

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 : **30th June 2024**

* Quarter : **4th 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 30 JUNE 2024 (UNAUDITED)**

	INDIVIDUAL PERIOD (4TH QUARTER)				CUMULATIVE PERIOD			
	Current Year Quarter 30/06/2024	Preceding Year Corresponding Quarter 30/06/2023	Changes	Changes	Current Year To-date 30/06/2024	Preceding Year Corresponding Period 30/06/2023	Changes	Changes
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	31,692	40,713	(9,021)	-22.16%	133,251	126,599	6,652	5.25%
Gross profit	15,706 50%	15,564 38%	142	0.91% 12.00%	51,569 39%	47,577 38%	3,992	8.39% 1.00%
Other operating income	603	488	115	23.57%	1,654	2,047	(393)	-19.20%
Operating expenses	(14,044)	(12,006)	(2,038)	16.97%	(39,137)	(33,901)	(5,236)	15.44%
Profit from the operation	2,265	4,046	(1,781)	-44.02%	14,086	15,723	(1,637)	-10.41%
Finance costs	(136)	(173)	37	-21.39%	(492)	(666)	174	-26.13%
Profit before taxation	2,129	3,873	(1,744)	-45.03%	13,594	15,057	(1,463)	-9.72%
Taxation	250	(570)	820	-143.86%	(2,826)	(3,682)	856	-23.25%
Profit for the period representing total comprehensive income for the period, net of tax	2,379	3,303	(924)	-27.97%	10,768	11,375	(607)	-5.34%
Profit attributable to :								
Equity holders of the parent	2,379	3,307	(928)	-28.06%	10,768	11,374	(606)	-5.33%
Non-controlling interest	-	(4)	4	0.00%	-	1	(1)	100.00%
	2,379	3,303	(924)	-27.97%	10,768	11,375	(607)	-5.34%
Earnings per share	Sen	Sen			Sen	Sen		
-Basic	2.80	3.97			12.80	13.70		
-Diluted	2.80	3.97			12.80	13.70		

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 30 JUNE 2024

	Unaudited 30/06/2024 RM'000	Audited 30/06/2023 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,881	2,238
Investment properties	25,640	26,453
Right-of-use assets	3,113	3,639
Investment in quoted shares	2,073	2,003
Intangible asset	2,800	3,150
Deferred tax assets	51	80
	<hr/> 35,558	<hr/> 37,563
CURRENT ASSETS		
Inventories	49,193	34,124
Receivables	24,020	22,609
Tax assets	144	45
Investment management funds	32,160	42,480
Deposits, cash and bank balances	1,992	2,631
Investment in subsidiary, held for distribution	-	305
	<hr/> 107,509	<hr/> 102,194
TOTAL ASSETS	<hr/> 143,067	<hr/> 139,757
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY		
HOLDERS OF THE PARENT		
Share capital	44,983	43,219
Reserves	75,175	71,049
	<hr/> 120,158	<hr/> 114,268
NON-CURRENT LIABILITIES		
Borrowings	2,394	2,825
Lease liabilities	2,224	3,074
Deferred taxation	1,508	1,537
	<hr/> 6,126	<hr/> 7,436
CURRENT LIABILITIES		
Payables	9,478	9,404
Tax liabilities	478	752
Lease liabilities	904	856
Borrowings	5,923	7,041
	<hr/> 16,783	<hr/> 18,053
TOTAL LIABILITIES	<hr/> 22,909	<hr/> 25,489
TOTAL EQUITY AND LIABILITIES	<hr/> 143,067	<hr/> 139,757

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 30 JUNE 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")	-	880	-	880	-	880
Issuance of shares pursuant to LTIP						
- Shares awarded	622	(622)	-	-	-	-
- Share option	1,058	(390)	-	668	-	668
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 year	-	-	10,768	10,768		10,768
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 30 June 2024	44,983	55	75,120	120,158	-	120,158

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 30 JUNE 2024 (UNAUDITED)**

	Unaudited 30/06/2024 RM'000	Audited 30/06/2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,594	15,057
Adjustments for:		
Non-cash items		
Amortisation of intangible asset	350	350
Deposits forfeited	-	(1)
Depreciation of investment properties	813	756
Depreciation of property, plant and equipment	893	775
Depreciation of right-of-use assets	873	873
Distribution from investment management funds	(135)	(90)
Dividend income	(127)	(103)
Expenses relating to short term lease	-	14
Fair value change in quoted shares	(70)	(103)
Fair value change in investment management funds	(1,063)	(1,726)
Gain on disposal of property, plant and equipment and assets held for sale	-	(38)
Gain on remeasurement of right-of-use assets and lease liabilities	(294)	-
Goodwill on consolidation written off	-	87
Interest expenses	491	666
Interest income	(37)	(49)
Inventories written down to net realisable value	4,840	3,450
Loss on winding up of a subsidiary	9	-
Share based expenses	1,194	880
Operating profit before changes in working capital	21,331	20,798
Changes in inventories	(19,909)	(24,879)
Changes in receivables	(1,411)	6,634
Changes in payables	74	(3,783)
Cash generated from/(used in) operations	85	(1,230)
Dividends paid to equity holders of the Company	(6,680)	(6,658)
Interest received	37	49
Interest paid	(491)	(666)
Short-term lease payment	-	(14)
Tax paid	(3,199)	(5,426)
Tax refunded	-	3
Net cash used in operating activities	(10,248)	(13,942)

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 30 JUNE 2024 (UNAUDITED) (cont'd)**

	Unaudited 30/06/2024 RM'000	Audited 30/06/2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Net movement in investment management funds	11,383	21,024
Net cash outflow from acquisition of a subsidiary	-	(99)
Net cash outflow upon de-consolidation of a subsidiary	-	(579)
Dividend received	127	103
Proceeds from:		
- Disposal of property, plant and equipment and assets held for sale	-	38
- Distribution from investment management funds	135	90
- Winding up of a subsidiary	296	-
Payment for investment properties	-	(3,773)
Purchase of property, plant and equipment	(536)	(632)
Net cash from investing activities	11,405	16,172
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to non-controlling shareholders	-	(1,175)
Proceeds from issuance of shares under LTIP	608	668
Repayment of hire purchase payables and lease liabilities	(1,091)	(1,246)
Repayment of term loans	(311)	(310)
Movement in short term borrowings	(1,002)	(1,416)
Net cash used in financing activities	(1,796)	(3,479)
Net changes in cash and cash equivalents	(639)	(1,249)
Cash and cash equivalent at beginning of period	2,631	3,880
Cash and cash equivalent at end of period	1,992	2,631
Represented by:		
Cash and bank balances	1,992	2,631

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 30 JUNE 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.

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 30 JUNE 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 30th June 2024

	Apparels RM'000	Investment holding RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External revenue	131,115	2,136	-	133,251
Inter-segment revenue	5,181	36	(5,217)	-
Total segment revenue	136,296	2,172	(5,217)	133,251
Results				
Segment profit from operations	13,027	886	-	13,913
Interest income	37	-	-	37
Distribution from management investment funds	135	-	-	135
Interest expenses	(369)	(122)	-	(491)
Profit before tax	12,830	764	-	13,594
Tax expenses	(2,520)	(306)	-	(2,826)
Profit for the financial period attributable to Owners of the Company	10,310	458	-	10,768
Segment assets	118,774	28,761	(4,468)	143,067
Segment liabilities	17,703	9,674	(4,468)	22,909

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

**(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 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 30th June 2024:

	RM'000
Rental paid to	
- TGL Packaging Sdn. Bhd.	420
- TGL Industries Sdn. Bhd.	600
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**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2024**

1. REVIEW OF PERFORMANCE

	INDIVIDUAL PERIOD (4TH QUARTER)				CUMULATIVE PERIOD			
	Current Year Quarter 30/06/2024	Preceding Year Corresponding Quarter 30/06/2023	Changes	Changes	Current Year To-date 30/06/2024	Preceding Year Corresponding Period 30/06/2023	Changes	Changes
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	31,692	40,713	(9,021)	-22.16%	133,251	126,599	6,652	5.25%
Profit from the operation	2,265	4,046	(1,781)	-44.02%	14,086	15,723	(1,637)	-10.41%
Profit before taxation	2,129	3,873	(1,744)	-45.03%	13,594	15,057	(1,463)	-9.72%
Profit after taxation	2,379	3,303	(924)	-27.97%	10,768	11,375	(607)	-5.34%
Profit attributable to :								
Equity holders of the parent	2,379	3,307	(928)	-28.06%	10,768	11,374	(606)	-5.33%
Non-controlling interest	-	(4)	4	-100.00%	-	1	(1)	100.00%
	2,379	3,303	(924)	-27.97%	10,768	11,375	(607)	-5.34%

Revenue for the current quarter under review of RM31.692 million as compared to RM40.713 million recorded in the same quarter in previous year, a decrease of 22.16% or RM9.021 million. The substantial decrease in revenue was mainly due to lower consumer spending.

Profit before tax however had decreased by RM1.744 million (45.03%) compared to the same quarter in previous year. The decrease in profit before tax was due to lower sales turnover and higher operating expenses.

2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

	Current Year Quarter 30 June 2024 RM'000	Immediate Preceding Quarter 31 March 2024 RM'000	Changes RM'000	Changes %
Revenue	31,692	50,197	(18,505)	-37%
Profit from the operation	2,265	5,248	(2,983)	-57%
Profit before taxation	2,129	5,113	(2,984)	-58%
Profit after tax	2,379	3,709	(1,330)	-36%
Profit attributable to :				
Equity holders of the parent	2,379	3,709	(1,330)	-36%

As compared to the previous quarter, revenue for the quarter under review had decreased by RM18.505 million or 37%. The higher revenue recorded in the previous quarter was mainly due to higher sales recorded during Hari Raya festival sales. The seasonal downturn and weaker consumer spending had caused the revenue for the quarter under review to decrease.

Profit before tax for the quarter under review decreased by RM2.984 million or 58% as compared to the previous quarter mainly due to lower turnover and higher operating expenses

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2024 (cont'd)**

3. COMMENTARY ON PROSPECTS

For the financial year recently concluded, profit after taxation decrease by approximately RM0.607 million or 5.34% from RM11.375 million to RM10.768 million as compared to that of the previous financial year.

As a result of the uncertain economic conditions ahead, the retail environment remains challenging with the persistent 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	
	30 June 2024	30 June 2023
	RM'000	RM'000
Tax liabilities at 1 July 2023/2022	707	2,440
Current period's provision	2,826	3,701
Acquisition of a subsidiary	-	(11)
Net payment made during the period/year	(3,199)	(5,423)
Tax liabilities	334	707
Disclosed as:		
Tax assets	(144)	(45)
Tax liabilities	478	752
	334	707
Taxation expense for the period:-		
- Malaysian taxation	2,826	3,701
- Deferred taxation	-	(19)
	2,826	3,682

The effective tax rate for the period ended 30th June 2024 was approximately 20.79% mainly due to the availability of unused tax losses.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 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 30 June 2024 RM'000	As at 30 June 2023 RM'000
Unsecured short term borrowings		
Bankers' acceptance	5,505	6,507
Secured		
Hire purchase payables	127	236
Term loans	291	298
	5,923	7,041
Long term liabilities		
Secured		
Hire purchase payables	79	206
Term loans	2,315	2,619
	2,394	2,825
Total borrowings	8,317	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

Details of dividends proposed by the Board of Directors in respect of financial year ended 30th June 2024 are as follows:

	RM'000
Proposed final single tier dividend of 5 sen per ordinary share	4,243
Proposed special single tier dividend of 3 sen per ordinary share	2,546
	6,789

The proposed final and special dividends are subject to approval by the shareholders at the forthcoming Annual General Meeting and has not been included as liability in the financial statements.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 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	
	30 June		30 June	
	2024	2023	2024	2023
Net profit attributable to shareholders (RM'000)	2,379	3,307	10,768	11,374
Weighted average number of ordinary shares Shares in issue ('000)	84,866	83,365	84,111	83,006
Basic earnings per share (sen)	2.80	3.97	12.80	13.70

(b) Diluted earnings per share

	Individual quarter ended		Year to date ended	
	30 June		30 June	
	2024	2023	2024	2023
Net profit attributable to shareholders (RM'000)	2,379	3,307	10,768	11,374
Weighted average number of ordinary shares Shares in issue ('000)	84,866	83,365	84,111	83,006
Effect of dilution of share options ('000)	14	3	14	3
	84,880	83,368	84,125	83,009
Diluted earnings per share (sen)	2.80	3.97	12.80	13.70

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2024 (cont'd)**

13. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Individual quarter ended 30 June 2024 RM'000	Year to date ended 30 June 2024 RM'000
Profit from operations for the period is arrived		
After charging:		
Amortisation of intangible asset	88	350
Depreciation of investment properties	203	813
Depreciation of property, plant and equipment	225	893
Depreciation of right-of-use assets	219	873
Fair value change in investment in quoted shares	(11)	70
Loss on winding up of a subsidiary	-	9
And after crediting:		
Distribution from investment management funds	30	135
Dividend income	22	127
Fair value change on investment management funds	222	1,063
Gain on remeasurement of right-of-use assets and lease liabilities	294	294
Interest income	(1)	37
Realised foreign exchange gain	9	9

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 August 2024.