



CEKD BERHAD

[Registration No. 201801023077 (1285096-M)]
(Incorporated in Malaysia)

Interim Financial Report
For the 1st Quarter Ended
30 November 2024



Registration No: 201801023077 (1285096-M)

Unaudited Interim Financial Report for The First Quarter Ended 30 November 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME⁽¹⁾**

	Note	3-MONTH ENDED		PERIOD-TO-DATE	
		30.11.2024 RM'000	30.11.2023 RM'000	30.11.2024 RM'000	30.11.2023 RM'000
Revenue		9,614	9,069	9,614	9,069
Cost of sales		(4,824)	(4,411)	(4,824)	(4,411)
Gross profit		4,790	4,658	4,790	4,658
Other income		247	294	247	294
Selling and distribution expenses		(201)	(361)	(201)	(361)
Administrative expenses		(1,762)	(1,844)	(1,762)	(1,844)
Other operating expenses		-	(3)	-	(3)
Profit from operations		3,074	2,744	3,074	2,744
Finance costs		(23)	(153)	(23)	(153)
Profit before tax	B12	3,051	2,591	3,051	2,591
Income tax expense	B5	(731)	(615)	(731)	(615)
Net Profit/Total comprehensive income for the financial period		2,320	1,976	2,320	1,976
Net Profit/Total comprehensive income for the financial period attributable to:					
Owners of the Company		2,091	1,912	2,091	1,912
Non-controlling interests		229	64	229	64
		2,320	1,976	2,320	1,976
Earnings per share attributable to Owners of the Company (sen):					
Basic ⁽²⁾ /Diluted ⁽³⁾	B11	1.07	0.98	1.07	0.98

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic earnings per share ("EPS") is calculated based on the Company's share capital of 194,573,000 ordinary shares (30 November 2024: 194,573,000 ordinary shares).
- (3) Diluted EPS is calculated based on the Company's share capital of 194,573,000 ordinary shares.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED As at 30.11.2024 RM'000	AUDITED As at 31.8.2024 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	40,444	40,950
Goodwill on consolidation	1,177	1,177
	<u>41,621</u>	<u>42,127</u>
Current Assets		
Inventories	7,274	6,747
Trade receivables	7,401	7,997
Other receivables	901	1,533
Tax recoverable	318	315
Other investments	11,605	11,863
Cash and bank balances	12,787	10,579
	<u>40,286</u>	<u>39,034</u>
TOTAL ASSETS	<u>81,907</u>	<u>81,161</u>
EQUITY		
Share capital	57,701	57,701
Merger reserves	(31,918)	(31,918)
Retained earnings	46,290	45,658
Equity attributable to owners of the Company	<u>72,073</u>	<u>71,441</u>
Non-controlling interests	1,145	916
Total Equity	<u>73,218</u>	<u>72,357</u>
LIABILITIES		
Non-Current Liabilities		
Loans and borrowings	B8 1,421	1,548
Deferred tax liabilities	1,254	1,254
	<u>2,675</u>	<u>2,802</u>
Current Liabilities		
Trade payables	240	557
Other payables	4,497	4,375
Loans and borrowings	B8 516	542
Tax payable	761	528
	<u>6,014</u>	<u>6,002</u>
Total Liabilities	<u>8,689</u>	<u>8,804</u>
TOTAL EQUITY AND LIABILITIES	<u>81,907</u>	<u>81,161</u>
Net Assets Per Share (RM)⁽²⁾	<u>0.37</u>	<u>0.37</u>

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's number of ordinary shares as at 30 November 2024 of 194,573,000 ordinary shares (31 August 2024: 194,573,000 ordinary shares).



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY⁽¹⁾

	Attributable To Owners of The Company				Non-controlling Interests	Total Equity
	Non-distributable		Distributable			
	Share Capital	Merger Reserves	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 31 August 2023 (Audited)	57,701	(31,918)	45,658	71,441	916	72,357
Total comprehensive income for the financial period	-	-	2,091	2,091	229	2,320
Transaction with owners						
Dividend paid to owners of the Company	-	-	(1,459)	(1,459)	-	(1,459)
Balance as at 30 November 2024 (Unaudited)	57,701	(31,918)	46,290	72,073	1,145	73,218

Note:

(1) The basis of preparation of the Unaudited Condensed Statement of Changes in Equity is disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.



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Unaudited Interim Financial Report for The First Quarter Ended 30 November 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾

	PERIOD-TO-DATE	
	30.11.2024	30.11.2023
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	3,051	2,591
Adjustments for:		
Depreciation of property, plant and equipment	687	650
Fair value gain on other investments	(43)	(130)
Interest expenses	23	153
Interest income	(93)	(85)
Property, plant and equipment written off	-	3
Unrealised (gain)/loss on foreign exchange	(28)	19
Operating profit before changes in working capital	3,597	3,201
Changes in working capital:		
Inventories	(527)	(724)
Receivables	1,226	151
Payables	(194)	441
Cash generated from operations	4,102	3,069
Income tax paid	(501)	(389)
Net cash generated from operating activities	3,601	2,680
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	93	35
Withdrawal/(Placement) of other investments	301	(17,145)
Purchase of property, plant and equipment	(180)	(886)
Net cash generated from/(used in) investing activities	214	(17,996)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(1,459)	(973)
Interest paid	(14)	(153)
Repayment of term loans	(50)	(16,120)
Repayment of lease liabilities	(112)	(80)
Net cash used in financing activities	(1,635)	(17,326)
Net increase/(decrease) in cash and cash equivalents	2,180	(32,642)
Effects of exchange rate changes	28	(19)
Cash and cash equivalents at beginning of the financial period	10,579	41,869
Cash and cash equivalents at end of the financial period	12,787	9,208

(1) The basis of preparation of the Unaudited Condensed Statement of Cash Flows in Equity is disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.



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Unaudited Interim Financial Report for The First Quarter Ended 30 November 2024

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report of CEKD Berhad (“CEKD” or “Company”) and its subsidiaries (“Group”) 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 Rule 9.22 and Appendix 9B of the Listing requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies and presentation adopted for this interim financial report are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 31 August 2024.

The following are standards, amendments to published standards and IC interpretations issued by MASB, but not yet effective, up to the date of issuance of the Company’s financial statement. The Company intends to adopt these standards, amendments to published standards and IC interpretations, if applicable, when they become effective in the following financial year:

		Effective dates for the financial periods beginning on or after
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 - Volume 11	Amendments to MFRS 1 Amendments to MFRS 7 Amendments to MFRS 9 Amendments to MFRS 10 Amendments to MFRS 107	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The initial applications of the above-mentioned MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.



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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT'D)

A3. Auditors’ Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Group for the financial year ended 31 August 2024.

A4. Seasonal or Cyclical Factors

The Group’s performance has not been materially affected by any seasonal or cyclical factors during the current financial quarter under review.

A5. Items or Incidence of an Unusual Nature

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows during the current financial quarter under review.

A6. Material Changes in Accounting Estimates

There were no material changes in accounting estimates during the current financial quarter under review.

A7. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.



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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT'D)

A8. Dividends Paid

An interim single tier dividend of RM0.0075 per ordinary share amounted to RM1,459,298 for the financial year ending 31 August 2025 was approved by Board of Directors on 21 November 2024 and was paid on 20 December 2024.

A9. Segmental Information

The Group’s operating segments and geographical segment is as follows:

	3-MONTH EDNDED		PERIOD-TO-DATE	
	30.11.2024	30.11.2023	30.11.2024	30.11.2023
	RM'000	RM'000	RM'000	RM'000
Operating Segment				
Revenue				
- Manufacturing	9,144	8,256	9,144	8,256
- Trading	1,409	1,530	1,409	1,530
- Inter-segment revenue	(939)	(717)	(939)	(717)
Revenue from external parties	9,614	9,069	9,614	9,069
Segment profit	4,790	4,658	4,790	4,658
Other income	247	294	247	294
Unallocated expenses	(1,963)	(2,208)	(1,963)	(2,208)
Finance cost	(23)	(153)	(23)	(153)
Income tax	(731)	(615)	(731)	(615)
Profit after tax	2,320	1,976	2,320	1,976



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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT’D)

A10. Valuation of Property, Plant and Equipment and Investment Properties

There was no valuation of property, plant and equipment and investment properties during current financial quarter under review.

A11. Material Subsequent Events

There were no other material events subsequent to the end of the current financial period under review that have not been reflected in this interim financial report.

A12. Changes in the Composition of The Group

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

A13. Contingent Liabilities

There were no contingent liabilities incurred or known to be incurred for the current quarter under review.

A14. Capital Commitments

There were no other capital commitments as at the date of this interim financial report.

A15. Related Party Transactions

	3-MONTH EDNDED		PERIOD-TO-DATE	
	30.11.2024	30.11.2023	30.11.2024	30.11.2023
	RM'000	RM'000	RM'000	RM'000
Rental expenses charged by related parties	23	22	23	22
Sales to a related party	(56)	(56)	(56)	(56)



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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

The Group reported revenue of RM9.61 million for the current financial quarter ended 30 November 2024 (1Q2025), an increase from RM9.07 million in the corresponding quarter of the previous year, ended on 30 November 2023 (1Q2024). This growth in the revenue is primarily attributed to the increase in manufacturing activities.

For the Profit Before Tax (PBT), the Group recorded RM3.05 million in 1Q2025, representing an increase of RM0.46 million from RM2.59 million in 1Q2024. The rise in PBT is primarily driven by the increase in revenue.

B2. Comparison with Immediate Preceding Quarter's Results

	3-MONTH EDNDED		CHANGES	
	30.11.2024 RM'000	31.8.2024 RM'000	RM'000	%
Revenue	9,614	9,881	(267)	(2.70)
Profit before tax	3,051	2,541	510	20.07

The Group recorded a revenue of RM9.61 million in 1Q2025, from RM9.88 million in the immediate preceding quarter (4Q2024), resulting in decrease of RM0.27 million in 1Q2025. The decrease was mainly due to lower demand in manufacturing activities.

Despite the lower revenue achieved, the Group reported a PBT of RM3.05 million for 1Q2025, which represents an increase of RM0.51 million compared to the PBT of RM2.54 million in 4Q2024. The increase in PBT is mainly due to the higher administrative expenses incurred in Q42024, such as payroll and upkeep expenses.



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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B3. Prospects and Outlook

The S&P Global Malaysia Manufacturing Purchasing Managers' Index has consistently reported weaker numbers—49.5 in September and October, declining to 49.2 in December. As forecasted in our Q42024 report, the manufacturing sector remained subdued, and facing challenges including cautious customer sentiment. However, these conditions can serve as a catalyst for our business to refine the focus on quality and efficiency.

The global economic landscape is evolving following the result of 2024 United States ("US") election, we expect uncertainties to be increased in the global economy. With potential shifts in trade policies, global markets are likely to experience heightened uncertainty. One notable outcome is the intensification of trade tensions between the US and China, leading to adjustments in global supply chains and economic alignments. Moreover, the ripple effects of China economy slowdown could impact negatively on ASEAN nations, including Malaysia, dampening regional trade and investment.

The Malaysian government's efforts, such as establishing a special economic zone in Johor to boost manufacturing activity is optimistic. These initiatives, coupled with the country's strategic location and competitive workforce, provide a solid foundation for future growth.

In line with this optimism, we are upgrading one of our facilities to improve operational efficiency. This move will enhance our ability to produce higher-value, complex products, enabling us to compete effectively in a dynamic market. By leveraging advanced technology and deep expertise, we remain committed to supporting our customers with innovative, high-quality solutions that meet evolving demands.

B4. Variance of Actual Profit from Profit Forecast

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.



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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B5. Income Tax Expense

	3-MONTH ENDED		PERIOD-TO-DATE	
	30.11.2024	30.11.2023	30.11.2024	30.11.2023
	RM'000	RM'000	RM'000	RM'000
In respect of current period/year:				
Income tax expense ⁽¹⁾	731	615	731	615
Effective tax rate (%)	23.96%	23.74%	23.96%	23.74%
Statutory tax rate (%)	24.00%	24.00%	24.00%	24.00%

Note:

⁽¹⁾ Income tax expenses is recognised based on management's best estimate.

B6. Status of Corporate Proposals

There were no other corporate proposals announced but not implemented as at the date of this interim financial report.



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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of Proceeds from IPO

As at 30 November 2024, the utilisation of proceeds is summarised as follows:

Details of Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Unutilisation Amount RM'000	Initial Timeframe for the Utilisation upon Listing	Revised Timeline for the Utilisation upon Listing
Acquisition of factory for Hotstar	8,800	8,800	-	Within 24 months	-
Capital expenditure comprising :					
- Purchase of new machineries	3,000	2,644	356	Within 24 months	Within 48 months
- Upgrade and development of computer software and server	1,300	960	340	Within 24 months	Within 48 months
Repayment of bank borrowings	4,000	4,000	-	Within 6 months	-
Marketing activities	1,500	736	764	Within 24 months	Within 48 months
General working capital	2,683	2,683	-	Within 24 months	-
Estimated listing expenses	3,000	3,000	-	Immediately	-
Total	24,283	22,823	1,460		

From the date of listing of the Company on the ACE Market of Bursa Securities on 29 September 2021, the utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 6 September 2021 and announcement of the Extension of Time dated 29 September 2023.



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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. Loan and Borrowings

	UNAUDITED	AUDITED
	As at	As at
	30.11.2024	31.8.2024
	RM'000	RM'000
Current		
Lease liabilities	339	359
Term loan ⁽¹⁾	177	183
	<u>516</u>	<u>542</u>
Non-current		
Lease liabilities	375	458
Term loan ⁽¹⁾	1,046	1,090
	<u>1,421</u>	<u>1,548</u>

The bank borrowings are secured and denominated in Ringgit Malaysia.

B9. Material Litigation

There were no material litigation involving the Group as at 30 November 2024.

B10. Dividend

On 21 November 2024, the Board of Director declared an interim single tier dividend of RM0.0075 per ordinary share amounted to RM1,459,298 in respect of the financial year ending 31 August 2025, has been paid on 20 December 2024 to the shareholders of the Company whose names appear in the Record of Depositors on 6 December 2024.

The total dividend declared for the current financial period ended 30 November 2024: RM0.0075 (30 November 2023: RM0.005) per ordinary share.



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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11. Earnings per Share ("EPS")

The basic and diluted EPS for the current financial quarter and financial year-to-date are computed as follows:

	3-MONTH ENDED		PERIOD-TO-DATE	
	30.11.2024	30.11.2023	30.11.2024	30.11.2023
Profit attributable to owners of the Company (RM'000)	2,091	1,912	2,091	1,912
Number of ordinary shares ('000)	194,573	194,573	194,573	194,573
Basic ⁽¹⁾ /Diluted ⁽²⁾ EPS (sen)	1.07	0.98	1.07	0.98

Notes:

- (1) EPS is calculated based on the Company's share capital of 194,573,000 ordinary shares (30 November 2023 : 194,573,000 ordinary shares).
- (2) Diluted EPS is calculated based on the Company's share capital of 194,573,000 ordinary shares (30 November 2023 : 194,573,000 ordinary shares).

B12. Notes to the Condensed Consolidated Statement of Profit and Other Comprehensive Income

	3-MONTH ENDED		PERIOD-TO-DATE	
	30.11.2024	30.11.2023	30.11.2024	30.11.2023
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	687	650	687	650
Interest expense	23	153	23	153
Property, plant and equipment written off	-	3	-	3
Fair value gain on other investments	(43)	(130)	(43)	(130)
Interest income	(93)	(85)	(93)	(85)
Unrealised (gain)/loss on foreign exchange, net	(28)	19	(28)	19



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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution passed by the Board of Directors on 22 January 2025.

**BY ORDER OF THE BOARD
CEKD BERHAD
22 JANUARY 2025**