

EMICO HOLDINGS BERHAD (Company No : 230326-D)
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE QUARTER AND YEAR ENDED 31 MARCH 2024

	3 months ended 31 March		12 months ended 31 March	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	15,204	13,921	61,016	61,201
Cost of sales	(12,192)	(11,807)	(46,788)	(49,152)
Gross profit	3,012	2,114	14,228	12,049
Other income	370	135	2,322	735
Sales and marketing expenses	(678)	(958)	(3,819)	(3,903)
Administrative expenses	(1,608)	(1,675)	(6,705)	(6,975)
Operating profit/(loss)	1,096	(384)	6,026	1,906
Finance costs	(187)	(170)	(631)	(569)
Share of profit of an associate	19	21	122	71
Profit/(Loss) before tax	928	(533)	5,517	1,408
Taxation	(1,909)	(381)	(2,788)	(821)
(Loss)/Profit for the period	(981)	(914)	2,729	587
(Loss)/Profit attributable to:				
Equity holders of the parent	(889)	(902)	2,855	368
Non-controlling interests	(92)	(12)	(126)	219
(Loss)/Profit for the period	(981)	(914)	2,729	587
(Loss)/Earnings per share attributable to equity holders of the parent:				
Basic (loss)/earnings for the period (sen)	(0.71)	(0.73)	2.27	0.30
Fully Diluted (sen)	*	*	2.25	0.30

* Diluted loss per ordinary share equal basic loss per ordinary share as the effect on the basic loss per ordinary share is antidilutive.

(The unaudited condensed consolidated statement of profit and loss should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)

EMICO HOLDINGS BERHAD (Company No : 230326-D)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER AND YEAR ENDED 31 MARCH 2024

	3 months ended 31 March		12 months ended 31 March	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(Loss)/Profit for the period	(981)	(914)	2,729	587
Other comprehensive (loss)/income, net of tax				
Revaluation reserve on leasehold land and building, net of tax	-	1,767	-	1,767
Foreign currency translation differences for foreign operation	(12)	(7)	(18)	18
Total comprehensive (loss)/profit for the period	(993)	846	2,711	2,372
Total comprehensive (loss)/profit attributable to:				
Equity holders of the parent	(901)	858	2,837	2,153
Non-controlling interests	(92)	(12)	(126)	219
	(993)	846	2,711	2,372

(The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)

EMICO HOLDINGS BERHAD (Company No : 230326-D)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED
AS AT 31 MARCH 2024

	31 March 2024 Unaudited RM'000	31 March 2023 Audited RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	16,818	14,489
Investment properties	132	139
Investment in an associate	295	173
Intangible assets	552	576
Right of use assets	10,807	11,414
Deferred tax assets	225	335
Other investment	101	-
Other receivables	26	26
Total non current assets	28,956	27,152
Current Assets		
Inventories	40,043	37,073
Trade and other receivables	9,675	12,473
Current tax assets	401	684
Cash and cash equivalents	7,304	9,220
Total current assets	57,423	59,450
TOTAL ASSETS	86,379	86,602
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	24,242	23,524
Reserves	16,087	16,004
Retained earnings	11,968	9,929
Total equity attributable to owners of the Company	52,297	49,457
Non-controlling interests	8,309	8,619
TOTAL EQUITY	60,606	58,076
Non Current Liabilities		
Borrowings	4,443	4,101
Lease liabilities	1,544	2,041
Deferred tax liabilities	5,218	4,850
Total non current liabilities	11,205	10,992
Current liabilities		
Trade and other payables	7,877	10,348
Borrowings	5,072	5,915
Lease liabilities	1,056	1,145
Current tax liabilities	563	126
Total current liabilities	14,568	17,534
TOTAL EQUITY AND LIABILITIES	86,379	86,602
Net assets per share (RM)	0.42	0.40

(The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)

EMICO HOLDINGS BERHAD (Company No : 230326-D)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - UNAUDITED
FOR THE TWELVE MONTHS ENDED 31 MARCH 2024

	<- ----- Attributable to equity holders of parent ----->						Total Equity RM'000
	Share Capital RM'000	Revaluation Reserve RM'000	Share Option Reserve RM'000	Exchange Reserve RM'000	Retained earning RM'000	Non-controlling Interests RM'000	
At 1 April 2023	23,524	15,080	880	44	9,929	8,619	58,076
Profit for the period	-	-	-	-	2,855	(126)	2,729
Share options vested under ESOS	-	-	347	-	-	-	347
Acquisition of shares from non-controlling interest	-	-	-	-	(816)	(184)	(1,000)
Foreign exchange translation differences	-	-	-	(18)	-	-	(18)
Total comprehensive profit for the period	-	-	347	(18)	2,039	(310)	2,058
Issuance of new shares	718	-	(246)	-	-	-	472
At 31 March 2024	24,242	15,080	981	26	11,968	8,309	60,606
At 1 April 2022	23,218	13,313	49	26	9,553	8,400	54,559
Profit for the period	-	-	-	-	368	219	587
Share options vested under ESOS	-	-	951	-	-	-	951
Transfer of share options reserve to retained earnings upon lapse of ESOS	-	-	(8)	-	8	-	-
Revaluation reserve on leasehold land and buildings	-	1,767	-	-	-	-	1,767
Foreign exchange translation differences	-	-	-	18	-	-	18
Total comprehensive loss for the period	-	1,767	943	18	376	219	3,323
Issuance of new shares	306	-	(112)	-	-	-	194
At 31 March 2023	23,524	15,080	880	44	9,929	8,619	58,076

(The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)

EMICO HOLDINGS BERHAD (Company No : 230326-D)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED
FOR THE TWELVE MONTHS ENDED 31 MARCH 2024

	12 months ended 31 March 2024 RM'000	12 months ended 31 March 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	5,517	1,408
Adjustments for :		
Amortisation of investment properties	7	7
Amortisation of intangible assets	10	24
Depreciation of property, plant and equipment	1,306	992
Depreciation of right of use assets	1,778	1,685
Gain on disposal of property, plant and equipment	(122)	-
Impairment losses on trade and other receivables	135	369
Interest expenses	625	569
Interest income	(136)	(97)
Bad debts written off	10	-
Property, plant and equipment written off	50	63
Intangible assets written off	14	-
Inventories written off	336	1,135
Reversal of impairment losses on trade and other receivables	-	(198)
Share options vested under ESOS	347	951
Share of profit of an associate	(122)	(71)
Unrealised gain on foreign exchange	(231)	(97)
Operating profit before working capital changes	9,524	6,740
Changes in working capital:		
(Increase)/Decrease in inventories	(3,305)	1,112
Decrease/(Increase) in trade and other receivables	3,402	(884)
(Decrease)/Increase in trade and other payables	(2,671)	1,233
Decrease in contract liability	-	(390)
Cash generated from operations	6,950	7,811
Interest received	136	97
Tax refund	-	16
Tax paid	(2,025)	(988)
Net cash generated from operating activities	5,061	6,936
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,534)	(635)
Purchase of right of use assets	(713)	(246)
Proceed from disposal of property, plant & equipment	125	-
Investment in an associate	-	(69)
Investment in other investment	(101)	-
Acquisition of shares from non-controlling interest	(1,000)	-
Net cash used in investing activities	(5,223)	(950)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(563)	(423)
Proceeds from issuance of ordinary shares pursuant to:- - ESOS	472	194
Net drawdown of bank borrowings	(499)	1,483
Net repayment of lease liabilities	(1,165)	(1,720)
Net cash used in financing activities	(1,755)	(466)
Net (decrease)/increase in cash and cash equivalents	(1,917)	5,520
Effects of exchange rate changes on cash and cash equivalents	1	32
Cash and cash equivalents at beginning of financial year	9,125	3,573
Cash and cash equivalents at end of financial year	7,209	9,125
Cash and cash equivalents comprise of:		
Cash and bank balances	7,209	9,125
Deposits with licensed banks	95	95
	7,304	9,220
Less: Deposits pledged to licensed banks	(95)	(95)
	7,209	9,125

(The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)

EMICO HOLDINGS BERHAD (Company No : 230326-D)
NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER ENDED 31 MARCH 2024

A EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of preparation

The interim financial statements are unaudited and has been prepared in compliance with MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2023.

The following revised MFRSs and Amendments to MFRSs applicable to the Group have been issued by the MASB and are not yet effective for adoption by the Group.

		Effective for annual periods beginning on or after
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1-Jan-24
Amendments to MFRS 101	Non-current Liabilities with Covenants	1-Jan-24
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1-Jan-24
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules	See MFRS 112
Amendments to MFRS 121	Lack of Exchangeability	1-Jan-25
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

A2 Audited financial statements of the preceding year

The auditors' report on the financial statements for the year ended 31 March 2023 was not qualified.

A3 Seasonality or cyclicity of operations

The Group operations is not subject to seasonality or cyclicity of operations.

A4 Items of unusual nature and amount

There were no items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual because of their nature, size or incidence during the financial period ended 31 March 2024.

A5 Changes in estimates

There were no significant changes in estimates of amount, which give a material effect in the financial period ended 31 March 2024.

A6 Issuance, cancellations, repurchases, resale and repayment of debt/equity securities

There were no issuance and repayment of debt and equity securities for the financial period ended 31 March 2024.

A7 Dividend paid

There were no dividend paid during the quarter under review.

A8 Segmental Reporting

The analysis by activity of the Group for the financial period ended 31 March 2024 are as follows:

	<-----3 months ended----->		<-----12 months ended----->	
	31-3-2024	31-3-2023	31-3-2024	31-3-2023
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Manufacturing and trading - consumable products	15,204	13,581	61,016	59,167
Property development	-	340	-	2,118
Investment holdings	123	123	492	492
	<u>15,327</u>	<u>14,044</u>	<u>61,508</u>	<u>61,777</u>
Inter-segment elimination	(123)	(123)	(492)	(576)
	<u>15,204</u>	<u>13,921</u>	<u>61,016</u>	<u>61,201</u>
Segment Results				
Manufacturing and trading - consumable products	1,718	(192)	7,739	2,182
Property development	(348)	120	(619)	769
Investment holdings	(274)	(312)	(1,094)	(1,045)
	<u>1,096</u>	<u>(384)</u>	<u>6,026</u>	<u>1,906</u>
Finance cost	(187)	(170)	(631)	(569)
Share of profit of an associate	19	21	122	71
	<u>928</u>	<u>(533)</u>	<u>5,517</u>	<u>1,408</u>
Profit/(Loss) before tax	928	(533)	5,517	1,408
Taxation	(1,909)	(381)	(2,788)	(821)
Non-controlling interests	92	12	126	(219)
	<u>(889)</u>	<u>(902)</u>	<u>2,855</u>	<u>368</u>
(Loss)/Profit for the period	(889)	(902)	2,855	368

A9 Valuation of property, plant and equipment

The valuation of leasehold land and buildings have been brought forward without amendments from previous annual financial statements.

A10 Material events subsequent to the balance sheet date

Save for the corporate proposal as disclosed in Section B4 below, there were no other material events subsequent to the end of the current quarter.

A11 Contingent Liabilities

As at 31 March 2024, the contingent liabilities are as follows:

	31-Mar-24 RM'000	31-Mar-23 RM'000
Corporate guarantees given by Emico Holdings Berhad to licensed banks for facilities granted to certain subsidiaries	22,301	18,474

A12 Related Party Transactions

Significant transactions between the Group with the related parties during the financial year ended 31 March 2024 were as follows:

	<-----3 months ended----->		<-----12 months ended----->	
	31-3-2024 RM'000	31-3-2023 RM'000	31-3-2024 RM'000	31-3-2023 RM'000
Purchases of semi finished parts and components:				
Century Plas Industry Sdn Bhd	-	797	1,270	3,253
Sales and purchases of trading items				
U Can Marketing Sdn Bhd	3	8	12	13
Rental of premises received:				
Century Plas Industry Sdn Bhd	-	39	78	156
Rental of machinery received:				
Century Plas Industry Sdn Bhd	-	58	117	228
Rental of factory paid and payable to:				
Beng Choo Marketing Sdn Bhd	150	150	600	600
Purchases and sales of trophy parts and bases:				
Emico (Vietnam) Co. Ltd	1,517	1,435	6,325	5,667

The transactions were entered in the normal course of business and have been established under normal commercial terms that are no less favourable than those arranged with independent third parties.

A13 Capital Commitments

Capital expenditures which have not been provided for at the end of each reporting period are as follows:

	As at 31-Mar-24 RM'000
Property, plant and equipment: Approved and contracted for	885

B ADDITIONAL INFORMATION AS REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (PART A OF APPENDIX 9B)

B1 Taxation

	<-----3 months ended----->		<-----12 months ended----->	
	31-3-2024 RM'000	31-3-2023 RM'000	31-3-2024 RM'000	31-3-2023 RM'000
Current period	705	217	1,680	753
Underprovision in prior years	629	1	629	1
Deferred	575	163	479	67
Taxation - net	1,909	381	2,788	821

The effective tax rates were higher than statutory tax rate mainly due to the losses which cannot be set-off against taxable profits made by subsidiaries and certain expenses which are not tax deductible.

B2 Sale of unquoted investments and properties

There were no profit on sale of investments or properties for the current financial period.

B3 Particulars of purchase or disposal of quoted investments

There were no sales or purchases of quoted securities during the period.

B4 Status of Corporate proposals announced

On 13 May 2024, the Company proposes to undertake a private placement of up to ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) to third party investor(s) to be identified at a later date and at an issue price to be determined later ("Placement Shares") ("Proposed Private Placement").

The Proposed Private Placement was approved by Bursa Malaysia Securities Berhad ("Bursa Securities") vide its letter dated 23 May 2024.

B5 Group borrowings

Group borrowings and debt securities are as follows:

	31-Mar-24 RM'000	31-Mar-23 RM'000
a) Current Borrowings - Secured		
Bankers' acceptance	4,634	5,037
Term loan	438	878
	<u>5,072</u>	<u>5,915</u>
b) Non Current Borrowings - Secured		
Term loan	4,443	4,101
	<u>4,443</u>	<u>4,101</u>

B6 Financial Instruments with Off Balance Sheet Risks

There were no financial instruments with off balance sheet risks for the current financial period.

B7 Material Litigations

There are no material litigation pending as at 20 May 2024.

B8 Performance review

	<----- 3 months ended ----->		<----- 12 months ended ----->	
	Jan-24 to Mar-24 RM'000	Oct-23 to Dec-23 RM'000	Apr-23 to Mar-24 RM'000	Apr-22 to Mar-23 RM'000
REVENUE				
Manufacturing and trading	15,204	17,536	61,016	59,083
Property development	-	-	-	2,118
Total	<u>15,204</u>	<u>17,536</u>	<u>61,016</u>	<u>61,201</u>
PROFIT/(LOSS) BEFORE TAX ("PBT" & "LBT")				
Manufacturing and trading - operations	1,555	2,180	7,258	1,719
Property development	(357)	(105)	(651)	734
Investment holdings	(270)	(280)	(1,090)	(1,045)
Net Total	<u>928</u>	<u>1,795</u>	<u>5,517</u>	<u>1,408</u>

Comparison with preceding quarter

For the current quarter under review, the revenue of the Group decreased from RM17.536 million in the preceding quarter to RM15.204 million for the current quarter attributable to the delay in order shipments. Hence, this resulted in lower PBT for the current quarter of RM0.928 million as compared to RM1.795 million in the preceding quarter.

The manufacturing and trading division posted a decrease of 13.3% in revenue from RM17.536 million in the preceding quarter to RM15.204 million for the current quarter attributable to the delay in shipments of finished goods. This resulted in lower PBT for the current quarter of RM1.555 million as compared to RM2.180 million in the preceding quarter.

There is write down of inventories and no revenue generated under the property development division for the current quarter. As a result, the property development division posted a higher LBT of RM0.357 million as compared to LBT of RM0.105 million in the preceding quarter.

For the investment holding division, it posted a LBT of RM0.270 million for the current quarter as compared to RM0.280 million in the preceding quarter.

Comparison with preceding year results

The Group revenue for the 12 months ended 31 March 2024 was RM61.016 million as compared to RM61.201 million in the preceding period, a slightly decrease of 0.3%. The decrease was mainly due to no sales generated by the property development division. However, the Group posted a higher PBT of RM5.517 million, an increase of 291.8% for the current period as compared to PBT of RM1.408 million in the preceding period. The increase in PBT for the current period was primarily due to higher selling price, strengthening of USD against RM and an insurance claim of RM1.270 million received.

The manufacturing and trading division posted an increase of 3.3% in revenue from RM59.083 million in the preceding period to RM61.016 million for the current period due to the an increase in sales from the trophy business. As a result, it posted a higher PBT of RM7.258 million, an increase of 322.2% for the current period as compared to PBT of RM1.719 million in the preceding period. The increase in PBT for the current period was primarily due to higher selling price, strengthening of USD against RM and an insurance claim of RM1.270 million received.

There is write down of inventories and no revenue generated under the property development division for the current period as compared to RM2.118 million of revenue generated in the preceding period. As a result, the property development division posted a LBT of RM0.651 million as compared to PBT of RM0.734 million in the preceding period.

For the investment holding division, it posted a LBT of RM1.090 million for the current period and RM1.045 million for the preceding period.

B9 Prospects

The current market outlook remains challenging due to uncertainties in the global economy, which continues to undermine global trade. Nonetheless, despite the formidable challenges in the business landscape, the Group maintains a positive outlook, anticipating stronger sales orders in the trophy segment and stability within the contract manufacturing division.

Looking ahead to FY2025, the Group is committed to expanding its business market. Our focus remains steadfast on developing and delivering differentiated products to our customers through continual innovation. Additionally, the Group prioritizes cultivating enduring business partnerships by leveraging its integrated facilities and extensive manufacturing expertise. This enables us to enhance manufacturing capabilities, improve productivity, broaden our product range, and strengthen quality control.

Barring any unforeseen circumstances, the Group maintains its optimistic outlook for FYE 31 March 2025.

B10 Explanatory notes on any variance in actual profit from forecasted profit

This note is not applicable for the financial period under review.

B11 Dividend

The Directors do not recommend any dividend for the financial period ended 31 March 2024.

B12 (Loss)/Earnings per share ("LPS"/"EPS")

I) Basic (loss)/earnings per share

a) Numerator

(Loss)/Profit attributable to ordinary equity holders:
(Loss)/Profit from operations (RM'000)

b) Denominator

Weighted average number of ordinary shares used as denominator (per 1000 shares)

Basic (loss)/profit per share (Sen)

3 months		12 months	
31.3.2024	31.3.2023	31.3.2024	31.3.2023
(889)	(902)	2,855	368
125,661	123,592	125,661	123,592
(0.71)	(0.73)	2.27	0.30

II) Diluted (loss)/earnings per share

a) Numerator

(Loss)/Profit attributable to ordinary equity holders:
(Loss)/Profit from operations (RM'000)

b) Denominator

Weighted average number of ordinary shares used as denominator (per 1000 shares)

Diluted earnings per share (Sen)

3 months		12 months	
31.3.2024	31.3.2023	31.3.2024	31.3.2023
(889)	(902)	2,855	368
126,684	124,479	126,684	124,479
*	*	2.25	0.30

* Diluted loss per ordinary share equal basic loss per ordinary share as the effect on the basic loss per ordinary share is antdilutive.

B13 Operating Income/(Expenses)

Included in operating income/(expenses) are the followings credits/(charges):

	12 months ended Mar-24 RM'000	12 months ended Mar-23 RM'000
Depreciation of property, plant and equipment	(1,306)	(992)
Depreciation of right of use assets	(1,778)	(1,685)
Amortisation of investment properties	(7)	(7)
Amortisation of intangible assets	(10)	(24)
Interest expense	(625)	(569)
Interest income	136	97
Unrealised gain on foreign exchange	231	97
Gain on disposal of property, plant and equipment	122	-
Impairment losses on trade and other receivables	(135)	(369)
Share options vested under ESOS	(347)	(951)
Share of profit of an associate	122	71
Bad debts written off	(10)	-
Property, plant and equipment written off	(50)	(63)
Intangible assets written off	(14)	-
Inventories written off	(336)	(1,135)
Reversal of impairment losses on trade and other receivables	-	198