



Sapura Industrial Berhad  
Registration No. : 197401000510 (17547-W)  
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 31 JULY 2024

The unaudited financial results of Sapura Industrial Berhad Group  
for the period ended 31 July 2024

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**SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 JULY 2024**  
**THE FIGURES HAVE NOT BEEN AUDITED**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>Current Quarter Ended 31.07.2024 RM'000</b>	<b>Comparative Quarter Ended 31.07.2023 RM'000</b>	<b>6 months Cumulative To date 31.07.2024 RM'000</b>	<b>6 months Cumulative To date 31.07.2023 RM'000</b>
Revenue	71,959	68,899	141,189	141,044
Cost of sales	<u>(63,121)</u>	<u>(60,605)</u>	<u>(123,745)</u>	<u>(123,949)</u>
<b>Gross profit</b>	8,838	8,294	17,444	17,095
Other income	1,591	1,484	3,726	2,692
Operating expenses	(7,126)	(7,263)	(14,322)	(14,439)
Finance costs	(654)	(541)	(1,361)	(1,056)
<b>Profit before tax</b>	<u>2,649</u>	<u>1,974</u>	<u>5,487</u>	<u>4,292</u>
Tax expense	(1,196)	(831)	(2,428)	(1,373)
<b>Profit after tax, representing total comprehensive income for the period</b>	<u><u>1,453</u></u>	<u><u>1,143</u></u>	<u><u>3,059</u></u>	<u><u>2,919</u></u>
<b>Profit/(loss) for the period attributable to:</b>				
Owners of the parent	1,457	1,151	3,067	2,935
Non-controlling interest	<u>(4)</u>	<u>(8)</u>	<u>(8)</u>	<u>(16)</u>
	<u><u>1,453</u></u>	<u><u>1,143</u></u>	<u><u>3,059</u></u>	<u><u>2,919</u></u>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the parent	1,457	1,151	3,067	2,935
Non-controlling interest	<u>(4)</u>	<u>(8)</u>	<u>(8)</u>	<u>(16)</u>
	<u><u>1,453</u></u>	<u><u>1,143</u></u>	<u><u>3,059</u></u>	<u><u>2,919</u></u>
<b>Earnings per share attributable to owners of the parent (sen):</b>				
Basic, for profit from operations	<u><u>2.00</u></u>	<u><u>1.58</u></u>	<u><u>4.21</u></u>	<u><u>4.03</u></u>

**(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2024 and the accompanying explanatory notes attached to the Interim Financial Statements)**

**SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JULY 2024**

	<b>Unaudited</b> <b>31.07.2024</b> <b>RM'000</b>	<b>Audited</b> <b>31.01.2024</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	75,807	75,433
Investment properties	31,720	31,916
Development expenditure	1,981	1,799
Deferred tax assets	55	198
	<u>109,563</u>	<u>109,346</u>
<b>Current assets</b>		
Inventories	29,598	29,099
Tax recoverable	854	2,442
Trade and other receivables	36,295	41,207
Short term investments	27,324	29,965
Cash and bank balances	14,565	8,797
	<u>108,636</u>	<u>111,510</u>
<b>TOTAL ASSETS</b>	<b><u>218,199</u></b>	<b><u>220,856</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	74,976	74,976
Retained profits	35,979	36,551
	<u>110,955</u>	<u>111,527</u>
<b>Non-Controlling Interest</b>	<u>1,401</u>	<u>1,409</u>
<b>Total equity</b>	<b><u>112,356</u></b>	<b><u>112,936</u></b>
<b>Non-current liabilities</b>		
Retirement benefit obligations	8,973	9,012
Loans and borrowings	27,074	35,812
Lease liabilities	1,354	1,340
Deferred tax liabilities	4,890	5,200
Provisions	59	191
	<u>42,350</u>	<u>51,555</u>
<b>Current liabilities</b>		
Retirement benefit obligations	178	135
Trade and other payables	46,364	46,176
Tax payable	1,486	2,041
Loans and borrowings	13,938	7,247
Lease liabilities	1,527	766
	<u>63,493</u>	<u>56,365</u>
<b>Total liabilities</b>	<b><u>105,843</u></b>	<b><u>107,920</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>218,199</u></b>	<b><u>220,856</u></b>
Net assets per share attributable to ordinary equity holders of the parents (RM)	1.52	1.53

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2024 and the accompanying explanatory notes attached to the Interim Financial Statements)**

**SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 JULY 2024**

	← Attributable to owners of the parent →			Non-controlling interests RM'000	Total equity RM'000
	Non-Distributable Share capital RM'000	Distributable Retained profits RM'000	Total RM'000		
<b>For Quarter Ended 31 July 2024</b>					
<b>As at 1 February 2024</b>	74,976	36,551	111,527	1,409	112,936
Total comprehensive income/(loss) for the period	-	3,067	3,067	(8)	3,059
Dividends on ordinary shares	-	(3,639)	(3,639)	-	(3,639)
<b>As at 31 July 2024</b>	<b>74,976</b>	<b>35,979</b>	<b>110,955</b>	<b>1,401</b>	<b>112,356</b>
<b>For Quarter Ended 31 July 2023</b>					
<b>As at 1 February 2023</b>	74,976	31,378	106,354	1,433	107,787
Total comprehensive income/(loss) for the period	-	2,935	2,935	(16)	2,919
Dividends on ordinary shares	-	(1,819)	(1,819)	-	(1,819)
<b>As at 31 July 2023</b>	<b>74,976</b>	<b>32,494</b>	<b>107,470</b>	<b>1,417</b>	<b>108,887</b>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2024 and the accompanying explanatory notes attached to the Interim Financial Statements)**

**SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 JULY 2024**

	<b>6 MONTHS ENDED 31.07.2024 RM'000</b>	<b>6 MONTHS ENDED 31.07.2023 RM'000</b>
<b>Operating activities</b>		
Profit before tax	5,487	4,292
Adjustments for:		
Depreciation of property, plant and equipment	6,980	5,783
Depreciation of investment properties	196	119
Depreciation of right of use assets	1,557	582
Property, plant and equipment written off	1,963	12
Amortisation of development expenditure	349	207
Profit from short term investments	(377)	(158)
Unrealised loss on foreign exchange	18	290
Increase in liability for defined benefit plan	470	452
Inventories written-off	283	-
Net movement in provision	1	-
Interest expense	1,361	1,056
Operating profit before working capital changes	<u>18,286</u>	<u>12,635</u>
(Increase)/decrease in inventories	(782)	2,960
Increase in trade and other receivables	4,912	5,572
Increase in trade and other payables	(3,634)	(11,909)
Utilisation of provision	<u>32</u>	<u>-</u>
Cash generated from operations	18,814	9,258
Interest paid	(1,361)	(1,013)
Taxes paid	(1,562)	(1,361)
Retirement benefits paid	<u>(466)</u>	<u>(446)</u>
Net cash generated from operating activities	<u>15,425</u>	<u>6,438</u>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(9,548)	(12,119)
Withdrawal of money market funds	3,018	8,039
Development expenditure incurred	<u>(531)</u>	<u>(132)</u>
Net cash used in investing activities	<u>(7,061)</u>	<u>(4,212)</u>

**SAPURA INDUSTRIAL BERHAD [197401000510(17547-W)]  
CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd.)  
FOR THE PERIOD ENDED 31 JULY 2024**

	<b>6 MONTHS ENDED 31.07.2024 RM'000</b>	<b>6 MONTHS ENDED 31.07.2023 RM'000</b>
<b>Financing activities</b>		
Net (repayment)/drawdown of term loans	(2,249)	2,359
Net drawdown/(repayment) of other short term borrowings	247	(475)
Repayment of hire purchase	(45)	(66)
Repayment of lease liabilities	(550)	(644)
Dividends paid on ordinary shares	-	(1,819)
Net cash used in financing activities	<u>(2,597)</u>	<u>(645)</u>
<b>Net increase in cash and cash equivalents</b>	<b>5,768</b>	<b>1,581</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>8,797</b>	<b>14,618</b>
<b>Cash and cash equivalents at end of period</b>	<b><u>14,565</u></b>	<b><u>16,199</u></b>
<b>Analysis of cash and cash equivalents:</b>		
Deposits, cash and bank balances	14,565	16,199
<b>Cash and cash equivalents at end of period</b>	<b><u>14,565</u></b>	<b><u>16,199</u></b>

**(The Consolidated Statement of Cash Flows should be read in conjunction with the  
Financial Statements for the year ended 31 January 2024 and the accompanying  
explanatory notes attached to the Interim Financial Statements)**

## SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]

### Notes to the Interim Financial Statements - 31 July 2024

#### Part A - EXPLANATORY NOTES

##### A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). These condensed consolidated interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2024.

##### A2. Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following new and amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2024.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Supplier Finance Arrangements	1 January 2024

The adoption of the above standards did not have any significant impact on the financial performance or position of the Group.

##### **Standards issued but not yet effective**

The standards and interpretations that have been issued but not yet effective are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates : 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
MFRS 18: Presentation and Disclosure in Financial Statements	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



**SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]**

**Notes to the Interim Financial Statements - 31 July 2024 (cont'd.)**

**Part A - EXPLANATORY NOTES (cont'd.)**

**A3. Seasonal and Cyclical Factors**

The Group's results were not materially affected by any major seasonal or cyclical factors.

**A4. Unusual Items Due To Their Nature, Size or Incidence**

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

**A5. Material Changes in Estimates**

There were no material changes in estimates reported in the financial period under review.

**A6. Issuance and Repayment of Debt and Equity Securities**

There were no issuances, cancellations, share buy-backs, resale of shares bought back and repayment of debt and equity securities by the Company during the financial period under review.

**A7. Dividends Paid**

No dividend was paid during the financial period under review.

**A8. Segmental Information**

The Group is divided into three distinct segments as described below:

*Investment Holding* - mainly provision of corporate & management services for companies within the Group.

*Manufacturing* - comprising business units which can be sub-divided into three core expertise areas: Precision Machining, Chassis & Modular Assembly and Hot & Cold Forming. Products manufactured are mainly to cater for the Original Equipment Manufacturer (OEM) markets.

*Others* - these consist of trading of automotive components for the Replacement Markets (REM) and provision of technical services for companies within the Group.

**SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]**

**Notes to the Interim Financial Statements - 31 July 2024 (cont'd.)**

**Part A - EXPLANATORY NOTES (cont'd.)**

**A8. Segmental Information (cont'd.)**

Analysis of the Group's revenue and results by business are as follows:-

	3 months ended 31 July 2024		3 months ended 31 July 2023	
	Revenue RM'000	Profit/(Loss) before taxation RM'000	Revenue RM'000	Profit/(Loss) before taxation RM'000
Investment Holding	4,015	(878)	2,976	(1,055)
Manufacturing	71,941	3,362	68,900	3,098
Others	481	110	321	(58)
	<u>76,437</u>	<u>2,594</u>	<u>72,197</u>	<u>1,985</u>
Eliminations	<u>(4,478)</u>	<u>55</u>	<u>(3,298)</u>	<u>(11)</u>
	<u>71,959</u>	<u>2,649</u>	<u>68,899</u>	<u>1,974</u>
	Cumulative 6 months ended 31 July 2024		Cumulative 6 months ended 31 July 2023	
	Revenue RM'000	Profit/(Loss) before taxation RM'000	Revenue RM'000	Profit/(Loss) before taxation RM'000
Investment Holding	7,942	(1,581)	6,755	(1,267)
Manufacturing	141,153	6,956	140,854	5,545
Others	499	152	663	24
	<u>149,594</u>	<u>5,527</u>	<u>148,272</u>	<u>4,302</u>
Eliminations	<u>(8,405)</u>	<u>(40)</u>	<u>(7,228)</u>	<u>(10)</u>
	<u>141,189</u>	<u>5,487</u>	<u>141,044</u>	<u>4,292</u>

No geographical segment is presented as the Group's activities are carried out in Malaysia.

**A9. Property, Plant and Equipment**

The carrying amounts of property, plant and equipment have been brought forward without amendment from the previous audited financial statements.

**A10. Material Events Subsequent to the End of the Period**

There were no material events subsequent to the end of the financial period under review.

**A11. Changes in Composition of the Group**

There were no changes in the Group's composition during the financial period under review.

**SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]**

**Notes to the Interim Financial Statements - 31 July 2024 (cont'd.)**

**Part A - EXPLANATORY NOTES (cont'd.)**

**A12. Contingent Liabilities**

There was no contingent liability for the Group during the financial period under review.

**A13. Capital Commitments**

	<b>As at 31 July 2024 RM'000</b>	<b>As at 31 January 2024 RM'000</b>
<b>Capital expenditure</b>		
Property, plant and equipment:		
Approved and contracted for	3,625	6,416
Approved but not contracted for	<u>6,450</u>	<u>3,787</u>

**Part B - ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

**B1. Overall Review of Group's Financial Performance**

**Quarter 2 FY2025 vs Quarter 2 FY2024**

The Group recorded revenue of RM72.0 million for the current quarter against RM68.9 million in the previous year's corresponding quarter driven by an improvement in volume offset by a decline in revenue from a one-off assembly project which ended in November 2023.

Accordingly, the Group generated net profit of RM1.5 million in the current quarter as compared to net profit of RM1.1 million in the previous year's corresponding quarter.

**Year-to-Date (YTD) Quarter 2 FY2025 vs YTD Quarter 2 FY2024**

Revenue for YTD Quarter 2 FY2025 stood at RM141.2 million, which was comparable with the previous year's corresponding period of RM141.0 million driven by strong volume demand. Net profit was RM3.1 million for the current YTD period as compared to a net profit of RM2.9 million in previous year's corresponding period.

**Performance Current Quarter against Immediate Preceding Quarter**

The Group's recorded revenue of RM72.0 million for the current quarter was higher than the immediate preceding quarter of RM69.2 million. Accordingly, the Group generated a net profit of RM1.5 million in the current quarter as compared to RM1.6 million in the immediate preceding quarter.

**SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]**

**Notes to the Interim Financial Statements - 31 July 2024 (cont'd.)**

**Part B - ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTD.)**

**B2. Segmental Analysis**

**Investment Holding**

Revenue for the Investment Holding segment relates to management fee income from subsidiaries.

**Manufacturing**

Reasons for movements in revenue and profit for this segment is explained in the overall group performance (Section B1) as the manufacturing segment is the main contributor to the Group's results.

**B3. Group's Prospect**

The Malaysian Automotive Association (MAA) has revised its forecasted Total Industry Volume (TIV) for 2024 from 740,000 to 765,000 vehicles after taking into account the resilient domestic economy, on-going new model launches and a healthy backlog of orders. The revised TIV represents a 4.3% decrease from 2023's record breaking achievement of 799,731 units (Source: Malaysian Automotive Association, 16 July 2024). The Group expects volume to remain consistent throughout the year and will continue to focus on operational efficiencies, improving productivity and optimising its resources to meet customers' demand.

**B4. Profit Forecast or Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee.

**B5. Tax Expense**

	<b>Current Quarter RM'000</b>	<b>Year to date RM'000</b>
Current income tax:		
Malaysia income tax	1,377	2,603
Deferred tax	<u>(181)</u>	<u>(175)</u>
	<u>1,196</u>	<u>2,428</u>
Effective tax rate	45%	44%

The effective tax rate is higher than the statutory tax rate mainly due to losses that were incurred by a subsidiary in line with planned relocation and consolidation of facilities.

**B6. Status of Corporate Proposals**

There were no corporate proposals announced as at the date of issue of this report.

**SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]**

**Notes to the Interim Financial Statements - 31 July 2024 (cont'd.)**

**Part B - ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTD.)**

**B7. Loans and Borrowings and Lease Liabilities**

The Group borrowings are as follows:

	<b>As at 31 July 2024 RM'000</b>	<b>As at 31 January 2024 RM'000</b>
<b>Current</b>		
<b>Secured</b>		
Term loans	11,433	4,991
Obligations under hire purchase	94	92
Lease liabilities	1,527	766
	<u>13,054</u>	<u>5,849</u>
<b>Unsecured</b>		
Bankers' acceptances	2,411	2,164
	<u>2,411</u>	<u>2,164</u>
<b>Total current</b>	<u>15,465</u>	<u>8,013</u>
<b>Non-current</b>		
<b>Secured</b>		
Term loans	26,745	35,436
Obligations under hire purchase	329	376
Lease liabilities	1,354	1,340
	<u>28,428</u>	<u>37,152</u>
<b>Total non-current</b>	<u>28,428</u>	<u>37,152</u>
Bankers' acceptances	2,411	2,164
Term loans	38,178	40,427
Obligations under hire purchase	423	468
Lease liabilities	2,881	2,106
<b>Total borrowings</b>	<u>43,893</u>	<u>45,165</u>

The effective interest rate for the Group during the year ranges between 5% to 6% per annum. The net carrying amounts of Investment Property and Plant & Machinery of the Group pledged as securities for borrowings are RM16.7m and RM49.1m respectively.

**B8. Dividend Declared**

No dividend has been proposed or declared for the current quarter ended 31 July 2024.

**SAPURA INDUSTRIAL BERHAD [197401000510 (17547-W)]****Notes to the Interim Financial Statements - 31 July 2024 (cont'd.)****Part B - ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTD.)****B9. Earnings Per Share**

	<b>Current Quarter 31.07.2024</b>	<b>Year To Date 31.07.2024</b>
Profit for the period attributable to owners of the parent (RM'000)	<u>1,457</u>	<u>3,067</u>
<b>a) Basic</b>		
Weighted average no. of shares ('000)	72,776	72,776
Earnings for the period (sen)	<u>2.00</u>	<u>4.21</u>
<b>b) Diluted</b>		
Weighted average no. of shares (000)	72,776	72,776
Earnings for the period (sen)	<u>2.00</u>	<u>4.21</u>

**B10. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the Group's preceding annual financial statements was not qualified.

**B11. Additional Information**

The following items are included in the statement of comprehensive income:-

	<b>Current Quarter 31.07.2024 RM'000</b>	<b>Year To Date 31.07.2024 RM'000</b>
Profit before taxation is stated after (crediting)/charging:-		
- Profit from short term investments	(186)	(377)
- Increase in liability for defined benefit plan	446	470
- Interest expense	735	1,361
- Depreciation of property, plant and equipment	3,873	6,980
- Depreciation of investment properties	107	196
- Depreciation of right of use assets	831	1,557
- Amortisation of development expenditure	159	349
- Unrealised foreign exchange (gains)/losses	(92)	18
- Inventories written off	283	283
- Property, plant and equipment written off	-	1,963

**B12. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 September 2024.