



**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 30 September 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 2024.

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))  
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**Condensed Consolidated Statements of Financial Position  
as at 30 September 2024**

	Unaudited 30.9.2024 RM'000	Unaudited 30.9.2023 RM'000	Audited 31.3.2024 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment	14,803	14,221	15,729
Right of use assets	14,611	20,533	17,979
Intangible assets	131,000	131,000	131,000
Goodwill on consolidation	26,705	26,705	26,705
Deferred tax assets	2,700	3,139	2,700
	<u>189,819</u>	<u>195,598</u>	<u>194,113</u>
<b>Current assets</b>			
Inventories	70,728	75,355	82,047
Trade receivables	24,365	29,291	29,464
Other receivables	10,569	6,296	8,876
Tax recoverable	472	234	307
Deposits in Money Market	-	1,775	-
Cash and bank balances	7,055	7,421	12,147
	<u>113,189</u>	<u>120,372</u>	<u>132,841</u>
<b>TOTAL ASSETS</b>	<b><u>303,008</u></b>	<b><u>315,970</u></b>	<b><u>326,954</u></b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	198,279	198,279	198,279
Reserves	39,541	39,956	40,492
Minority Interest	97	69	87
	<u>237,917</u>	<u>238,304</u>	<u>238,858</u>
<b>Shareholders' Equity</b>			
<b>Non-Current Liabilities</b>			
Hire purchase payables	-	76	23
Lease liabilities	13,511	14,755	15,383
Deferred tax liabilities	90	69	90
Term Loan	1,250	6,250	3,750
	<u>14,851</u>	<u>21,150</u>	<u>19,246</u>
<b>Current Liabilities</b>			
Trade payables	6,838	12,702	14,620
Other payables	8,545	10,877	8,780
Hire purchase payables	76	143	126
Lease liabilities	5,914	6,354	6,159
Term Loan	5,000	3,750	5,000
Short term borrowings	23,867	21,780	34,165
Bank Overdraft	-	910	-
	<u>50,240</u>	<u>56,516</u>	<u>68,850</u>
<b>TOTAL LIABILITIES</b>	<b><u>65,091</u></b>	<b><u>77,666</u></b>	<b><u>88,096</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>303,008</u></b>	<b><u>315,970</u></b>	<b><u>326,954</u></b>
Net assets per share (RM)	<u>1.02</u>	<u>1.02</u>	<u>1.03</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 30 September 2024 (Unaudited)**

	<b>3 months ended 30.9.2024 RM'000</b>	<b>3 months ended 30.9.2023 RM'000</b>	<b>Year-to-date ended 30.9.2024 RM'000</b>	<b>Year-to-date ended 30.09.2023 RM'000</b>
Revenue	40,567	44,846	85,466	95,691
Cost of sales	<u>(17,950)</u>	<u>(19,103)</u>	<u>(37,521)</u>	<u>(40,007)</u>
Gross profit	22,617	25,743	47,945	55,684
Other operating income	486	681	940	950
Selling and distribution expenses	(21,309)	(22,341)	(44,464)	(46,329)
Administrative and other operation expenses	(796)	(1,115)	(1,857)	(2,130)
Finance costs	<u>(657)</u>	<u>(475)</u>	<u>(1,273)</u>	<u>(1,059)</u>
Profit before taxation	341	2,493	1,291	7,116
Taxation	<u>(173)</u>	<u>(512)</u>	<u>(329)</u>	<u>(1,485)</u>
Profit after taxation	168	1,981	962	5,631
<b>Other comprehensive income:</b>				
Available for sale (AFS) Investments fair value movement	-	-	-	-
<b>Total comprehensive income</b>	<u>168</u>	<u>1,981</u>	<u>962</u>	<u>5,631</u>
<b>Total comprehensive income attributable to:</b>				
<b>Equity holders</b>	164	1,973	952	5,614
<b>Non-controlling Interest</b>	<u>4</u>	<u>8</u>	<u>10</u>	<u>17</u>
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Earnings per share	<u>0.07</u>	<u>0.85</u>	<u>0.41</u>	<u>2.42</u>

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**Condensed Statements of Changes in Equity  
for the period ended 30 September 2024 (Unaudited)**

	Non- distributable	Distributable		Total RM'000
	Share Capital RM'000	Retained Profits RM'000	Non- Controlling Interest RM'000	
At 1.4.2024	198,279	40,492	87	238,858
Profit after taxation/ Total comprehensive expenses	-	952	10	962
Transaction with owners - Dividend	-	(1,163)	-	(1,163)
At as 30.9.2024	<u>198,279</u>	<u>40,281</u>	<u>97</u>	<u>238,657</u>
At 1.4.2023	198,279	36,668	52	234,999
Profit after taxation/ Total comprehensive income	-	5,614	17	5,631
Transaction with owners - Dividend	-	(2,326)	-	(2,326)
At as 30.9.2023	<u>198,279</u>	<u>39,956</u>	<u>69</u>	<u>238,304</u>

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**Condensed Consolidated Statements of Cash Flow  
for the period ended 30 September 2024 (Unaudited)**

	<b>6 months ended 30.9.2024 RM'000</b>	<b>6 months ended 30.9.2023 RM'000</b>
<b>Cash flow from operating activities</b>		
Profit before tax	1,291	7,116
Adjustments for:		
Interest income	(49)	(40)
Interest expenses	1,273	1,059
Non-cash items	4,665	5,023
Operating profit before working capital changes	7,180	13,158
Net change in current assets	16,189	(5,441)
Net change in current liabilities	(8,971)	(6,910)
Cash generated from operations	14,398	807
Interest paid	(1,273)	(1,059)
Tax paid	(280)	(585)
Net cash generated from operating activities	12,845	(837)
<b>Cash flow from investing activities</b>		
Purchase of plant and equipment	(526)	(4,249)
Proceeds from disposal of plant and equipment	-	4
Interest Income	49	40
Net cash used in investing activities	(477)	(4,205)
<b>Cash flow from financing activities</b>		
Net (decrease)/increase in bank borrowings and hire purchase obligations	(10,371)	7,515
Repayment of term loan	(2,500)	-
Repayment to related parties	-	(2,516)
Payment of Lease Liabilities	(3,426)	(3,232)
Dividends Paid	(1,163)	(2,326)
Net cash used in financing activities	(17,460)	(559)
<b>Net decrease in cash and cash equivalents</b>	(5,092)	(5,601)
<b>Cash and cash equivalents at beginning of period</b>	10,772	12,512
<b>Cash and cash equivalents at end of period</b>	5,680	6,911
	<b>6 months ended 30.9.2024 RM'000</b>	<b>6 months ended 30.9.2023 RM'000</b>
<b><u>Cash and cash equivalents at end of period</u></b>		
Cash and bank balance	7,055	7,421
Deposit in Money Market Fund	-	1,775
Less: Bank Balance Pledge-FSRA	(1,375)	(1,375)
Less: Bank Overdraft	-	(910)
<b>Cash and cash equivalents at end of period</b>	5,680	6,911

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## 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 2024.

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 2024 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 2024 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 30 September 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 30 September 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 30 September 2024 amounted to RM71,450,000 (30 September 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 30 September 2024 amounted to RM40.6 million, which was RM4.2 million or 9.5% lower than RM44.8 million for the same quarter last year. Consequently, the Group recorded a pre-tax profit of RM0.3 million as compared to a pre-tax profit of RM2.5 million for the same period of the preceding year. This decline is attributed to a weakening market across all business channels and the impact of higher costs of goods.

The revenue for the 6 months period ended 30 September 2024 amounted to RM85.5 million, which was RM10.2 million or 10.7% lower than RM95.7 million for the corresponding 6 months period last year. For the current 6 months period, the Group recorded a pre-tax

profit amounting to RM1.3 million as compared to a pre-tax profit of RM7.1 million for the corresponding 6 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 RM4.3 million for the current quarter ended 30 September 2024 to RM40.6 million as compared to RM44.9 million in the preceding quarter ended 30 June 2024. Consequently, the Group recorded a pre-tax profit of RM0.3 million for the current quarter ended 30 September 2024 as compared to the pre-tax profit of RM0.9 million recorded for the quarter ended 30 June 2024. This was due to lower revenue.

#### 15. Current year prospects

While the first half of 2024 presented challenges due to rising product and logistic costs, the Group has navigated these pressures with determination. Although consumer spending has been affected by reduced household incomes and a higher cost of living, the Group remains focused on delivering quality and value.

Looking ahead, while we expect ongoing economic challenges such as inflation and potential minimum wage hikes, there are positive factors that can help mitigate these pressures. The impending increase in civil servants' salary and the permitted EPF Account 3 withdrawal will augur well for the Group going forward.

#### 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 30.9.2024 RM'000</b>	<b>3 months ended 30.9.2023 RM'000</b>	<b>Year-to-date ended 30.9.2024 RM'000</b>	<b>Year-to-date ended 30.9.2023 RM'000</b>
Income tax	(93)	(117)	(249)	(397)
Over/(Under)provision - Prior year	-	-	-	-
Deferred tax	(80)	(394)	(80)	(1,088)
Effect on opening deferred tax resulting from a reduction in income tax rate	-	-	-	-
	----- (173) =====	----- (511) =====	----- (329) =====	----- (1,485) =====



**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 30.9.2024 RM'000</b>
<b>Long term borrowing</b>	
<i>Unsecured</i>	
Murabahah Term Financing-i	1,250
<b>Short term borrowings</b>	
<i>Unsecured</i>	
Bankers' acceptances	23,867
Murabahah Term Financing-i	5,000
	28,867
	30,117

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 12 November 2024 declared an interim dividend of 0.5 sen per share to be paid on 13 December 2024 to the shareholders of The Company whose names appear in the Register of Depositors of The Company on 28 November 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

	3 months ended 30.9.2024 RM'000	3 months ended 30.9.2023 RM'000	Year-to-date ended 30.9.2024 RM'000	Year-to-date ended 30.9.2023 RM'000
<b>Profit for the period is arrived at after crediting:</b>				
Interest income	22	22	49	40
<b>and after charging:</b>				
Interest expense	402	244	753	635
Interest expense on lease liability	254	231	519	424
Amortisation and Depreciation	725	662	1,447	1,298
Depreciation for right of use asset	1,676	1,691	3,361	3,318
Inventories written-down /off	34	21	38	152
Impairment of inventories	-	33	-	288
Gain on short term investment	(28)	(42)	(80)	(128)

There were no gain nor loss on derivatives or exceptional items for current quarter and financial period to-date 30 September 2024 (30 September 2023: N/A)

By order of the Board  
Mak Chooi Peng  
Company Secretary  
Petaling Jaya  
12 November 2024