stock ordering and inventory management.

In tandem with higher revenue recorded coupled with higher contribution from vintage tea which carried higher margin, the pre-tax profit increased twofold to about RM 1.0 million.

Retail division

The Retail Group Malaysia noted that Malaysia's retail sales growth is expected to decline from 4.3% to 3.1% for the remaining year 2025 amid global and domestic economic challenges.

Divisional revenue decreased by 11.6% to RM 6.7 million as compared to the preceding year's corresponding quarter of RM 7.6 million. The decrease was mainly due to lower sales of house brand products which carried higher margin, as consumers tend to scale back spending particularly on premium health supplements products amid ongoing inflationary pressure. Furthermore, higher base recorded in the previous year's corresponding quarter was boosted by members' sales promotion campaign.

Lower revenue coupled with the decline in gross margin resulted the division posting higher loss of RM 1.0 million in the quarter under review.

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Other division

Revenue from the Other division is primarily derived from the rental of investment properties, manufacturing of health supplements and credit & leasing business.

Higher rental income generated from investment properties was offset by lower contribution from manufacturing division, and as a result, pre-tax profit maintained at about RM 1.3 million in the period under review.

B2 Material changes in the profit before taxation for the quarter under review as compared with the immediate preceding quarter

Financial review for current quarter compared with the immediate preceding quarter

| | Current Year Quarter | Immediate Preceding Quarter | Changes |
|--|-------------------------|-----------------------------------|---------|
| | 31/07/2025 (RM '000) | 30/04/2025 (RM '000) | |
| Revenue | 35,537 | 35,955 | (1.2%) |
| Gross Profit | 13,522 | 17,545 | (22.9%) |
| Operating Profit | 1,829 | 3,535 | (48.3%) |
| Profit Before Tax | 1,757 | 3,513 | (50.0%) |
| Profit After Tax | 1,235 | 2,334 | (47.1%) |
| Profit Attributable to Ordinary Equity Holders of the Company | 1,441 | 2,301 | (37.4%) |

For the first quarter under review, the Group's revenue and pre-tax profit declined by 1.2% and 50.0% to about RM 35.5 million and RM 1.8 million respectively. Lower pre-tax profit was recorded in the current quarter due to change in sales mix and lower average gross profit margin.

MLM division

The division posted lower revenue of RM 11.1 million as compared with the immediate preceding quarter of RM 13.1 million. The higher base in the immediate preceding quarter was driven by Hari Raya promotion especially on one of its key beverage products. In tandem with lower revenue recorded, pre-tax profit declined by 41.2% to RM 0.4 million.

Wholesale division

The Wholesale division recorded a 25.7% increase in revenue to RM 16.2 million as compared with the immediate preceding quarter of RM 12.9 million. The increase was mainly due to higher sales of wellness products. However, the increase in revenue was partially offset by lower sales of Chinese medicated tonic which carried higher margin. Furthermore, the current quarter are relatively quiet post-closing of the customer incentive trip campaign in the immediate preceding quarter.

Despite the higher revenue recorded, the change in sales mix resulted a lower pre-tax profit of RM 1.0 million as compared with the immediate preceding quarter of RM 1.7 million.

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Retail division

Divisional revenue decreased by 19.9% to RM 6.7 million as compared with the immediate preceding quarter of RM 8.4 million which was driven by members' sales promotion campaign. The post-member sales campaign was not encouraging despite ongoing promotional efforts during the quarter under review. Furthermore, consumer sentiment remained cautious particularly on high value health supplements products in view of inflationary pressures and weak purchasing power.

The division posted a loss of RM 1.0 million attributed to lower revenue and gross margin.

B3 Commentary on next quarter

The challenging outlook will continue to be affected by on-going geopolitical conflicts, evolving tariff policies, and rising uncertainties in the global economic landscape. In addition, the expansion of the Sales and Service Tax (SST) has resulted in some upward price pressures on selected categories of consumer goods and services, contributes to the softening in consumer spending. Despite these external and domestic headwinds, resilient domestic demand and investment, coupled with higher government spending are expected to support Malaysia's economic growth.

The Group remains mindful and vigilant on the current developments and will deploy appropriate strategies to mitigate the risks including cautiously managing the gross margins and operating expenses. The MLM division will continue to focus on enhancing members recruitment and effective training program, and will launch an incentive trip campaign to motivate and incentivise distributors. The Wholesale division is actively exploring the expansion of its distribution channels, alongside the introduction of additional FMCG product range to broaden its market reach. The Retail division will undertake rationalisation measures to scale down the non-performing outlets or to look for a strategic location for relocation. In addition, proactive strategies including enhancing ecommerce, and the introduction of innovative concepts are being pursued to improve the performance.

In view of the above, the Board of Directors remains cautiously optimistic on the business outlook of the Group's performance in the next quarter.

B4 Statement of the Board of Directors' opinion on achievability of the financial estimate, forecast, projection or internal targets previously announced

There were no financial estimate, forecast, projection or internal targets previously announced by the Board of Directors.

B5 Profit forecast / profit guarantee previously announced

There were no profit forecast or profit guarantee previously announced.

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B6 Trade Receivables

Ageing analysis of trade receivables of the Group as at 31 July 2025 is as follow:

| | RM'000 |
|----------------------------|---------------|
| Not past due | 16,321 |
| Past due 1-30 days | 1,043 |
| Past due 31-60 days | 146 |
| Past due more than 60 days | <u>2,209</u> |
| | 19,719 |
| Impaired | <u>(800)</u> |
| | 18,919 |

The trade receivables comprised mainly of non-related parties with credit term of 60-90 days.

B7 Taxation

The provision for income tax is based on the business income earned for the financial period under review.

For the financial period to date, the effective tax rate of the Group was higher than the statutory tax rate mainly due to certain expenses which were not deductible for tax purpose and losses of certain subsidiary companies which could not be set off against profits of certain subsidiaries as no Group relief was available for tax purposes.

| | Quarter and Year-to-date ended |
|--|---------------------------------------|
| | 31/07/2025 (RM '000) |
| Profit before taxation | 1,757 |
| Taxation at applicable tax rate – 24% | 422 |
| Adjustment mainly due to certain non-allowable expenses and deferred tax recognized in the profit or loss | 100 |
| Total Income Tax Expenses | 522 |

B8 Status of Corporate Proposals

There were no outstanding corporate proposals for the period under review.

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B9 Group Borrowings and Debts Securities

The Group borrowings as at 31 July 2025 are as follows:

| Current Quarter ended 31/07/2025 | | | | |
|----------------------------------|------------------|-----------------------|----------------------|--------------|
| Group Borrowings | Currency | Secured/ Unsecured | Type of borrowing | RM'000 |
| Short Term Borrowings | Ringgit Malaysia | Unsecured | Bill payables | 5,709 |
| Short Term Borrowings | Ringgit Malaysia | Secured | Fixed Loan | 300 |
| Long Term Borrowings | Ringgit Malaysia | Secured | Fixed Loan | 2,935 |
| Total | | | | 8,944 |

| Preceding Quarter ended 31/07/2024 | | | | |
|------------------------------------|------------------|-----------------------|-----------------------|--------------|
| Group Borrowings | Currency | Secured/ Unsecured | Type of borrowings | RM'000 |
| Short Term Borrowings | Ringgit Malaysia | Secured | Fixed Loan | 283 |
| Long Term Borrowings | Ringgit Malaysia | Secured | Fixed Loan | 3,237 |
| Total | | | | 3,520 |

The borrowings comprised solely of trade facilities and fixed loan to finance the purchase of one unit of shop lot which denominated in RM currency. The gearing level was negligible.

B10 Changes in Material Litigation

The Group is not engaged in any material litigation, claims or arbitration, including those pending or threatened against our Group, either as plaintiff or defendant, which has a material effect on the financial position of the Group.

B11 Dividend

No interim dividend has been declared for the quarter under review (31/7/2025: Nil).

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B12 Earnings per share (EPS)

Earnings per share

| | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|--|----------------------------|--|----------------------------|---|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE | PRECEDING YEAR CORRESPONDING PERIOD |
| | 31/07/2025 | 31/07/2024 | 31/07/2025 | 31/07/2024 |
| <i>Earnings</i> | | | | |
| Net profit for the period attributable to ordinary shareholders of the Company ('RM'000) | 1,441 | 2,166 | 1,441 | 2,166 |
| Weighted average number of shares ('000) | 299,723 | 300,054 | 299,723 | 300,054 |
| Basic earnings per share (sen) | 0.48 | 0.72 | 0.48 | 0.72 |

Diluted EPS is not presented as the Company has no potential shares or other instruments with dilutive effects.

B13 Auditors' report of the preceding annual financial statement

The auditors' report of the preceding annual financial statement does not contain any modified opinion or material uncertainty related to going concern nor qualification.

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B14 Items included in the Statement of Profit and Loss and Other Comprehensive Income

| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE | PRECEDING YEAR CORRESPONDING PERIOD |
|---|----------------------------|--|----------------------------|---|
| | 31/07/2025 RM' 000 | 31/07/2024 RM' 000 | 31/07/2025 RM' 000 | 31/07/2024 RM' 000 |
| <i>Profit before taxation is arrived at after (charging)/crediting:</i> | | | | |
| Interest income | 110 | 145 | 110 | 145 |
| Other income including investment Income | 1,301 | 1,119 | 1,301 | 1,119 |
| Interest expense | (153) | (81) | (153) | (81) |
| Depreciation and amortization on PPE & IP | (903) | (944) | (903) | (944) |
| Depreciation and amortization on Right-use-of-assets | (433) | (415) | (433) | (415) |
| Provision for and write off of receivables | (38) | (38) | (38) | (38) |
| Provision for and write off of inventories | (196) | (287) | (196) | (287) |
| Gain or (loss) on disposal of quoted or unquoted investment PPE or IP | - | 47 | - | 47 |
| Foreign exchange gain/(loss): | | | | |
| - Realised | 657 | 144 | 657 | 144 |
| - Unrealised | (535) | (178) | (535) | (178) |
| Gain or loss on derivatives | - | - | - | - |
| Impairment of assets | - | - | - | - |
| Any material items not disclosed above | - | - | - | - |

B15 The interim financial statements were authorised for issue by the Board of Directors on 26 September 2025.