

**KARYON INDUSTRIES BERHAD (Registration No: 200301010377 (612797-T))**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE 2ND QUARTER ENDED 30 SEPTEMBER 2024**  
(The figures have not been audited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<b>CURRENT YEAR QUARTER 30/09/24 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER 30/09/23 RM'000</b>	<b>CURRENT YEAR TO DATE 30/09/24 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 30/09/23 RM'000</b>
Revenue	48,680	43,096	95,222	83,414
Cost of Sales	(40,714)	(36,959)	(80,617)	(71,704)
Gross Profit	7,966	6,137	14,605	11,710
Other Income	213	152	387	687
Administrative and Operating Expenses	(4,937)	(3,730)	(9,176)	(7,121)
Finance Costs	(100)	(66)	(197)	(132)
Profit Before Tax	3,142	2,493	5,619	5,144
Tax expense	(1,021)	(689)	(1,825)	(1,555)
<b>PROFIT FOR THE FINANCIAL PERIOD/ TOTAL COMPREHENSIVE INCOME</b>	<b>2,121</b>	<b>1,804</b>	<b>3,794</b>	<b>3,589</b>
Profit attributable to:				
Owners of the parent	2,121	1,804	3,794	3,589
Total comprehensive income attributable to:				
Owners of the parent	2,121	1,804	3,794	3,589
Earnings per share (sen):				
- Basic	0.45	0.38	0.80	0.75
- Diluted	0.45	0.38	0.80	0.75

(The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to this interim financial statements on page 5-12)

**KARYON INDUSTRIES BERHAD (Registration No: 200301010377 (612797-T))**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2024**  
(The figures have not been audited)

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As at 30/09/24</b>	<b>As at 31/03/24</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	52,232	51,550
Right-of-use assets	1,045	162
	<u>53,277</u>	<u>51,712</u>
<b>Current assets</b>		
Inventories	27,633	28,579
Trade and other receivables	37,125	34,604
Current tax assets	514	848
Cash and bank balances	33,907	36,220
	<u>99,179</u>	<u>100,251</u>
<b>TOTAL ASSETS</b>	<u>152,456</u>	<u>151,963</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	47,609	47,609
Retained earnings	74,595	72,609
<b>TOTAL EQUITY</b>	<u>122,204</u>	<u>120,218</u>
<b>Non-current liabilities</b>		
Borrowings	7,684	8,190
Lease liabilities	673	36
Deferred tax liabilities	3,553	3,549
	<u>11,910</u>	<u>11,775</u>
<b>Current liabilities</b>		
Trade and other payables	16,617	18,892
Borrowings	997	926
Lease liabilities	280	129
Current tax liability	448	23
	<u>18,342</u>	<u>19,970</u>
<b>TOTAL LIABILITIES</b>	<u>30,252</u>	<u>31,745</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>152,456</u>	<u>151,963</u>
Net assets per share attributable to owners of the parent (RM)	<u>0.26</u>	<u>0.25</u>

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to this interim financial statements on page 5-12)

**KARYON INDUSTRIES BERHAD (Registration No: 200301010377 (612797-T))**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 2ND QUARTER ENDED 30 SEPTEMBER 2024****(The figures have not been audited)****Quarter ended 30 September 2024**

	<b>ATTRIBUTABLE TO OWNERS OF THE PARENT</b>		
	<b>SHARE CAPITAL</b>	<b>RETAINED EARNINGS</b>	<b>TOTAL</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
<b>Balance as at 01.04.2024</b>	47,609	72,609	120,218
Total comprehensive income for the period	-	3,794	3,794
Dividend paid	-	(1,808)	(1,808)
<b>Balance as at 30.09.2024</b>	<b>47,609</b>	<b>74,595</b>	<b>122,204</b>

**Quarter ended 30 September 2023**

	<b>ATTRIBUTABLE TO OWNERS OF THE PARENT</b>		
	<b>SHARE CAPITAL</b>	<b>RETAINED EARNINGS</b>	<b>TOTAL</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
<b>Balance as at 01.04.2023</b>	47,609	67,865	115,474
Total comprehensive income for the period	-	3,589	3,589
Dividend paid	-	(1,665)	(1,665)
<b>Balance as at 30.09.2023</b>	<b>47,609</b>	<b>69,789</b>	<b>117,398</b>

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to this interim financial statements on page 5-12)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE 2ND QUARTER ENDED 30 SEPTEMBER 2024**  
**(The figures have not been audited)**

	<b>CURRENT YEAR TO DATE 30/09/24 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 30/09/23 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	5,619	5,144
Adjustments for:		
Bad debts recovered	-	(60)
Bad debts written off	22	-
Depreciation of:		
- property, plant and equipment	849	766
- right-of-use assets	95	82
Gain on lease modification	(1)	(1)
Interest expense	197	132
Interest income	(362)	(539)
Loss on disposal of property, plant and equipment	5	-
Property, plant and equipment written off	1	3
Unrealised loss on foreign exchange	173	6
Operating profit before changes in working capital	6,598	5,533
Net changes in inventories	946	(3,038)
Net changes in trade and other receivables	(2,704)	(2,894)
Net changes in trade and other payables	(2,241)	(3,928)
<b>CASH GENERATED FROM/(USED IN) OPERATIONS</b>	<b>2,599</b>	<b>(4,327)</b>
Interest received	23	60
Tax paid	(1,092)	(1,327)
Tax refunded	30	414
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>1,560</b>	<b>(5,180)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Placements)/withdrawals of deposits with licensed bank with original maturity date more than three months	(2,278)	5,799
Interest received	339	479
Proceeds from disposal of property, plant and equipment	52	-
Purchase of property, plant and equipment	(1,589)	(2,703)
Purchase of right-of-use assets	(101)	-
<b>NET CASH (USED IN)/FROM INVESTING ACTIVITIES</b>	<b>(3,577)</b>	<b>3,575</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of:		
- lease liabilities	(95)	(94)
- term loans	(435)	(336)
Interest paid	(190)	(127)
Dividend paid	(1,808)	(1,665)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(2,528)</b>	<b>(2,222)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(4,545)</b>	<b>(3,827)</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH &amp; CASH EQUIVALENTS</b>	<b>(46)</b>	<b>19</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>24,672</b>	<b>36,807</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD (Note 1)</b>	<b>20,081</b>	<b>32,999</b>

**Note 1: Cash and cash equivalents**

Cash and cash equivalents included in the statement of cash flows comprise of the following:

	<b>RM'000</b>
Cash and bank balances	33,907
Less: Deposits with licensed banks (more than three months)	(13,826)
Cash and bank balances at the end of the financial period	20,081

(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to this interim financial statements on page 5-12)

## **KARYON INDUSTRIES BERHAD (“KIB” OR “COMPANY”)**

(Registration No: 200301010377 (612797-T))

(Incorporated in Malaysia)

### **UNAUDITED QUARTERLY REPORT FOR THE 2ND QUARTER ENDED 30 SEPTEMBER 2024**

Explanatory notes to the Interim Financial Statements

#### **1. Accounting Policies and 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 (“**Bursa Securities**”) and should be read in conjunction with the audited financial statements of the Group for the financial year ended (“**FYE**”) 31 March 2024.

#### **2. Material Accounting Policy Information**

The material accounting policy information adopted by KIB and its subsidiaries (“**Group**”) in this interim financial statement are consistent with those adopted in the audited financial statements for the FYE 31 March 2024 except for the MFRS, Amendments to MFRS and IC Interpretations which are effective for the annual period beginning on 1 January 2024. The adoption of these MFRS, Amendments to MFRS and Interpretations will have no material impact on the financial statements of the Group.

At the date of authorisation of these interim financial statements, the following MFRS and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

<b>MFRSs and Amendments to MFRSs issued but not yet effective</b>		<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual improvements to MFRS Accounting Standards – Volume 11		1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosure	1 January 2027
Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

#### **3. Audit Report of the Preceding Audited Financial Statements**

The auditors’ report of the preceding annual financial statements of the Group was not subject to any qualification.

#### **4. Seasonal or Cyclical Factors**

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review and financial period-to-date.

## 5. Unusual Items

There were no items or events that arose, which is unusual because of its nature, size, or incidence that has affected the assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter under review and financial period-to-date.

## 6. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have material effect on the current financial quarter under review and financial period-to-date.

## 7. Changes in Debts and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs and share cancellation for the current financial quarter under review and financial period-to-date.

## 8. Dividend Paid

The dividend paid during current and preceding year corresponding financial period to date are as follows:

	Company			
	2025		2024	
	Gross dividend per share sen	Amount of dividend RM	Gross dividend per share sen	Amount of dividend RM
<b>In respect of the financial year ending 31 March 2025</b> First interim single-tier dividend of 0.38 sen per ordinary share, declared on 28 August 2024 and paid on 26 September 2024	0.38	1,807,708	-	-
<b>In respect of the financial year ended 31 March 2024</b> First interim single-tier dividend of 0.35 sen per ordinary share, declared on 24 August 2023 and paid on 26 September 2023	-	-	0.35	1,664,998

## 9. Segmental Reporting

The segmental result of the Group for the current financial quarter under review and the preceding year corresponding quarter are set out below:

### 3 months ended 30 September 2024

	Investment Holding	Manufacturing and Trading of Polymeric Product	Others	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Sales (Gross)	3,449	51,391	-	54,840
Inter-Segment sales	(3,438)	(2,722)	-	(6,160)
<b>External</b>	<b>11</b>	<b>48,669</b>	<b>-</b>	<b>48,680</b>
<b>RESULT</b>				
Segment result	(1,324)	4,589	(23)	3,242
Finance costs	-	(100)	-	(100)
(Loss)/Profit before tax	(1,324)	4,489	(23)	3,142
Tax expense	(184)	(837)	-	(1,021)
<b>(Loss)/Profit after tax</b>	<b>(1,508)</b>	<b>3,652</b>	<b>(23)</b>	<b>2,121</b>
<b>Consolidated Statement of Financial Position</b>				
Segment assets	3,640	148,755	61	152,456
Segment liabilities	1,323	28,911	18	30,252

### 3 months ended 30 September 2023

	Investment Holding	Manufacturing and Trading of Polymeric Product	Others	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Sales (Gross)	1,168	44,924	-	46,092
Inter-Segment sales	(1,140)	(1,856)	-	(2,996)
<b>External</b>	<b>28</b>	<b>43,068</b>	<b>-</b>	<b>43,096</b>
<b>RESULT</b>				
Segment result	(1,119)	3,678	-	2,559
Finance costs	-	(66)	-	(66)
(Loss)/Profit before tax	(1,119)	3,612	-	2,493
Tax expense	(101)	(588)	-	(689)
<b>(Loss)/Profit after tax</b>	<b>(1,220)</b>	<b>3,024</b>	<b>-</b>	<b>1,804</b>
<b>Consolidated Statement of Financial Position</b>				
Segment assets	3,752	136,751	98	140,601
Segment liabilities	1,075	22,127	1	23,203

9. Segmental Reporting (cont'd)

**6 months ended 30 September 2024**

	Investment Holding	Manufacturing and Trading of Polymeric Product	Others	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Sales (Gross)	7,631	100,151	-	107,782
Inter-Segment sales	(7,608)	(4,952)	-	(12,560)
<b>External</b>	<b>23</b>	<b>95,199</b>	<b>-</b>	<b>95,222</b>
<b>RESULT</b>				
Segment result	(2,587)	8,427	(24)	5,816
Finance costs	-	(197)	-	(197)
(Loss)/Profit before tax	(2,587)	8,230	(24)	5,619
Tax expense	(386)	(1,439)	-	(1,825)
<b>(Loss)/Profit after tax</b>	<b>(2,973)</b>	<b>6,791</b>	<b>(24)</b>	<b>3,794</b>
<b>Consolidated Statement of Financial Position</b>				
Segment assets	3,640	148,755	61	152,456
Segment liabilities	1,323	28,911	18	30,252

**6 months ended 30 September 2023**

	Investment Holding	Manufacturing and Trading of Polymeric Product	Others	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Sales (Gross)	4,340	86,378	-	90,718
Inter-Segment sales	(4,280)	(3,024)	-	(7,304)
<b>External</b>	<b>60</b>	<b>83,354</b>	<b>-</b>	<b>83,414</b>
<b>RESULT</b>				
Segment result	(2,243)	7,519	-	5,276
Finance costs	-	(132)	-	(132)
(Loss)/Profit before tax	(2,243)	7,387	-	5,144
Tax expense	(285)	(1,270)	-	(1,555)
<b>(Loss)/Profit after tax</b>	<b>(2,528)</b>	<b>6,117</b>	<b>-</b>	<b>3,589</b>
<b>Consolidated Statement of Financial Position</b>				
Segment assets	3,752	136,751	98	140,601
Segment liabilities	1,075	22,127	1	23,203



## 10. Valuation of Property, Plant and Equipment

The Group's property, plant and equipment is carried at cost and have been brought forward without amendment from the latest audited annual financial statements.

## 11. Events Subsequent to the End of the Current Financial Quarter

There were no material events that have occurred from 1 October 2024 to the date of this announcement.

## 12. Changes in the Composition of the Group

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

## 13. Contingent Liabilities and Contingent Assets

There were no contingent liabilities and assets as at the end of current financial quarter under review.

## 14. Capital Commitment

Capital commitment as at 30 September 2024 is as follows:

	RM
Capital expenditure in respect of purchase of property, plant and equipment:	
Contracted but not provided for	596,000

## 15. Performance Review

### Current Financial Quarter as compared with Previous Year Corresponding Quarter

	3 Months Ended		Variance	
	30.09.2024	30.09.2023	Amount	%
	RM'000	RM'000	RM'000	
Revenue	48,680	43,096	5,584	12.96
Profit before tax ("PBT")	3,142	2,493	649	26.03

The Group's revenue and PBT had increased by RM5.58 million and RM0.65 million respectively, in the current quarter under review as compared to the corresponding quarter in the preceding financial period. The increase in the Group's revenue and PBT were due mainly to the increase in selling price of polymeric products by approximately 3.67%. In addition, as part of the Group's on-going business strategies to explore new market opportunities, the Group's sales from trading steel products also contributed to the increase in the Group's revenue and PBT during the current quarter under review.

## 15. Performance Review (cont'd)

### Current Financial Period as compared with Previous Year Corresponding Period

	6 Months Ended		Variance	
	30.09.2024	30.09.2023	Amount	%
	RM'000	RM'000	RM'000	
Revenue	95,222	83,414	11,808	14.16
PBT	5,619	5,144	475	9.23

The Group's revenue and PBT had increased by RM11.81 million and RM0.48 million respectively, in the current quarter under review as compared to the corresponding period in the preceding financial period. The increase in the Group's revenue and PBT were due mainly to the increase in selling price of polymeric products by approximately 4.99%, as well as the higher sales from trading steel products as mentioned above.

## 16. Material Changes in PBT as Compared with the Immediate Preceding Quarter

	3 Months Ended		Variance	
	30.09.2024	30.06.2024	Amount	%
	RM'000	RM'000	RM'000	
Revenue	48,680	46,542	2,138	4.59
PBT	3,142	2,477	665	26.85

The Group's revenue and PBT had increased by RM2.14 million and RM0.67 million respectively in the current quarter under review as compared to the immediate preceding quarter ended 30 June 2024. The increase in the Group's revenue and PBT were attributed mainly to the higher sales from trading steel products as mentioned above.

## 17. Future Prospects

The business operations of the Group is expected to remain challenging due to uncertainties in both local and global economies, as well as the inflationary pressure which causes the high production and operating costs.

To ensure the Group navigates through this challenging period, we will continue to focus on enhancing our operational and cost efficiency to gain a better position in the current competitive and uncertain market.

In addition, we will also continue to explore new market opportunities as part of our growth strategies.

With the abovementioned, the Board expect that the financial performance of the Group would remain satisfactory for the financial year ending 31 March 2025.

## 18. Variance of Profit Forecast and Shortfall in Profit Guarantee

The Group has not issued any profit forecast or profit guarantee for the current financial quarter under review.

## 19. Tax Expense

The tax expense charged for the current financial quarter under review and financial year-to-date includes the followings:

	<b>Current quarter 30.09.2024 RM'000</b>	<b>Financial Year-To- Date 30.09.2024 RM'000</b>
Current income tax	1,016	1,821
Deferred tax	5	4
	<u>1,021</u>	<u>1,825</u>

The Group's effective tax rate was higher than the statutory tax rate due mainly to certain expenses which are disallowed for tax purposes.

## 20. Status of Corporate Proposal

There are no corporate proposals announced but not completed as at the reporting date.

## 21. Group Borrowings and Debt Securities

The Group's borrowings, which are all denominated in Ringgit Malaysia, as at 30 September 2024 are shown below:

	<b>As at 30.09.2024 RM'000</b>	<b>As at 30.09.2023 RM'000</b>
<b>Long Term Borrowings - secured</b>		
Term loans	7,684	4,737
<b>Short Term Borrowings - secured</b>		
Term loans	997	761
<b>Total</b>	<u>8,681</u>	<u>5,498</u>

## 22. Material Litigation

The Group does not have any material litigation which would materially affect the financial position of the Group as at the reporting date.

## 23. Dividends Payable

First interim single-tier dividend of RM0.0038 per ordinary share was declared on 28 August 2024 and paid on 26 September 2024 as disclosed in Note 8.

The total dividend declared and paid to-date for the financial year ending 31 March 2025 is RM1,807,708 (31 March 2024: RM1,664,998).

**24. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

PBT is arrived at after charging/(crediting) the following items:

	<b>Current Quarter Ended</b>		<b>6 Months Ended</b>	
	<b>30.09.2024</b>	<b>30.09.2023</b>	<b>30.09.2024</b>	<b>30.09.2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Bad debts recovered	-	(60)	-	(60)
Bad debts written off	22	-	22	-
Depreciation of property, plant and equipment	428	389	849	766
Depreciation of right-of-use assets	57	44	95	82
Gain on lease modification	-	-	(1)	(1)
Loss on disposal of property, plant and equipment	5	-	5	-
Net foreign exchange loss/(gain) – realised	324	57	352	(116)
Net foreign exchange loss – unrealised	81	14	173	6
Property, plant and equipment written off	1	1	1	3
Interest income	(177)	(201)	(339)	(479)
Interest expense	99	66	197	132

Save as disclosed above, the other items required under Paragraph 16, Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.

**25. Earnings Per Share (“EPS”)**

**Basic**

The calculation of the basic EPS is based on the net profit for the current financial quarter and the 6-months financial period, divided by the weighted average number of ordinary shares of KIB during the current financial quarter and the 6-months financial period.

	<b>Current Quarter Ended</b>		<b>6 Months Ended</b>	
	<b>30.09.2024</b>	<b>30.09.2023</b>	<b>30.09.2024</b>	<b>30.09.2023</b>
Profit attributable to owners of the parent (RM'000)	2,121	1,804	3,794	3,589
Weighted average number of ordinary shares in issue ('000)	475,713	475,713	475,713	475,713
Basic EPS (sen)	0.45	0.38	0.80	0.75

**Diluted**

The diluted EPS for the current financial quarter and the 6-months financial period is equal to the basic EPS for the respective financial period as there were no outstanding dilutive potential ordinary shares at the end of each reporting period.