

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 September 2024**

* Quarter : **1st Quarter**

* Financial Year End : **30th June 2025**

* 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 SEPTEMBER 2024 (UNAUDITED)**

	INDIVIDUAL PERIOD (1 ST QUARTER)				CUMULATIVE PERIOD			
	Current Year Quarter 30/09/2024	Preceding Year Corresponding Quarter 30/09/2023	Changes	Changes	Current Year To-date 30/09/2024	Preceding Year Corresponding Period 30/09/2023	Changes	Changes
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	20,694	20,643	51	0.25%	20,694	20,643	51	0.25%
Gross profit	8,456 41%	10,494 51%	(2,038)	-19.42% -10.00%	8,456 41%	10,494 51%	(2,038)	-19.42% -10.00%
Other operating income	401	427	(26)	-6.09%	401	427	(26)	-6.09%
Operating expenses	(7,945)	(7,740)	(205)	2.65%	(7,945)	(7,740)	(205)	2.65%
Profit from the operation	912	3,181	(2,269)	-71.33%	912	3,181	(2,269)	-71.33%
Finance costs	(113)	(125)	12	-9.60%	(113)	(125)	12	-9.60%
Profit before taxation	799	3,056	(2,257)	-73.85%	799	3,056	(2,257)	-73.85%
Taxation	(156)	(780)	624	-80.00%	(156)	(780)	624	-80.00%
Profit for the period representing total comprehensive income for the period, net of tax	643	2,276	(1,633)	-71.75%	643	2,276	(1,633)	-71.75%
Profit attributable to : Owners of the Company	643	2,276	(1,633)	-71.75%	643	2,276	(1,633)	-71.75%
Earnings per share	Sen	Sen			Sen	Sen		
-Basic	0.76	2.73			0.76	2.73		
-Diluted	0.76	2.73			0.76	2.73		

The condensed consolidated statements of comprehensive income statements should be read in conjunction with the audited financial statements for the year ended 30th June 2024 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024

	Unaudited 30/09/2024 RM'000	Audited 30/06/2024 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,995	1,881
Investment properties	25,437	25,640
Right-of-use assets	2,877	3,113
Investment in quoted shares	1,897	2,073
Intangible asset	2,713	2,800
Deferred tax assets	655	51
	<hr/> 35,574	<hr/> 35,558
CURRENT ASSETS		
Inventories	46,360	49,193
Receivables	33,678	24,041
Tax assets	261	144
Investment management funds	42,285	32,160
Deposits, cash and bank balances	1,344	1,992
	<hr/> 123,928	<hr/> 107,530
TOTAL CURRENT ASSETS	<hr/> 123,928	<hr/> 107,530
TOTAL ASSETS	<hr/> 159,502	<hr/> 143,088
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	44,983	44,983
Reserves	75,818	75,175
	<hr/> 120,801	<hr/> 120,158
TOTAL EQUITY	<hr/> 120,801	<hr/> 120,158
NON-CURRENT LIABILITIES		
Borrowings	2,255	2,394
Lease liabilities	2,097	2,224
Deferred taxation	1,508	1,508
	<hr/> 5,860	<hr/> 6,126
CURRENT LIABILITIES		
Payables	27,217	9,499
Tax liabilities	714	478
Lease liabilities	807	904
Borrowings	4,103	5,923
	<hr/> 32,841	<hr/> 16,804
TOTAL LIABILITIES	<hr/> 38,701	<hr/> 22,930
TOTAL EQUITY AND LIABILITIES	<hr/> 159,502	<hr/> 143,088

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30th June 2024 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

	Attributable to owners the Company			
	Share Capital RM'000	Share Based Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
Balance at 1 July 2023	43,219	17	71,032	114,268
Total comprehensive income for the year	-	-	10,768	10,768
Transactions with owners				
Shares awarded and share options vested under Long Term Incentive Plan (“LTIP”)	-	1,194	-	1,194
Issuance of shares pursuant to LTIP				
- Shares awarded	940	(940)	-	-
- Share option	824	(216)	-	608
Dividends	-	-	(6,680)	(6,680)
	1,764	38	(6,680)	(4,878)
Balance at 30 June 2024/1 July 2024	44,983	55	75,120	120,158
Total comprehensive income for the period	-	-	643	643
Balance at 30 September 2024	44,983	55	75,763	120,801

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30th June 2024 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

	Unaudited 30/09/2024 RM'000	Unaudited 30/09/2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	799	3,056
Adjustments for:		
Non-cash items		
Amortisation of intangible asset	87	87
Depreciation of investment properties	203	202
Depreciation of property, plant and equipment	246	212
Depreciation of right-of-use assets	236	219
Distribution from investment management funds	(9)	(79)
Dividend income	(69)	(76)
Fair value change in quoted shares	176	177
Fair value change in investment management funds	(258)	(254)
Interest expenses	113	125
Interest income	(22)	(6)
Operating profit before changes in working capital	1,502	3,663
Changes in inventories	2,833	(13,913)
Changes in receivables	(9,637)	6,904
Changes in payables	17,718	10,509
Cash generated from operations	12,416	7,163
Interest received	22	6
Interest paid	(113)	(125)
Tax paid	(641)	(882)
Net cash from operating activities	11,684	6,162
CASH FLOWS FROM INVESTING ACTIVITIES		
Net movement in investment management funds	(9,867)	(2,539)
Dividend received	69	76
Proceeds from distribution from investment management funds	9	79
Purchase of property, plant and equipment	(360)	(97)
Net cash used in investing activities	(10,149)	(2,481)

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 30th June 2024 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED) (cont'd)**

	Unaudited 30/09/2024 RM'000	Unaudited 30/09/2023 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables and lease liabilities	(261)	(279)
Repayment of term loans	(80)	(77)
Movement in short term borrowings	(1,842)	(4,980)
Net cash used in financing activities	(2,183)	(5,336)
Net changes in cash and cash equivalents	(648)	(1,655)
Cash and cash equivalent at beginning of period	1,992	2,633
Cash and cash equivalent at end of period	1,344	978
Represented by:		
Cash and bank balances	1,344	996
Bank overdraft	-	(18)
Cash and cash equivalent at end of period	1,344	978

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 30th June 2024 and the accompanying explanatory notes attached to the interim financial statements.

**(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 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 2024. 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 2024.

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 2024 and which were adopted by the Group on 1st July 2024.

Amendments to MFRS 7 and MFRS 107 - Supplier Finance Arrangements
Amendments to MFRS 16 - Lease Liability in a Sale and Leaseback
Amendments to MFRS 101 - Classification of Liabilities as Current or Non-current
Amendments to MFRS 101 - Non-current Liabilities with Covenants

The adoption of the above Amendments and Annual improvements to Standards did not have any material financial impact to the Group.

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 SEPTEMBER 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.

7. DIVIDEND PAID

No dividends were paid during the quarter under review.

8. SEGMENTAL REPORTING

Quarter ended 30th September 2024

	Apparels RM'000	Investment holding RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External revenue	20,073	621	-	20,694
Inter-segment revenue	19,300	9	(19,309)	-
Total segment revenue	39,373	630	(19,309)	20,694
Results				
Segment profit from operations	765	116	-	881
Interest income	22	-	-	22
Distribution from management investment funds	9	-	-	9
Interest expenses	(85)	(28)	-	(113)
Profit before tax	711	88	-	799
Tax expenses	(595)	(99)	538	(156)
Profit/(Loss) for the financial period attributable to Owners of the Company	116	(11)	538	643
Segment assets	135,347	28,586	(4,431)	159,502
Segment liabilities	33,734	9,398	(4,431)	38,701

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

**(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 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 2024.

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.

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 September 2024:

	RM'000
Rental paid to	
- TGL Packaging Sdn. Bhd.	105
- TGL Industries Sdn. Bhd.	150
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**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

1. REVIEW OF PERFORMANCE

	INDIVIDUAL PERIOD (1 ST QUARTER)				CUMULATIVE PERIOD			
	Current Year	Preceding Year			Current Year	Preceding Year		
	Quarter	Corresponding Quarter	Changes	Changes	To-date	Corresponding Period	Changes	Changes
	30/09/2024	30/09/2023	RM'000	%	30/09/2024	30/09/2023	RM'000	%
Revenue	20,694	20,643	51	0.25%	20,694	20,643	51	0.25%
Profit from the operation	912	3,181	(2,269)	-71.33%	912	3,181	(2,269)	-71.33%
Profit before taxation	799	3,056	(2,257)	-73.85%	799	3,056	(2,257)	-73.85%
Profit after taxation	643	2,276	(1,633)	-71.75%	643	2,276	(1,633)	-71.75%
Profit attributable to : Owners of the Company	643	2,276	(1,633)	-71.75%	643	2,276	(1,633)	-71.75%

Revenue for the current quarter under review was RM20.694 million, a slight increase of 0.25% (RM0.051 million) compared to the same quarter in the previous year.

However, despite the stable revenue, profit before tax declined significantly from RM3.056 million to RM0.799 million, a decrease of RM2.257 million, or 73.85%, compared to the same period last year. The significant decrease in profit before tax is mainly attributed to a reduction in the gross profit margin from 51% to 41%, due to increased market competition.

2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

	Current Year Quarter 30 September 2024 RM'000	Immediate Preceding Quarter 30 June 2024 RM'000	Changes RM'000	Changes %
Revenue	20,694	31,692	(10,998)	-35%
Profit from the operation	912	2,265	(1,353)	-60%
Profit before taxation	799	2,129	(1,330)	-62%
Profit after tax	643	2,379	(1,736)	-73%
Profit attributable to : Owners of the Company	643	2,379	(1,736)	-73%

As compared to the previous quarter, revenue for the quarter under review decreased by RM10.998 million, or 35%. The higher revenue recorded in the previous quarter was mainly driven by increased sales during the festive period. The seasonal downturn and weaker consumer spending led to the decline in revenue for the current quarter.

Profit before tax for the quarter under review decreased by RM1.330 million, or 62%, compared to the previous quarter. This decline was primarily due to lower turnover and lower gross profit margin.

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

3. COMMENTARY ON PROSPECTS

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 September 2024 RM'000	30 June 2024 RM'000
Tax liabilities at 1 July 2024/2023	334	707
Current period's provision	760	2,826
Net payment made during the period/year	(641)	(3,199)
	<hr/> 453	<hr/> 334
Disclosed as:		
Tax assets	(261)	(144)
Tax liabilities	714	478
	<hr/> 453	<hr/> 334
Taxation expense for the period:-		
- Malaysian taxation	760	2,826
- Deferred taxation	(604)	-
	<hr/> 156	<hr/> 2,826

The effective tax rate for the period ended 30th September 2024 was approximately 19.52% mainly due to availability of unused tax losses in a subsidiary.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 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 September 2024 RM'000	As at 30 June 2024 RM'000
Unsecured short term borrowings		
Bankers' acceptance	3,663	5,505
Secured		
Hire purchase payables	116	127
Term loans	324	291
	4,103	5,923
Long term liabilities		
Secured		
Hire purchase payables	53	79
Term loans	2,202	2,315
	2,255	2,394
Total borrowings	6,358	8,317

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

The final and special single tier dividend which had been declared for the financial year ended 30th June 2024 are as follows:

Rate	:	5 sen and 3sen per share respectively
Announced	:	22 nd October 2024
Book Closure	:	29 th November 2024
Payment Date	:	12 th December 2024

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 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 2024 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 September 2024	2023	30 September 2024	2023
Net profit attributable to shareholders (RM'000)	643	2,276	643	2,276
Weighted average number of ordinary shares Shares in issue ('000)	84,866	83,498	84,866	83,498
Basic earnings per share (sen)	0.76	2.73	0.76	2.73

(b) Diluted earnings per share

	Individual quarter ended		Year to date ended	
	30 September 2024	2023	30 September 2024	2023
Net profit attributable to shareholders (RM'000)	643	2,276	643	2,276
Weighted average number of ordinary shares Shares in issue ('000)	84,866	83,498	84,866	83,498
Effect of dilution of share options ('000)	15	-	15	-
	84,881	83,498	84,881	83,498
Diluted earnings per share (sen)	0.76	2.73	0.76	2.73

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

13. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Individual quarter ended 30 September 2024 RM'000	Year to date ended 30 September 2024 RM'000
Profit from operations for the period is arrived		
After charging:		
Amortisation of intangible asset	87	87
Depreciation of investment properties	203	203
Depreciation of property, plant and equipment	246	246
Depreciation of right-of-use assets	236	236
Fair value change in investment in quoted shares	176	177
And after crediting:		
Distribution from investment management funds	9	9
Dividend income	69	69
Fair value change on investment management funds	258	258
Interest income	22	22

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 27th November 2024.