



**Asia Brands Berhad** (197501000740(22414-V))  
(Incorporated in Malaysia)  
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## Introduction

The Board of Directors of Asia Brands Berhad is pleased to announce the unaudited financial results of the Group for the financial period ended 31 March 2024.

This interim financial statements is prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, "Interim Financial Reporting" issued by Malaysian Accounting Standards Boards ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

This interim financial statements is intended to provide an update on the last annual audited financial statements, for financial year ended 31 March 2023.

This report comprises the following:

- Condensed consolidated statements of financial position
- Condensed consolidated statements of profit or loss and other comprehensive income
- Condensed statements of changes in equity
- Condensed consolidated statements of cash flow
- Explanatory notes

**Asia Brands Berhad** (197501000740(22414-V))  
(Incorporated in Malaysia)  
**Condensed Consolidated Statements of Financial Position**  
**as at 31 March 2024**

	Unaudited 31.3.2024 RM'000	Audited 31.3.2023 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Plant and equipment	15,729	10,961
Right of use assets	17,979	15,524
Intangible assets	131,000	131,000
Goodwill on consolidation	26,705	26,705
Deferred tax assets	2,700	4,227
	<u>194,113</u>	<u>188,417</u>
<b>Current assets</b>		
Inventories	82,047	74,513
Trade receivables	29,464	26,725
Other receivables	10,152	4,703
Tax recoverable	314	12
Deposits in Money Market	-	-
Cash and bank balances	12,147	13,887
	<u>134,124</u>	<u>119,840</u>
<b>TOTAL ASSETS</b>	<b><u>328,237</u></b>	<b><u>308,257</u></b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	198,279	198,279
Reserves	40,562	36,668
Minority Interest	87	52
	<u>238,928</u>	<u>234,999</u>
<b>Shareholders' Equity</b>	<b><u>238,928</u></b>	<b><u>234,999</u></b>
<b>Non-Current Liabilities</b>		
Hire purchase payables	22	148
Lease liabilities	15,383	10,396
Deferred tax liabilities	20	69
Term Loan	3,750	8,750
	<u>19,175</u>	<u>19,363</u>
<b>Current Liabilities</b>		
Trade payables	14,620	22,626
Other payables	10,064	7,829
Amount owing to related party	-	2,516
Hire purchase payables	126	141
Lease liabilities	6,159	5,338
Term Loan	5,000	1,250
Short term borrowings	34,165	14,195
	<u>70,134</u>	<u>53,895</u>
<b>TOTAL LIABILITIES</b>	<b><u>89,309</u></b>	<b><u>73,258</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>328,237</u></b>	<b><u>308,257</u></b>
Net assets per share (RM)	<u>1.03</u>	<u>1.01</u>

**Asia Brands Berhad** (197501000740(22414-V))  
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**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for the period ended 31 March 2024 (Unaudited)**

	<b>3 months ended 31.3.2024 RM'000</b>	<b>3 months ended 31.3.2023 RM'000</b>	<b>Year-to-date ended 31.3.2024 RM'000</b>	<b>Year-to-date ended 31.03.2023 RM'000</b>
Revenue	47,741	43,438	194,960	184,554
Cost of sales	<u>(20,170)</u>	<u>(18,178)</u>	<u>(83,337)</u>	<u>(75,686)</u>
Gross profit	27,571	25,260	111,623	108,868
Other operating income	273	193	2,171	1,023
Selling and distribution expenses	(24,306)	(22,161)	(95,802)	(86,909)
Administrative and other operation expenses	(1,102)	(1,094)	(4,458)	(4,612)
Finance costs	<u>(897)</u>	<u>(534)</u>	<u>(2,766)</u>	<u>(2,143)</u>
Profit before taxation	1,539	1,664	10,768	16,227
Taxation	<u>(322)</u>	<u>(320)</u>	<u>(2,186)</u>	<u>(4,095)</u>
Profit after taxation	1,217	1,344	8,582	12,132
<b>Other comprehensive income:</b>				
Available for sale (AFS) Investments fair value movement	-	-	-	-
<b>Total comprehensive income</b>	<u>1,217</u>	<u>1,344</u>	<u>8,582</u>	<u>12,132</u>
<b>Total comprehensive income attributable to:</b>				
<b>Equity holders</b>	1,209	1,336	8,547	12,099
<b>Non-controlling Interest</b>	<u>8</u>	<u>8</u>	<u>35</u>	<u>33</u>
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Earnings per share	<u>0.52</u>	<u>0.58</u>	<u>3.69</u>	<u>5.21</u>

**Asia Brands Berhad** (197501000740(22414-V))  
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**Condensed Statements of Changes in Equity  
for the period ended 31 March 2024 (Unaudited)**

	Non- distributable	Distributable		Total RM'000
	Share Capital RM'000	Retained Profits RM'000	Non- Controlling Interest RM'000	
At 1.4.2023	198,279	36,668	52	234,999
Profit after taxation/ Total comprehensive expenses	-	8,547	35	8,582
Transaction with owners - Dividend	-	(4,653)	-	(4,653)
At as 31.3.2024	198,279	40,562	87	238,928
At 1.4.2022	198,279	29,222	19	227,520
Profit after taxation/ Total comprehensive income	-	12,099	33	12,132
Transaction with owners - Dividend	-	(4,653)	-	(4,653)
At as 31.3.2023	198,279	36,668	52	234,999

**Asia Brands Berhad** (197501000740(22414-V))  
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**Condensed Consolidated Statements of Cash Flow  
for the period ended 31 March 2024 (Unaudited)**

	12 months ended 31.3.2024 RM'000	12 months ended 31.3.2023 RM'000
<b>Cash flow from operating activities</b>		
Profit before tax	10,769	16,227
Adjustments for:		
Interest income	(75)	(44)
Interest expenses	2,766	2,143
Non-cash items	10,069	10,121
Operating profit before working capital changes	23,529	28,447
Net change in current assets	(16,328)	(24,772)
Net change in current liabilities	( 5,561)	7,688
Cash generated from operations	1,640	11,363
Interest paid	(2,766)	(2,143)
Tax paid	(1,221)	(2,121)
Net cash (used in)/ generated from operating activities	(2,347)	7,099
<b>Cash flow from investing activities</b>		
Purchase of plant and equipment	(7,212)	(2,718)
Proceeds from disposal of plant and equipment	-	100
Interest Income	75	44
Net cash used in investing activities	(7,137)	(2,574)
<b>Cash flow from financing activities</b>		
Net increase/(decrease) in bank borrowings and hire purchase obligations	19,830	19,449
(Repayment to)/Advances from related parties	(2,516)	2,516
Repayment of Sukuk IMTN	-	(20,000)
Repayment of term loan	(1,250)	-
Payment of Lease Liabilities	(3,667)	(5,676)
Interest paid on term loan	-	-
Dividends Paid	(4,653)	(4,653)
Net cash generated from/(used in) financing activities	7,744	(8,364)
<b>Net decrease in cash and cash equivalents</b>	(1,740)	(3,839)
<b>Cash and cash equivalents at beginning of period</b>	12,512	16,351
<b>Cash and cash equivalents at end of period</b>	10,772	12,512
	12 months ended 31.3.2024 RM'000	12 months ended 31.3.2023 RM'000
<b>Cash and cash equivalents at end of period</b>		
Cash and bank balance	12,147	13,887
Less: Bank Balance Pledged-FSRA	(1,375)	(1,375)
<b>Cash and cash equivalents at end of period</b>	10,772	12,512

## Explanatory Notes

### Explanatory notes pursuant to MFRS 134, “Interim Financial Reporting”

#### 1. Basis of Preparation

The unaudited quarterly report has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia and should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023.

The significant accounting policies and methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 March 2023 except for the adoption of the following MFRSs and Amendments to MFRSs during the financial year which did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

MFRS 17	Insurance Contracts
Amendments to MFRS 101 <i>Presentation of Financial Statements</i>	Disclosure of Accounting Policies
Amendments to MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	Definition of Accounting Estimates
Amendments to MFRS 112 <i>Income Taxes</i>	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendment to MFRS 17 <i>Insurance Contracts</i>	Initial Application of MFRS 17 and MFRS 9—Comparative Information
Amendments to MFRS 112 <i>Income Taxes</i>	International Tax Reform—Pillar Two Model Rules

#### 2. Audit qualification in respect of the audit report of the Group and Company for the preceding financial statements and current status of the matter(s) giving rise to the qualification

The audit report in respect of the financial statements of the Group and the Company for the financial year ended 31 March 2023 was not qualified.

#### 3. Explanatory comments about the seasonality or cyclicity of interim operations

The Group’s products cater to the consumer market and business is influenced by the state of the Malaysian economy, consumer confidence and the seasonality of promotional sales and festive seasons.

#### 4. The nature and amount of items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their nature, size or incidence

Save for the information disclosed in this interim financial report, there are no other unusual items affecting assets, liabilities, equity, net income or cash flow.

**5. The nature and amount of material changes in estimates of amounts reported in prior interim periods of the current financial year or material changes in estimates of amounts reported in prior financial year**

There was no material changes in estimates of amounts reported in prior financial year.

**6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities**

The Group did not issue, cancel, repurchase, resell or repay any debt or equity securities during the reporting quarter.

**7. The amount of dividends paid (aggregate or per share)**

There were no dividends paid by the Company during the quarter ended 31 March 2024.

**8. Segmental reporting for business segment, being the Group's basis of segment reporting**

Segmental reporting is not presented as we are operating in a single business segment.

**9. Status of valuation of plant and equipment**

There was no valuation of plant and equipment carried out during the current financial quarter.

**10. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period**

There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the current interim period.

**11. Effect of changes in the composition of the Group during the interim period, including business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings, and discontinuing operations**

There were no changes to the composition of the Group during the financial period ended 31 March 2024.

**12. Changes in contingent liabilities or contingent assets since the last annual balance sheet date**

The Company's contingent liabilities in respect of corporate guarantees granted to subsidiaries for banking and financing facilities as at 31 March 2024 amounted to RM68,950,000 (31 March 2023 : RM41,000,000).

**Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements of Bursa Malaysia**

**13. Review of performance of the Company and principal subsidiaries, setting-out material factors affecting earnings and/or revenue of the Company and Group for the financial year-to-date**

The current quarter revenue for period ended 31 March 2024 amounted to RM47.7 million, which was RM4.3 million or 9.9% higher than RM43.4 million for the same quarter last year. However, the Group recorded a pre-tax profit of RM1.5 million as compared to a pre-tax profit of RM1.7 million for the same period of the preceding year. This is due to higher product costs, increase in sales related operating costs and minimum wages compare to the same quarter last year.

The revenue for the 12 months period ended 31 March 2024 amounted to RM195.0 million, which was RM10.4 million or 5.6% higher than RM184.6 million for the corresponding 12 months period last year. For the current 12 months period, the Group recorded a pre-tax profit

amounting to RM10.8 million as compared to a pre-tax profit of RM16.2 million for the corresponding 12 months period last year. This was due to the same reason as above.

#### 14. Comparison with preceding quarter's results

The Group experienced a drop in revenue of RM3.8 million for the current quarter ended 31 March 2024 to RM47.7 million as compared to RM51.5 million in the preceding quarter ended 31 December 2024. The previous quarter was aided by festive sales.

Consequently, the Group recorded a lower pre-tax profit of RM1.5 million for the current quarter ended 31 March 2024 as compared to the pre-tax profit of RM1.7 million recorded for the quarter ended 31 December 2023. This was due to the same reason as above.

#### 15. Current year prospects

Growth in 2023 was moderate as the Group navigated in a landscape where cost pressures such as product costs, logistic costs and the increase in minimum wage have impacted profit margins. Reduced average household income and increasing cost of living have impacted the amount of products purchase. 2024 is expected to be the same with high inflation, coupled with expected hikes in utility tariffs as well as the impending subsidy rationalisation and the increase in the sales and service tax from 6% to 8%, may result in subdued consumer spending for the year.

However, with agility and resilience, the Group can maintain its competitive advantage and remained the preferred brands for quality and value.

#### 16. Status of profit forecast or profit guarantee

This is not applicable to the Group.

#### 17. Details of tax charge and an explanation of the variance between the effective and statutory tax rate for the current quarter and financial year-to-date

The tax charge comprised:

	<b>3 months ended 31.3.2024 RM'000</b>	<b>3 months ended 31.3.2023 RM'000</b>	<b>Year-to-date ended 31.3.2024 RM'000</b>	<b>Year-to-date ended 31.3.2023 RM'000</b>
Income tax	(219)	(298)	(756)	(1,948)
Over/(Under)provision - Prior year	1	-	48	12
Deferred tax	(104)	(22)	(1,478)	(2,159)
Effect on opening deferred tax resulting from a reduction in income tax rate	-	-	-	-
	----- (322) =====	----- (320) =====	----- (2,186) =====	----- (4,095) =====



**18. Details of purchase or disposal of unquoted securities other than securities in existing subsidiary companies and associated companies**

The Group did not purchase or dispose any unquoted securities during the current reporting period.

**19. Status of corporate proposals announced but not completed, which is not earlier than 7 days from the date of this report**

The Group has no pending corporate proposals.

**20. Group borrowings and debt securities as at the end of the reporting period**

Details of borrowings and debt securities as at the end of the reporting period are as follows:

	<b>As at 31.3.2024 RM'000</b>
<b>Long term borrowing</b>	
<b>Unsecured</b>	
Murabahah Term Financing-i	<u>3,750</u>
<b>Short term borrowings</b>	
<b>Unsecured</b>	
Bankers' acceptances	34,165
Murabahah Term Financing-i	5,000
	<u>39,165</u>
	<u>42,915</u>

The Group does not have any borrowings that are denominated in foreign currency.

**21. Summary of off-balance sheet financial instruments, which is not earlier than 7 days from the date of this report**

The Group has not entered into any arrangements involving financial instruments.

**22. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date, which is not earlier than 7 days from the date of this report**

The Group does not have any material litigation.

**23. Dividends**

The Board of Directors has on 30 May 2024 declared a final dividend of 0.5 sen per share to be paid on 28 June 2024 to the shareholders of The Company whose names appear in the Register of Depositors of The Company on 14 June 2024.

## 24. Basis and methods of calculating earnings / (loss) per share

The basic earnings per share is calculated by dividing the net profit attributable to shareholder by the number of ordinary shares in issue of 232,647,600 (2023 : 232,647,600) during the period.

## 25. Profit for the Period/Year

	<b>3 months ended 31.3.2024 RM'000</b>	<b>3 months ended 31.3.2023 RM'000</b>	<b>Year-to-date ended 31.3.2024 RM'000</b>	<b>Year-to-date ended 31.3.2023 RM'000</b>
<b>Profit for the period is arrived at after crediting:</b>				
Interest income	18	11	75	44
<b>and after charging:</b>				
Interest expense	616	352	1,785	1,449
Interest expense on lease liability	282	182	981	694
Amortisation and Depreciation	734	575	2,755	2,197
Depreciation for right of use asset	1,746	1,509	6,773	5,749
Inventories written-down /off	(44)	1,455	179	2,998
Impairment on Receivable	192	-	192	-
Impairment/(Reversal) of inventories	-	(752)	236	(752)
Plant & Equipment written off	-	-	2	8
Gain on short term investment	(32)	(98)	(191)	(472)
Gain on disposal of plant and equipment	-	-	-	(59)

There were no gain nor loss on derivatives or exceptional items for current quarter and financial period to-date 31 March 2024 (31 March 2023: N/A)

By order of the Board  
Mak Chooi Peng  
Company Secretary  
Petaling Jaya  
30 May 2024