

FINANCIAL RESULTS

* New Announcement

Submitting Secretarial Firm Name : TRICOR CORPORATE SERVICES SDN. BHD.

* Company name : **TEO GUAN LEE CORPORATION BHD**
Registration No. 199301028971 (283710-A)

* Stock name : **TGL**

* Stock code : **9369**

* Contact person : Madam Toh Kian Beng

* Designation : Executive Chairman

PART A1: QUARTERLY REPORT

* Quarterly report for financial period ended : **31st March 2024**

* Quarter : **3rd Quarter**

* Financial Year End : **30th June 2024**

* The figures : Have not been audited

TEO GUAN LEE CORPORATION BHD (Registration No. 199301028971 (283710-A))

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2024 (UNAUDITED)**

	INDIVIDUAL PERIOD (3RD QUARTER)				CUMULATIVE PERIOD			
	Current Year Quarter 31/03/2024	Preceding Year Corresponding Quarter 31/03/2023	Changes	Changes	Current Year To-date 31/03/2024	Preceding Year Corresponding Period 31/03/2023	Changes	Changes
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	50,197	34,861	15,336	43.99%	101,559	85,886	15,673	18.25%
Gross profit	14,639 29%	11,298 32%	3,341	29.57% -3.00%	35,863 35%	32,013 37%	3,850	12.03% -2.00%
Other operating income	322	527	(205)	-38.90%	1,051	1,559	(508)	-32.58%
Operating expenses	(9,713)	(7,065)	(2,648)	37.48%	(25,093)	(21,895)	(3,198)	14.61%
Profit from the operation	5,248	4,760	488	10.25%	11,821	11,677	144	1.23%
Finance costs	(135)	(183)	48	-26.23%	(356)	(493)	137	-27.79%
Profit before taxation	5,113	4,577	536	11.71%	11,465	11,184	281	2.51%
Taxation	(1,404)	(1,025)	(379)	36.98%	(3,076)	(3,112)	36	-1.16%
Profit for the period representing total comprehensive income for the period, net of tax	3,709	3,552	157	4.42%	8,389	8,072	317	3.93%
Profit attributable to :								
Equity holders of the parent	3,709	3,551	158	4.45%	8,389	8,067	322	3.99%
Non-controlling interest	-	1	(1)	0.00%	-	5	(5)	100.00%
	3,709	3,552	157	4.42%	8,389	8,072	317	3.93%
Earnings per share	Sen	Sen			Sen	Sen		
-Basic	4.38	4.26			10.00	9.73		
-Diluted	4.38	4.26			10.00	9.73		

The condensed consolidated statements of comprehensive income statements should be read in conjunction with the audited financial statements for the year ended 30th June 2023 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Unaudited 31/03/2024 RM'000	Restated Audited 30/06/2023 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,973	2,238
Investment properties	25,843	26,453
Right-of-use assets	2,984	3,639
Investment in quoted shares	1,921	2,003
Intangible asset	2,888	3,150
Deferred tax assets	1,013	917
	36,622	38,400
CURRENT ASSETS		
Inventories	56,662	34,124
Receivables	34,784	22,609
Tax assets	146	45
Investment management funds	24,885	42,480
Deposits, cash and bank balances	1,534	2,631
Investment in subsidiary, held for distribution	-	305
	118,011	102,194
TOTAL ASSETS	154,633	140,594
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	44,983	43,219
Reserves	72,796	71,049
TOTAL EQUITY	117,779	114,268
NON-CURRENT LIABILITIES		
Borrowings	2,475	2,825
Lease liabilities	2,407	3,074
Deferred taxation	2,410	2,374
	7,292	8,273
CURRENT LIABILITIES		
Payables	19,968	9,404
Tax liabilities	1,489	752
Lease liabilities	884	856
Borrowings	7,221	7,041
	29,562	18,053
TOTAL LIABILITIES	36,854	26,326
TOTAL EQUITY AND LIABILITIES	154,633	140,594

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30th June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2024 (UNAUDITED)**

	Attributable to equity holders of the Company					Total Equity RM'000
	Non-distributable		Distributable		Non- Controlling Interest RM'000	
	Share Capital RM'000	Share Based Reserve RM'000	Retained Earnings RM'000	Total RM'000		
Balance at 1 July 2022	41,539	149	66,316	108,004	1,444	109,448
Total comprehensive income for the year	-	-	11,374	11,374	1	11,375
Transactions with owners						
Shares awarded and share options vested under Long Term Incentive Plan ("LTIP")	-	884	-	884	-	884
Issuance of shares pursuant to LTIP						
- Shares awarded	622	(622)	-	-	-	-
- Share option	1,058	(394)	-	664	-	664
Dividends	-	-	(6,658)	(6,658)	(1,175)	(7,833)
Winding up of a subsidiary	-	-	-	-	(270)	(270)
	1,680	(132)	(6,658)	(5,110)	(1,445)	(6,555)
Balance at 30 June 2023/1 July 2023	43,219	17	71,032	114,268	-	114,268
Total comprehensive income for the period	-	-	8,389	8,389		8,389
Transactions with owners						
Shares awarded and share options vested under Long Term Incentive Plan ("LTIP")	-	1,194	-	1,194	-	1,194
Issuance of shares pursuant to LTIP						
- Shares awarded	940	(940)	-	-	-	-
- Share option	824	(216)	-	608	-	608
Dividends	-	-	(6,680)	(6,680)	-	(6,680)
	1,764	38	(6,680)	(4,878)	-	(4,878)
Balance at 31 March 2024	44,983	55	72,741	117,779	-	117,779

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30th June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2024 (UNAUDITED)**

	Unaudited 31/03/2024 RM'000	Unaudited 31/03/2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	11,465	11,184
Adjustments for:		
Non-cash items		
Amortisation of intangible asset	262	-
Depreciation of investment properties	610	552
Depreciation of property, plant and equipment	668	566
Depreciation of right-of-use assets	654	655
Distribution from investment management funds	(105)	(90)
Dividend income	(105)	(87)
Fair value change in quoted shares	81	60
Fair value change in investment management funds	(841)	(1,359)
Gain on disposal of property, plant and equipment and assets held for sale	-	(38)
Interest expenses	356	493
Interest income	(38)	(34)
Loss on winding up of a subsidiary	9	-
Share based expenses	1,194	884
Operating profit before working capital changes	14,210	12,786
Changes in inventories	(22,538)	(33,271)
Changes in receivables	(12,175)	9,247
Changes in payables	10,564	5,911
Cash used in operations	(9,939)	(5,327)
Dividends paid to equity holders of the Company	(6,680)	(6,658)
Dividend paid to non-controlling interest	-	(1,175)
Interest received	38	34
Interest paid	(356)	(493)
Tax paid	(2,500)	(4,138)
Tax refunded	-	2
Net cash used in operating activities	(19,437)	(17,755)

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 30th June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2024 (UNAUDITED) (cont'd)**

	Unaudited 31/03/2024 RM'000	Unaudited 31/03/2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Net movement in investment management funds	18,436	22,988
Acquisition of a subsidiary, net of cash acquired	-	(3,599)
Dividend received	105	87
Proceeds from:		
- Disposal of property, plant and equipment and assets held for sale	-	38
- Distribution from investment management funds	105	90
- Winding up of a subsidiary	296	-
Payment for investment properties	-	(3,773)
Purchase of property, plant and equipment	(403)	(581)
Net cash from investing activities	18,539	15,250
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares under LTIP	608	665
Repayment of hire purchase payables and lease liabilities	(828)	(970)
Repayment of term loans	(230)	(233)
Movement in short term borrowings	249	2,236
Net cash (used in)/from financing activities	(201)	1,698
Net changes in cash and cash equivalents	(1,099)	(807)
Cash and cash equivalent at beginning of period	2,633	3,880
Cash and cash equivalent at end of period	1,534	3,073
Represented by:		
Deposits, cash and bank balances	1,534	3,221
Bank overdrafts	-	(148)
	1,534	3,073

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 30th June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2024**

1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“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 for the year ended 30th June 2023. The 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 30th June 2023.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest ringgit (RM) except when otherwise indicated.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year except for the following Standards, Amendments to Standards and Interpretation which are mandatory for annual financial periods beginning on or after 1 January 2023 and which were adopted by the Group on 1st July 2023.

Amendments to MFRS 101 and MFRS Practice Statement 2) - Disclosure of Accounting Policies
Amendments to MFRS 108 - Definition of Accounting Estimate
Amendments to MFRS 112 - Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

The adoption of the above Amendments and Annual improvements to Standards did not have any material financial impact to the Group except for the recognition of additional deferred tax assets and liabilities of RM837,000 respectively arising from right-of-use assets and lease liabilities with adoption of Amendments to MFRS 112. The comparative information had been restated retrospectively.

3. SEASONAL OR CYCLICAL FACTORS

The Group is principally involved in wholesale and retail of garments and related accessories. The demand for the Group’s products is generally dependent on the Malaysian economy, consumer confidence and is seasonal with demand peaking at the festive seasons at the end and beginning of the year.

4. UNUSUAL MATERIAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

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

5. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates that have a material effect to the current quarter results.

**(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2024 (cont'd)**

6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the interim quarter under review, except for the following:

Issuance of 1,368,000 ordinary shares under LTIP as follows:

- (i) 26,000 ordinary shares at RM1.008 each exercised by the eligible employees under share option;
- (ii) 545,000 ordinary shares at RM1.067 each exercised by the eligible employees under share option; and
- (iii) 797,000 ordinary shares at RM1.18 each granted to the eligible employees.

7. DIVIDEND PAID

No dividends were paid during the quarter under review.

8. SEGMENTAL REPORTING

Quarter ended 31st March 2024

	Apparels RM'000	Investment holding RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External revenue	99,953	1,606	-	101,559
Inter-segment revenue	117	27	(144)	-
Total segment revenue	100,070	1,633	(144)	101,559
Results				
Segment profit from operations	11,117	561	-	11,678
Interest income	38	-	-	38
Distribution from management investment funds	105	-	-	105
Interest expenses	(261)	(95)	-	(356)
Profit before tax	10,999	466	-	11,465
Tax expenses	(2,806)	(270)	-	(3,076)
Profit for the financial period attributable to Owners of the Company	8,193	196	-	8,389
Segment assets	130,342	28,848	(4,557)	154,633
Segment liabilities	31,644	9,767	(4,557)	36,854

The Group's business activities were predominantly carried out in Malaysia.

**(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2024 (cont'd)**

9. CARRYING AMOUNT OF REVALUED ASSETS

The valuation of land and buildings has been brought forward, without amendment from the financial statements for the financial year ended 30th June 2023.

10. MATERIAL SUBSEQUENT EVENTS

There were no other material events subsequent to the end of the current quarter.

11. CHANGES IN COMPOSITION OF GROUP

There were no changes in composition of the Group during the financial period under review other than the Company had convened the final meeting on 19 March 2024 to conclude the voluntary winding up of its dormant subsidiary, Syarikat Perniagaan Bingel (M) Sdn. Berhad.

12. CONTINGENT LIABILITIES

There were no material contingent liabilities or contingent assets to be disclosed as at date of this report.

13. CAPITAL COMMITMENTS

There are no material commitments which require disclosure during the quarter.

14. SIGNIFICANT RELATED PARTY TRANSACTIONS

The Group undertakes at agreed terms and prices, the following significant related party transactions for the financial period ended 31st March 2024:

	RM'000
Rental paid to	
- TGL Packaging Sdn. Bhd.	315
- TGL Industries Sdn. Bhd.	450
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**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2024**

1. REVIEW OF PERFORMANCE

	INDIVIDUAL PERIOD (3RD QUARTER)				CUMULATIVE PERIOD			
	Current Year Quarter 31/03/2024	Preceding Year Corresponding Quarter 31/03/2023	Changes	Changes	Current Year To-date 31/03/2024	Preceding Year Corresponding Period 31/03/2023	Changes	Changes
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	50,197	34,861	15,336	43.99%	101,559	85,886	15,673	18.25%
Profit from the operation	5,248	4,760	488	10.25%	11,821	11,677	144	1.23%
Profit before taxation	5,113	4,577	536	11.71%	11,465	11,184	281	2.51%
Profit after taxation	3,709	3,552	157	4.42%	8,389	8,072	317	3.92%
Profit attributable to : Equity holders of the parent	3,709	3,551	158	4.45%	8,389	8,067	322	3.99%

Revenue for the current quarter under review of RM50.197 million as compared to RM34.861 million recorded in the same quarter in previous year, an increase of 43.99% or RM15.34 million. The substantial increase in revenue was mainly due to the Hari Raya festival sales.

Profit before tax however had increased by RM0.536 million (11.71%) compared to the same quarter in previous year, despite higher turnover, this was because of lower gross profit margin and higher operating expenses.

2. COMPARISON WITH PRECEDING QUARTER'S REPORT

	Current Year Quarter 31 March 2024 RM'000	Immediate Preceding Quarter 31 December 2023 RM'000	Changes RM'000	Changes %
Revenue	50,197	30,719	19,478	63%
Profit from the operation	5,248	3,392	1,856	55%
Profit before taxation	5,113	3,296	1,817	55%
Profit after tax	3,709	2,404	1,305	54%
Profit attributable to : Equity holders of the parent	3,709	2,404	1,305	54%

As compared to the previous quarter, revenue for the quarter under review had increased by RM19.478 million or 63%. The higher revenue recorded in current quarter was mainly due to higher sales recorded during Hari Raya festival sales.

Profit before tax for the quarter under review increased by RM1.817 million or 55% as compared to the previous quarter mainly due to higher turnover.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2024 (cont'd)**

3. COMMENTARY ON PROSPECTS

The retail environment remains challenging with the rising inflation and increase in food prices which will dampen consumers spending on apparels. Nevertheless, the management remains committed to improve its performance by implementing measures to control costs, optimising efficiency and streamlines its operations to minimise its impact.

4. VARIANCE FROM PROFIT FORECASTS

Not applicable as the Group did not publish any profit forecast.

5. TAXATION

	Year to date ended	
	31 March 2024 RM'000	30 June 2023 RM'000
Tax liabilities at 1 July 2023/2022	707	2,440
Current period's provision	3,136	3,701
Acquisition of a subsidiary	-	(11)
Net payment made during the period/year	(2,500)	(5,423)
	1,343	707
Disclosed as:		
Tax assets	(146)	(45)
Tax liabilities	1,489	752
	1,343	707
Taxation expense for the period:-		
- Malaysian taxation	3,136	3,701
- Deferred taxation	(60)	-
	3,076	3,701

The effective tax rate for the period ended 31st March 2024 was approximately 26.83% due to certain items of expenses not deductible for income tax purposes.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2024 (cont'd)**

6. CORPORATE PROPOSAL

At the date of this report, there are no corporate proposals which have been announced that remain uncompleted.

7. GROUP BORROWINGS AND DEBT SECURITIES

	As at 31 March 2024 RM'000	As at 30 June 2023 RM'000
Unsecured short term borrowings		
Bankers' acceptance	6,756	6,507
Secured		
Hire purchase payables	148	236
Term loans	317	298
	7,221	7,041
Long term liabilities		
Secured		
Hire purchase payables	105	206
Term loans	2,370	2,619
	2,475	2,825
Total borrowings	9,696	9,866

The above borrowings are all denominated in Ringgit Malaysia.

8. FINANCIAL INSTRUMENTS - DERIVATIVE

The Group has not entered any derivative financial instruments during the quarter under review.

9. MATERIAL LITIGATION

There was no material litigation pending the date of this announcement.

10. DIVIDEND PAYABLE

At the date of this report, there are no dividend declared that remained unpaid.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2024 (cont'd)**

11. QUALIFICATION OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report of the most recent annual financial statements for the financial year ended 30th June 2023 was not qualified.

12. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share of the Group is calculated based on the net profit attributable to shareholders divided by weighted average number of ordinary shares in issue as follow:

	Individual quarter ended		Year to date ended	
	31 March		31 March	
	2024	2023	2024	2023
Net profit attributable to shareholders (RM'000)	3,709	3,551	8,389	8,067
Weighted average number of ordinary shares Shares in issue ('000)	84,596	83,309	83,862	82,894
Basic earnings per share (sen)	4.38	4.26	10.00	9.73

(b) Diluted earnings per share

	Individual quarter ended		Year to date ended	
	31 March		31 March	
	2024	2023	2024	2023
Net profit attributable to shareholders (RM'000)	3,709	3,551	8,389	8,067
Weighted average number of ordinary shares Shares in issue ('000)	84,596	83,309	83,862	82,894
Effect of dilution of share options ('000)	15	3	15	3
	84,611	83,312	83,877	82,897
Diluted earnings per share (sen)	4.38	4.26	10.00	9.73

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2024 (cont'd)**

13. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Individual quarter ended 31 March 2024 RM'000	Year to date ended 31 March 2024 RM'000
Profit from operations for the period is arrived		
After charging:		
Amortisation of intangible asset	87	262
Depreciation of investment properties	204	610
Depreciation of property, plant and equipment	234	668
Depreciation of right-of-use assets	218	654
Fair value change in investment in quoted shares	(98)	81
Loss on winding up of a subsidiary	9	9
And after crediting:		
Distribution from investment management funds	8	105
Dividend income	15	105
Fair value change on investment management funds	232	841
Interest income	19	38
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Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of the Bursa Malaysia Securities Berhad are not applicable.

14. AUTHORISED FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the directors on 29th May 2024.