



INTERIM FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 29 FEBRUARY 2024

	Fourth Quarter		Cumulative Quarter	
	Current Year Quarter 29/02/2024 RM'000	Preceding Year Corresponding Quarter 28/02/2023 RM'000	Current Year To Date 29/02/2024 RM'000	Preceding Year Corresponding Period 28/02/2023 RM'000
Revenue	229,746	197,234	946,337	1,037,839
Operating Expenses	(194,840)	(170,230)	(806,697)	(884,058)
Other Operating Income	4,179	6,582	8,791	11,077
Profit from Operations	39,085	33,586	148,431	164,858
Finance Cost	(2,777)	(2,790)	(11,702)	(9,862)
Share of profit in associate company	41	217	302	613
Profit before taxation	36,349	31,013	137,031	155,609
Taxation	(7,608)	(7,443)	(31,736)	(39,976)
Profit for the period	28,741	23,570	105,295	115,633
Other comprehensive income net of tax				
Surplus on revaluation of properties	-	49	-	49
Tax effect on item that will not be reclassified to profit or loss	-	(12)	-	(12)
Foreign currency translation differences for foreign operation	1,452	(406)	5,166	(2,019)
Realisation of revaluation reserve upon depreciation of revalued asset	227	(172)	905	1,087
Transfer of revaluation reserve to unappropriated profit	(227)	172	(905)	(1,087)
Total comprehensive income for the period	30,193	23,201	110,461	113,651
Profit for the period attributable to:				
Owners of the Company	28,741	23,570	105,295	115,633
Non-controlling interest	-	-	-	-
	28,741	23,570	105,295	115,633
Total comprehensive income for the period attributable to:				
Owners of the Company	30,193	23,201	110,461	113,651
Non-controlling interest	-	-	-	-
	30,193	23,201	110,461	113,651
Earnings per share				
(a) Basic earnings per ordinary share (sen)	3.47	2.87	12.71	14.07
(b) Diluted earnings per ordinary share (sen)	3.45	2.84	12.65	13.96

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 28 February 2023 and the accompanying explanatory notes attached to the interim financial reports.

**PANTECH GROUP HOLDINGS BERHAD**

Company No. 200601013856 (733607-W)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2024**

	29/02/2024	28/02/2023
	Unaudited	Audited
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	346,327	343,862
Capital Work-in-progress	2,838	20
Investment Properties	12,400	11,750
Investment in An Associate Company	3,500	3,198
Other Investments	-	2,023
Goodwill on Acquisition	2,343	2,343
	<u>367,408</u>	<u>363,196</u>
Current Assets		
Inventories	410,047	405,441
Trade and Other Receivables	144,574	175,837
Amount Due from An Associate Company	55,191	19,314
Tax recoverable	1,612	10
Fixed Deposits with Licensed Banks	9,083	2,734
Cash and Bank Balances	252,940	177,291
	<u>873,447</u>	<u>780,627</u>
Non-current asset held for sale	-	2,200
TOTAL ASSETS	<u>1,240,855</u>	<u>1,146,023</u>
EQUITY AND LIABILITIES		
EQUITY		
Share Capital	268,428	263,417
Share Application Money	50	52
Treasury Shares	(10,241)	(9,156)
Revaluation Reserve	57,803	58,708
Other Reserves	15,330	10,887
Unappropriated Profits	553,666	497,285
TOTAL EQUITY	<u>885,036</u>	<u>821,193</u>
LIABILITIES		
Non-Current Liabilities		
Long Term Borrowings	17,749	21,349
Lease liabilities	11,262	11,074
Deferred Tax Liabilities	25,087	26,054
	<u>54,098</u>	<u>58,477</u>
Current Liabilities		
Trade and Other Payables	58,978	45,071
Short Term Borrowings	221,866	198,227
Amount Due to An Associate Company	71	-
Derivative Financial Instruments	-	12
Lease liabilities	2,444	2,286
Tax Payable	5,895	8,390
Dividend Payable	12,467	12,367
	<u>301,721</u>	<u>266,353</u>
Total Liabilities	<u>355,819</u>	<u>324,830</u>
TOTAL EQUITY AND LIABILITIES	<u>1,240,855</u>	<u>1,146,023</u>
NET ASSETS PER SHARE (RM)	1.04	0.97

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 28 February 2023 and the accompanying explanatory notes attached to the interim financial reports.



INTERIM FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 29 FEBRUARY 2024

	GROUP 29/02/2024 RM'000	GROUP 28/02/2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	137,031	155,609
Adjustments for:		
Allowance for impairment of receivables (net)	531	2,275
Allowance for/(reversal of) slow moving inventories (net)	365	(1,529)
Depreciation of property, plant and equipment	17,286	14,873
Depreciation of right-of-use assets	2,938	3,344
Interest expense	10,499	8,381
Bad debts written off	157	1
Interest expense on lease liabilities	570	671
Interest income	(4,315)	(2,270)
Dividend income	(154)	-
Gain on disposal of non-current asset held for sale	(80)	-
Gain on disposal of property, plant and equipment	(215)	(328)
(Gain)/loss on fair value adjustment on investment properties	(650)	284
Fair value loss/(gain) on other investments	55	(16)
(Gain)/loss on fair value of derivatives financial instruments	(12)	8
Unrealised exchange gain on foreign exchange	(718)	(756)
Other non-cash items	14	181
Operating profit before changes in working capital	163,302	180,728
Changes in working capital:-		
Inventories	(4,972)	(3,079)
Receivables	30,575	52,117
Payables	14,626	(110,019)
Associate company	(35,805)	(11,104)
Cash generated from operations	167,726	108,643
Tax paid (net)	(36,838)	(31,300)
Net cash generated from operating activities	130,888	77,343
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	154	-
Acquisition of subsidiaries, net of cash acquired	-	119
Interest received	4,315	2,270
Purchase of property, plant and equipment	(18,822)	(14,384)
Payment for investment property	-	(234)
Proceeds from disposal of property, plant and equipment	323	525
Proceeds from disposal of non-current asset held for sale	2,280	-
Capital work-in-progress incurred	(2,826)	(815)
Proceeds from/(Placement of) other investments	1,967	(1,568)
Net cash used in investing activities	(12,609)	(14,087)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(49,719)	(45,176)
Proceeds from issuance of share capital	3,982	3,699
Purchase of treasury shares	(1,085)	(1,565)
Interest paid	(11,069)	(9,052)
Share application money	(2)	-
Repayment of lease liabilities	(2,038)	(2,464)
Drawdown of short-term borrowings	27,233	14,970
Drawdown of borrowings	6,220	1,100
Repayment of borrowings	(13,414)	(24,394)
Net cash used in financing activities	(39,892)	(62,882)



INTERIM FINANCIAL REPORT

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 29 FEBRUARY 2024 (CONTINUED)**

	GROUP 29/02/2024 RM'000	GROUP 28/02/2023 RM'000
NET INCREASE IN CASH AND CASH EQUIVALENTS	78,387	374
EFFECT OF EXCHANGE RATE CHANGES	3,611	(1,628)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	180,025	181,279
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>262,023</u>	<u>180,025</u>

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 28 February 2023 and the accompanying explanatory notes attached to the interim financial reports.



PANTECH GROUP HOLDINGS BERHAD

Company No. 200601013856 (733607-W)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 29 FEBRUARY 2024

	← Attributable to Owners of the Company →						→	
	← Non-Distributable			→ Distributable				
	Share Capital RM'000	Share Application Money RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Share Option Reserve RM'000	Exchange Translation Reserve RM'000	Unappropriated Profits RM'000	Total Equity RM'000
Balance as at 1 March 2022	258,892	29	(7,591)	59,759	1,894	11,276	429,911	754,170
Transactions with owners:								
Issuance of shares pursuant to exercise of ESOS	4,525	(29)	-	-	(849)	-	-	3,647
Shares pending allotment	-	52	-	-	-	-	-	52
Acquisition of treasury shares	-	-	(1,565)	-	-	-	-	(1,565)
Share options granted under ESOS	-	-	-	-	585	-	-	585
Final dividend paid to Shareholders	-	-	-	-	-	-	(12,315)	(12,315)
First interim dividend paid to Shareholders	-	-	-	-	-	-	(12,319)	(12,319)
Second interim dividend paid to Shareholders	-	-	-	-	-	-	(12,345)	(12,345)
Third interim dividend payable to Shareholders	-	-	-	-	-	-	(12,367)	(12,367)
Total transactions with owners	4,525	23	(1,565)	-	(264)	-	(49,346)	(46,627)
Profit for the period	-	-	-	-	-	-	115,633	115,633
Other comprehensive income for the period	-	-	-	(1,051)	-	(2,019)	1,087	(1,983)
Total comprehensive income for the period	-	-	-	(1,051)	-	(2,019)	116,720	113,650
Balance as at 28 February 2023	263,417	52	(9,156)	58,708	1,630	9,257	497,285	821,193

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2023 and the accompanying explanatory notes attached to the interim financial reports



PANTECH GROUP HOLDINGS BERHAD

Company No. 200601013856 (733607-W)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 29 FEBRUARY 2024 (continued)

	←————— Attributable to Owners of the Company —————→							Total RM'000	Total Equity RM'000
	←————— Non-Distributable —————→				————— Distributable —————				
	Share Capital RM'000	Share Application Money RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Share Option Reserve RM'000	Exchange Translation Reserve RM'000	Unappropriated Profits RM'000		
Balance as at 1 March 2023	263,417	52	(9,156)	58,708	1,630	9,257	497,285	821,193	821,193
Transactions with owners:									
Issuance of shares pursuant to exercise of ESOS	5,011	(52)	-	-	(1,029)	-	-	3,930	3,930
Shares pending allotment	-	50	-	-	-	-	-	50	50
Acquisition of treasury shares	-	-	(1,085)	-	-	-	-	(1,085)	(1,085)
Share options granted under ESOS	-	-	-	-	306	-	-	306	306
Final dividend paid to Shareholders	-	-	-	-	-	-	(12,438)	(12,438)	(12,438)
First interim dividend paid to Shareholders	-	-	-	-	-	-	(12,452)	(12,452)	(12,452)
Second interim dividend paid to Shareholders	-	-	-	-	-	-	(12,462)	(12,462)	(12,462)
Third interim dividend payable to Shareholders	-	-	-	-	-	-	(12,467)	(12,467)	(12,467)
Total transactions with owners	5,011	(2)	(1,085)	-	(723)	-	(49,819)	(46,618)	(46,618)
Profit for the period	-	-	-	-	-	-	105,295	105,295	105,295
Other comprehensive income for the period	-	-	-	(905)	-	5,166	905	5,166	5,166
Total comprehensive income for the period	-	-	-	(905)	-	5,166	106,200	110,461	110,461
Balance as at 29 February 2024	268,428	50	(10,241)	57,803	907	14,423	553,666	885,036	885,036

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2023 and the accompanying explanatory notes attached to the interim financial reports



INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for the revaluation of properties included within property, plant and equipment and investment properties which are stated at fair value.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad. These interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”).

The interim financial statements should be read in conjunction with the audited financial statements of the Company for the financial year ended 28 February 2023. 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 28 February 2023.

A2 Summary of Significant Accounting Policies

(a) Adoption of new or revised MFRSs

Significant accounting policies adopted by the Group in this interim financial statements are consistent with those of the audited financial statements for year ended 28 February 2023, except for adoption of the new and revised MFRSs and IC Interpretations approved by the Malaysian Accounting Standards Board and applicable for current financial year. The initial application of the new and revised MFRSs and interpretations has no material impacts to this interim financial statements.

(b) Standards Issued But Not Yet Effective

At the date of authorisation of this interim financial statement, the MASB has approved certain new standards, amendments and interpretations to existing standards which are not yet effective, and have not been early adopted by the Group.

(i) Amendments effective for period beginning on or after 1 January 2024

- Amendments to MFRS 7 – *Financial Instruments Disclosures*
- Amendments to MFRS 16 – *Leases*
- Amendments to MFRS 101 – *Presentation of Financial Statements*
- Amendments to MFRS 107 – *Statement of Cash Flows*



INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A2 Summary of Significant Accounting Policies (continued)

(b) Standards Issued But Not Yet Effective (continued)

(ii) Amendments effective for period beginning on or after 1 January 2025

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

(iii) Amendments effective for date yet to be confirmed

- Amendments to MFRS 10 – *Consolidated Financial Statements*
- Amendments to MFRS 128 – *Investments in Associates and Joint Ventures*

The management anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. The initial application of the new standards, amendments and interpretations are not expected to have any material impacts to the interim financial statement of the Group.

A3 Audit Report of Preceding Annual Financial Statement

The audited financial statements of the Company and its subsidiary companies for the financial year ended 28 February 2023 were not subject to any audit qualification.

A4 Seasonal or Cyclical Factors

The Group's business operations were not affected by any seasonal or cyclical factors.

A5 Significant Matters, Unusual Items or Transactions due to Their Nature, Size or Incidence

There were no significant matters, unusual items or transactions that affected the assets, liabilities, equity, net income and cash flows of the Group during the quarter under review.

A6 Material Changes in Estimates

There were no changes in estimates that have a material effect during the quarter under review.



INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A7 Debt and Equity Securities

Save as disclosed below, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the Company:

a) Treasury Shares

During the current financial year-to-date under review, the company has purchased 1,345,000 ordinary share or 0.16% of its issued share capital from the open market at the average price paid of RM0.81 per share. The purchase transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 127 of Companies Act, 2016.

The Company has the right to cancel, resell any shares purchased and/or distributes as dividends at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution is suspended.

As at the end of financial year-to-date under review, the number of ordinary shares in issue after deducting treasury shares against equity is 831,465,979 ordinary shares.

b) Employees' Share Option Scheme ("ESOS")

During the current financial year-to-date under review, 8,310,800 number of ordinary shares were issued under the Company's ESOS.



INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A8 Dividend Paid

	Current Year To-date RM'000	Preceding Year Corresponding Period RM'000
Second interim dividend in respect of financial year ended 29 February 2024, paid on 12 January 2024 Single tier dividend of 1.50 sen per ordinary share	12,462	
First interim dividend in respect of financial year ended 29 February 2024, paid on 20 October 2023 Single tier dividend of 1.50 sen per ordinary share	12,452	
Final single tier dividend in respect of financial year ended 28 February 2023, paid on 15 September 2023 Single tier dividend of 1.50 sen per ordinary share	12,438	
Third interim dividend in respect of financial year ended 28 February 2023, paid on 24 March 2023 Single tier dividend of 1.50 sen per ordinary share	12,367	
Second interim dividend in respect of financial year ended 28 February 2023, paid on 13 January 2023 Single tier dividend of 1.50 sen per ordinary share		12,345
First interim dividend in respect of financial year ended 28 February 2023, paid on 21 October 2022 Single tier dividend of 1.50 sen per ordinary share		12,319
Final single tier dividend in respect of financial year ended 28 February 2022, paid on 9 September 2022 Single tier dividend of 1.50 sen per ordinary share		12,315
Third interim dividend in respect of financial year ended 28 February 2022, paid on 25 Mar 2022 Single tier dividend of 1.00 sen per ordinary share		8,197
	49,719	45,176

Subsequent to the interim financial period ended 29 February 2024, the Company had on 26 March 2024 distributed a third interim single tier dividend of 1.50 sen per ordinary share in respect of financial year ended 29 February 2024, amounting to approximately RM12.47 million.



INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A9 Segment Information

The Group is principally engaged in the business segments of trading of PVF*, manufacturing of pipes and pipe fittings, galvanising, investments and management.

	Trading of PVF products RM'000	Manufacturing of pipes & pipe fittings, galvanising RM'000	Investment and Management RM'000	Elimination RM'000	Total RM'000
Period Ended 29 February 2024					
Revenue					
External Revenue	510,915	435,422	-	-	946,337
Intersegment revenue	28,201	78,868	69,400	(176,469)	-
Total revenue	539,116	514,290	69,400	(176,469)	946,337
Segment Profit	62,863	79,207	68,514	(66,468)	144,116
Interest income					4,315
Finance costs					(11,702)
Share of profit in associate					302
Profit before tax					137,031
Period Ended 28 February 2023					
Revenue					
External Revenue	512,291	525,548	-	-	1,037,839
Intersegment revenue	31,702	87,619	57,254	(176,575)	-
Total revenue	543,993	613,167	57,254	(176,575)	1,037,839
Segment Profit	54,097	110,448	54,863	(56,820)	162,588
Interest income					2,270
Finance costs					(9,862)
Share of profit in associate					613
Profit before tax					155,609

* PVF: Represents pipes, valves and fittings.



INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A9 Segment Information (continued)

Analysis of the Group's revenue by geographical segments:

	Revenue	
	-- 12 months ended 29 February 2024 -- Current Year to-date RM'000	Preceding Year Corresponding Period RM'000
Generated by Malaysia operation	1,078,392	1,181,848
Generated by overseas operation	44,414	32,566
	1,122,806	1,214,414
Inter-segments elimination	(176,469)	(176,575)
	946,337	1,037,839

A10 Valuation of Property, Plant and Equipment

Property, plant and equipment of the Group are stated at cost or valuation less accumulated depreciation and any accumulated impairment losses.

There was no change to the valuation of property, plant and equipment brought forward from the preceding audited financial statements for the financial year ended 28 February 2023.

A11 Material Events Subsequent to the End of the Interim Period

There were no significant material events subsequent to the current financial quarter to date of this announcement, which is likely to substantially affect the results and the operations of the Group.

A12 Changes in the Composition of the Group

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

A13 Contingent Liabilities

As at the date of this announcement, there were no material contingent liabilities incurred by the Group which, upon crystallization would have a material impact on the financial position and business of the Group.

The Company has provided the following corporate guarantees to financial institutions and suppliers for credit facilities granted to its subsidiaries: -

	29 February 2024
	RM'000
Corporate guarantees	<u>705,968</u> *

* Represents the total limit of Pantech's corporate guarantee



INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A14 Capital Commitments

Authorised capital commitments not provided for in the interim financial statements as at 29 February 2024 are as follows: -

29 February 2024
RM'000

Approved and contracted for

4,037



INTERIM FINANCIAL REPORT

B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of Performance

	Revenue		Revenue	
	Current Quarter		12 months to	
	29-Feb-24	28-Feb-23	29-Feb-24	28-Feb-23
	RM'000	RM'000	RM'000	RM'000
Business Segment				
Trading	121,226	93,519	510,915	512,291
Manufacturing	108,520	103,715	435,422	525,548
Investment and Management	-	-	-	-
Consolidated Total	229,746	197,234	946,337	1,037,839

	Profit Before Taxation		Profit Before Taxation	
	Current Quarter		12 months to	
	29-Feb-24	28-Feb-23	29-Feb-24	28-Feb-23
	RM'000	RM'000	RM'000	RM'000
Business Segment				
Trading	20,246	6,469	60,867	49,651
Manufacturing	16,368	26,113	79,109	110,843
Investment and Management	(265)	(1,569)	(2,945)	(4,885)
Consolidated Total	36,349	31,013	137,031	155,609

Trading Division

For the current quarter ended 29 February 2024, the trading division recorded higher external revenue of RM121.23 million (Q4FY23: RM93.52 million) and segment profit before tax of RM20.25 million (Q4FY23: RM6.47 million), an increase of approximately RM27.71 million (29.63%) and RM13.78 million (212.98%) respectively. The higher revenue and segment profit before tax for the current quarter was mainly due to the increase of sales demand in local oil and gas sector and better product mix.

For the 12 months ended 29 February 2024, the trading division recorded comparable external revenue of RM510.92 million (12 months FY23: RM512.29 million) and higher segment profit before tax of RM60.87 million (12 months FY23: RM49.65 million), which increased by RM11.22 million (22.60%). The higher deliveries to local oil and gas sector and better product mix has contributed higher segment profit before tax for the 12 months ended 29 February 2024.



INTERIM FINANCIAL REPORT

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTINUED)

B1 Review of Performance (continued)

Manufacturing Division

For the current quarter ended 29 February 2024, the manufacturing division recorded slightly higher external revenue of RM108.52 million (Q4FY23: RM103.72 million) but lower segment profit before tax of RM16.37 million (Q4FY23: RM26.11 million), an increase of approximately RM4.8 million (4.63%) and decrease of approximately RM9.74 million (37.30%) respectively.

For the 12 months ended 29 February 2024, the manufacturing division recorded lower external revenue of RM435.42 million (12 months FY23: RM525.55 million) and segment profit before tax of RM79.11 million (12 months FY23: RM110.84 million), a decrease of approximately RM90.13 million (17.15%) and RM31.73 million (28.63%) respectively.

The lower segment profit before tax for the current quarter and 12 months ended 29 February 2024 was mainly due to lower demand for stainless steel products and lower average selling prices. However, we expect the market demand to gradually improve in the next financial year.

Investment and Management Division

This is mainly inter-group dividend and management fees income and group related expenses.

Group Performance

For the current quarter ended 29 February 2024, the Group registered higher revenue of RM229.75 million (Q4FY23: RM197.23 million) and profit before tax ("PBT") of RM36.35 million (Q4FY23: RM31.01 million). The higher revenue and segment profit before tax for current quarter was mainly due to higher contribution from trading division on the back of increased local oil and gas demand.

For the 12 months ended 29 February 2024, the Group registered lower revenue of RM946.34 million (12 months FY23: RM1.04 billion) and profit before tax ("PBT") of RM137.03 million (12 months FY23: RM155.61 million). The lower revenue and profit before tax was mainly due to softer sales demand in manufacturing division and lower average selling prices.

B2 Variation of Results against Preceding Quarter

In the current quarter under review, the Group reported a higher revenue of RM229.75 million compared to the preceding quarter of RM221.44 million, and a higher profit after taxation ("PAT") of RM28.74 million compared to preceding quarter of RM21.15 million. The increase in revenue and PAT was mainly due to the increase in sales demand and better product mix by trading division.



INTERIM FINANCIAL REPORT

B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTINUED)

B3 Prospects

The robust oil price is likely to bring positive impact to its related capital activities such as increase spending in facilities maintenance and upgrading activities in the oil and gas industry. Projects earmarked are expected to begin implementation in the next financial year and the Group will actively participate in international trade exhibitions. This in turn will improve the demand for our products in both domestic and international markets.

However, on the economic front, the Group is watchful of the economic risks from ongoing geopolitical conflicts, high interest rate and inflation that may hinder the current economic growth as well as the oil and gas demand.

The Group will prudently continue to strengthen its existing revenue generating businesses and operation productivity, seek opportunities to grow its core businesses, both local and overseas, by enhancing its competitiveness as the major pipes, valves and fittings solutions provider to the oil and gas and related upstream and downstream industries.

Barring further unforeseen circumstances, the Group is optimistic of its overall performance for the next financial year.

B4 Variance on Profit Forecast/Profit Guarantee

There is no profit forecast or guarantee issued by the Group for the current financial year and quarter under review.



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B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTINUED)

B5 Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year 29-Feb-24 RM'000	Preceding Year Corresponding Quarter 28-Feb-23 RM'000	Current Year To Date 29-Feb-24 RM'000	Preceding Year Corresponding Period 28-Feb-23 RM'000
Current taxation	8,187	5,541	32,970	38,223
Over provision of tax	(17)	(6)	(229)	(221)
Transferred (to)/from deferred tax assets	-	(260)	-	4
Transferred (from)/to deferred tax liabilities	(496)	2,236	(740)	2,236
Crystallization of deferred taxation upon depreciation of revalued assets	(66)	(68)	(265)	(266)
	7,608	7,443	31,736	39,976

Tax expense for the current quarter and financial year-to-date ended 29 February 2024 is derived based on management's best estimate of the tax charges for the year. The effective tax rate of the Group for the current financial year-to-date is lower than the statutory rate, mainly due to utilization of tax incentive by subsidiary company.

B6 Status of Corporate Proposals

There are no corporate proposals announced but not completed as at the date of this quarterly report.



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B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTINUED)

B7 Group Borrowings and Lease Liabilities

The Group's borrowings as at the end of the reporting quarter are as follows: -

<u>Borrowings</u>	Current RM'000	Non-current RM'000
<u>Unsecured: -</u>		
- Term loans	9,328	17,749
- Bankers' acceptances, trust receipts and other short term loan	173,177	-
- Foreign currency loan	39,361	-
	<u>221,866</u>	<u>17,749</u>

Foreign currency borrowings included above:

	Foreign Currency '000	RM Equivalent '000
US Dollar	<u>8,248</u>	<u>39,361</u>

<u>Lease Liabilities</u>	Current RM'000	Non-current RM'000
Lease Liabilities	<u>2,444</u>	<u>11,262</u>

B8 Material Litigation

There are no pending material litigations as at the date of this quarterly report that has a material effect on the financial position of the Group and the Board is not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings, which might materially affect the position or business of the Group.

B9 Dividends

The Board of Directors is proposing for the shareholders' approval at the forthcoming Annual General Meeting, a final single tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 29 February 2024 (Preceding year corresponding quarter: 1.5 sen). The details of the entitlement date for the dividend will be announced later.

The total dividend per share for the current financial year is 6.0 sen single tier dividend per ordinary share (Preceding year corresponding period: 6.0 sen).



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B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTINUED)

B10 Earnings per Share

a) Basic Earnings per Share

Basic Earnings Per Share is calculated by dividing profit for the period attributable to owners of the Company over weighted average number of ordinary shares in issue during the period: -

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	29-Feb-24 RM'000	28-Feb-23 RM'000	29-Feb-24 RM'000	28-Feb-23 RM'000
Net profit attributable to owners of the Company	28,741	23,570	105,295	115,633
Weighted average number of ordinary share in issue ('000)	828,644	821,601	828,644	821,601
Basic earnings per ordinary share (sen)	3.47	2.87	12.71	14.07

b) Diluted Earnings per Share

The Diluted Earnings per Share is calculated by dividing the profit attributable to the owners of the Company on the weighted average number of ordinary shares in issue during the period which has been adjusted for the dilutive effect of ordinary shares that would be issued upon conversion of ESOS.



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B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTINUED)

B10 Earnings per Share (continued)

b) Diluted Earnings per Share (continued)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	29-Feb-24 RM'000	28-Feb-23 RM'000	29-Feb-24 RM'000	28-Feb-23 RM'000
Net profit attributable to owners of the Company:	28,741	23,570	105,295	115,633
Adjusted weighted average number of shares ('000):				
Weighted average number of ordinary share in issue ('000)	828,644	821,601	828,644	821,601
Adjustment for dilutive effect on exercise of ESOS options ('000)	3,950	6,917	3,950	6,917
	832,594	828,518	832,594	828,518
Diluted earnings per ordinary share (sen)	3.45	2.84	12.65	13.96

B11 Share Buy Back

As at end of current quarter, a total of 20,031,293 ordinary shares were retained as treasury shares and treated in accordance with the requirement of Section 127 of the Companies Act, 2016. The average price paid for the shares purchased was RM0.51 per share.



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B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTINUED)

B12 Notes to the Condensed Consolidated Statement of Comprehensive Income

	Quarter Ended 29-Feb-24 RM'000	Financial Year Ended 29-Feb-24 RM'000
Interest income	1,192	4,315
Other income including investment income	163	806
Interest expense	(2,936)	(11,069)
Depreciation and amortization	(5,094)	(20,224)
Allowance for impairment and write-off of receivables	355	(688)
Allowance of slow moving and write-off of inventories	141	(365)
Gain on disposal of quoted or unquoted investment or properties	-	80
Gain on disposal of property, plant and equipment	35	215
Fair value gain on investment properties	650	650
Fair value loss on other investments	(47)	(55)
Realised foreign exchange gain	163	8,716
Unrealised foreign exchange gain	1,205	718
Gain on derivatives	-	12
Exceptional items	-	-

Date: 25 April 2024