



## **SOUTHERN CABLE GROUP BERHAD**

(Registration No. 201901011439 (1320767-M))  
(Incorporated in Malaysia under the Companies Act 2016)

### **Interim Financial Report**

**For The Second Quarter Ended**

**30 June 2025**



## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME<sup>(1)</sup>

	Note	QUARTER ENDED		YEAR TO-DATE ENDED	
		Unaudited	Unaudited	Unaudited	Unaudited
		30.06.2025	30.06.2024	30.06.2025	30.06.2024
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	419,299	315,329	810,107	627,356
Cost of sales		(362,300)	(287,867)	(702,322)	(574,463)
<b>Gross profit</b>		<b>56,999</b>	<b>27,462</b>	<b>107,785</b>	<b>52,893</b>
Other income		714	885	2,288	2,860
Distribution expenses		(8,912)	(4,738)	(17,592)	(8,865)
Administrative expenses		(3,479)	(2,628)	(8,551)	(5,359)
Other expenses		-	(1)	-	(1)
<b>Operating profit</b>	B12	<b>45,322</b>	<b>20,980</b>	<b>83,930</b>	<b>41,528</b>
Finance costs		(3,242)	(2,236)	(5,993)	(4,212)
<b>Profit before tax</b>		<b>42,080</b>	<b>18,744</b>	<b>77,937</b>	<b>37,316</b>
Income tax expense	B5	(10,436)	(4,314)	(18,891)	(8,813)
<b>Profit/Total comprehensive income for the financial period</b>		<b>31,644</b>	<b>14,430</b>	<b>59,046</b>	<b>28,503</b>
<b>Profit/Total comprehensive income for the financial period after taxation attributable to:</b>					
Owners of the Company		31,644	14,430	59,046	28,503
		<b>31,644</b>	<b>14,430</b>	<b>59,046</b>	<b>28,503</b>
<b>Earnings per Share</b>					
- Basic (sen)	B11	3.37	1.79	6.56	3.56
- Diluted (sen)	B11	3.29	1.67	5.25	2.97

### Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION<sup>(1)</sup>**

	<b>Unaudited as at 30.06.2025 RM'000</b>	<b>Audited as at 31.12.2024 RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	95,090	81,911
Right-of-use assets	54,823	55,871
Investment properties	500	504
<b>Total non-current assets</b>	<b>150,413</b>	<b>138,286</b>
<b>Current Assets</b>		
Inventories	224,590	183,723
Current tax assets	823	729
Trade and other receivables	375,942	315,276
Cash and short-term deposits	143,544	82,704
Derivative financial assets	597	487
<b>Total current assets</b>	<b>745,496</b>	<b>582,919</b>
<b>TOTAL ASSETS</b>	<b>895,909</b>	<b>721,205</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	263,660	245,164
Retained earnings	328,286	277,556
Reserves	(120,947)	(120,947)
<b>Total equity</b>	<b>470,999</b>	<b>401,773</b>
<b>Non-current Liabilities</b>		
Loans and borrowings	19,359	6,213
Deferred tax liabilities	9,827	9,871
<b>Total non-current liabilities</b>	<b>29,186</b>	<b>16,084</b>
<b>Current Liabilities</b>		
Loans and borrowings	257,131	209,494
Provisions	278	293
Current tax liabilities	11,607	3,789
Trade and other payables	126,708	89,772
<b>Total current liabilities</b>	<b>395,724</b>	<b>303,348</b>
<b>TOTAL LIABILITIES</b>	<b>424,910</b>	<b>319,432</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>895,909</b>	<b>721,205</b>
Number of issued shares ('000)	967,289	900,031
Net assets per share attributable to owners of the company (RM)	0.49	0.45

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY<sup>(1)</sup>**

	<b>Attributable to owners of the Company</b>			<b>Total equity</b>
	<b>Non-Distributable</b>		<b>Distributable</b>	
	<b>Share capital</b>	<b>Reorganisation reserve</b>	<b>Retained earnings</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Balance as at 1 January 2025 (Audited)</b>	245,164	(120,947)	277,556	401,773
Profit for the financial period representing total comprehensive income for the financial period (Unaudited)	-	-	59,046	59,046
Transaction with owners:				
Dividend payable			(8,316)	(8,316)
Proceed from warrants conversion	18,496	-	-	18,496
<b>Balance as at 30 June 2025 (Unaudited)</b>	<b>263,660</b>	<b>(120,947)</b>	<b>328,286</b>	<b>470,999</b>

	<b>Attributable to owners of the Company</b>			<b>Total equity</b>
	<b>Non-Distributable</b>		<b>Distributable</b>	
	<b>Share capital</b>	<b>Reorganisation reserve</b>	<b>Retained earnings</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Balance as at 1 January 2024 (Audited)</b>	217,669	(120,947)	218,319	315,041
Profit for the financial period representing total comprehensive income for the financial period (Unaudited)	-	-	28,503	28,503
Transaction with owners:				
Dividend payable	-	-	(6,391)	(6,391)
Proceed from warrants conversion	8,448	-	-	8,448
<b>Balance as at 30 June 2024 (Unaudited)</b>	<b>226,117</b>	<b>(120,947)</b>	<b>240,431</b>	<b>345,601</b>

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS<sup>(1)</sup>**

	<b>CURRENT YEAR TO-DATE 30.06.2025 Unaudited RM'000</b>	<b>PRECEDING YEAR TO-DATE 30.06.2024 Unaudited RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	77,937	37,316
Adjustments for:		
Amortisation/depreciation of investment properties	3	3
Amortisation/depreciation of property, plant and equipment	5,593	3,942
Depreciation of right-of-use assets	1,196	1,077
Fair value loss/(gain) on derivative financial instruments	(110)	(874)
Loss/(gain) on disposal of property, plant and equipment	(8)	2
Interest expenses	5,993	4,212
Interest income	(863)	(606)
Provision for employee benefit (net)	(15)	(47)
Right-of-use assets written off	-	7
Unrealised loss on foreign exchange	1,682	229
<b>Operating profit before changes in working capital</b>	<b>91,408</b>	<b>45,261</b>
Changes in working capital:		
Inventories	(40,867)	4,074
Trade and other receivables	(62,373)	(52,235)
Trade and other payables	28,646	12,047
Net cash (used in)/generated from operations	16,814	9,147
Income tax paid	(11,211)	(1,842)
Interest received	863	606
Interest paid	(748)	(239)
<b>Net cash (used in)/from operating activities</b>	<b>5,718</b>	<b>7,672</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(18,453)	(13,697)
Purchase of right-of-use assets	(440)	(234)
Derecognition of right-of-use assets	25	-
Proceed from disposal of property, plant and equipment	8	1
<b>Net cash used in investing activities</b>	<b>(18,860)</b>	<b>(13,930)</b>



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS<sup>(1)</sup> (CONT'D)

	CURRENT YEAR TO-DATE 30.06.2025 Unaudited RM'000	PRECEDING YEAR TO-DATE 30.06.2024 Unaudited RM'000
<b>Cash flows from financing activities</b>		
Interest paid	(5,245)	(3,973)
Drawdown of term loans	14,643	-
Repayment of term loans	(523)	(556)
Drawdown of lease liabilities	-	-
Repayment of lease liabilities	(1,356)	(1,676)
Drawdown of bankers' acceptance	429,374	306,825
Repayment of bankers' acceptance	(381,407)	(295,064)
Proceed from warrants conversion	18,496	8,448
<b>Net cash from/(used in) financing activities</b>	<b>73,982</b>	<b>14,004</b>
Net (decrease)/increase in cash and cash equivalents	60,840	7,746
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>82,671</b>	<b>95,976</b>
<b>Cash and cash equivalents at the end of the financial period</b>	<b>143,511</b>	<b>103,722</b>

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.

**A. NOTES TO THE INTERIM FINANCIAL REPORT**

**A1. Basis of Preparation**

The unaudited interim financial report has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”)134, the International Financial Reporting Standards (“IFRSs”), the requirements of the Companies Act 2016 in Malaysia and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This interim financial report should be read in conjunction with the Company’s audited consolidated financial statements for the financial year ended 31 December 2024 and the accompanying notes attached to this interim financial report.

**A2. Significant Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited consolidated financial statements for the financial year ended 31 December 2024. The Group have adopted the following applicable amendments to MFRSs for the current financial period:

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statement of Cash Flows

The adoption of the above amendments to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

**A3. Auditors’ Report on Preceding Annual Financial Statements**

There was no qualification on the audited consolidated financial statements of the Group for the financial year ended 31 December 2024.

**A4. Seasonal or Cyclical Factors**

The Group’s performance has not been materially affected by any seasonal or cyclical factors during the current quarter and financial year-to-date.

**A5. Items or Incidence of an Unusual Nature**

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows during the current quarter and financial year-to-date.

**A6. Material Changes in Estimates**

There were no material changes in estimates for the current quarter and financial year-to-date.

**A7. Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares during the current quarter and financial year-to-date



## A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

### A8. Dividend Paid

The Company declared a final dividend of 0.85 sen per ordinary share amounting to a RM8.32 million in respect of the financial year ended 31 December 2024. The final dividend has been paid by the Company on 25 July 2025 to shareholders whose names appeared in the Record of Depositors at the close of business on 11 July 2025.

There were no dividends paid for the current quarter



**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A9. Segmental Reporting**

The Group is principally a manufacturer of cables and wires that are used for power distribution and transmission, communications as well as control and instrumentation applications. The Group's segmental revenue for the current quarter and financial year-to-date is as follows:

	<b>Power cables and wires</b>	<b>Communication cables and wires</b>	<b>Control and instrumentation cables and wires</b>	<b>Others</b>	<b>Adjustment and eliminations</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Current quarter 30 June 2025</b>						
<b>Revenue:</b>						
Revenue from external customers	388,252	266	10,862	19,919	-	419,299
Inter-segment revenue	-	-	-	11,696	(11,696)	-
	<u>388,252</u>	<u>266</u>	<u>10,862</u>	<u>31,615</u>	<u>(11,696)</u>	<u>419,299</u>
<b>Segment profit</b>	53,716	127	2,085	1,180	(109)	56,999
Other income						714
Unallocated expenses						(12,391)
Finance costs						(3,242)
Income tax expenses						(10,436)
Profit for the financial period						<u>31,644</u>
<b>Result:</b>						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						10,842
Depreciation and amortisation						3,474



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Previous quarter 30 June 2024</b>						
<b>Revenue:</b>						
Revenue from external customers	285,455	810	8,332	20,732	-	315,329
Inter-segment revenue	-	-	-	11,117	(11,117)	-
	<u>285,455</u>	<u>810</u>	<u>8,332</u>	<u>31,849</u>	<u>(11,117)</u>	<u>315,329</u>
<b>Segment profit</b>	24,571	220	1,487	827	357	27,462
Other income						885
Unallocated expenses						(7,367)
Finance costs						(2,236)
Income tax expenses						(4,314)
Profit for the financial period						<u>14,430</u>
<b>Result:</b>						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						9,268
Depreciation and amortisation						2,524



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Year-to-date 30 June 2025</b>						
<b>Revenue:</b>						
Revenue from external customers	755,188	865	18,357	35,697	-	810,107
Inter-segment revenue	-	-	-	23,466	(23,466)	-
	<u>755,188</u>	<u>865</u>	<u>18,357</u>	<u>59,163</u>	<u>(23,466)</u>	<u>810,107</u>
<b>Segment profit</b>	102,256	286	3,593	1,836	(18)	107,785
Other income						2,288
Unallocated expenses						(26,143)
Finance costs						(5,993)
Income tax expenses						(18,891)
Profit for the financial period						<u>59,046</u>
<b>Result:</b>						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						21,382
Depreciation and amortisation						6,792



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Year-to-date 30 June 2024</b>						
<b>Revenue:</b>						
Revenue from external customers	563,404	2,527	15,311	46,114	-	627,356
Inter-segment revenue	-	-	-	22,311	(22,311)	-
	<u>563,404</u>	<u>2,527</u>	<u>15,311</u>	<u>68,425</u>	<u>(22,311)</u>	<u>627,356</u>
<b>Segment profit</b>	47,421	534	2,811	2,056	71	52,893
Other income						2,860
Unallocated expenses						(14,225)
Finance costs						(4,212)
Income tax expenses						(8,813)
Profit for the financial period						<u>28,503</u>
<b>Result:</b>						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						18,455
Depreciation and amortisation						5,022

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**
**A10. Material Events Subsequent to the End of the Current Quarter**

There are no other material events subsequent to the end of the current quarter and financial year-to-date that have not been reflected in this interim financial report.

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

There were no changes in the composition of the Group during the current quarter and financial year-to-date.

**A12. Contingent Assets and Contingent Liabilities**

Save as disclosed below, there were no other contingent assets or contingent liabilities as at the date of this interim financial report.

	<b>Unaudited as at 30.06.2025 RM'000</b>	<b>Audited as at 31.12.2024 RM'000</b>
Bank guarantee		
- Trade facilities	32,662	29,832
- Contract financing for performance bonds and guarantee	46,944	27,786
	<u>79,606</u>	<u>57,618</u>

**A13. Capital Commitments**

Save as disclosed below, there were no other material capital commitments incurred or known to be incurred.

	<b>Unaudited as at 30.06.2025 RM'000</b>	<b>Audited as at 31.12.2024 RM'000</b>
Capital expenditures contracted but not provided for:		
- Construction of building	4,033	920
- Purchase of machineries and factory equipment	38,190	19,628
Capital expenditures not contracted and not provided for:		
- Construction of building	13,300	627
- Purchase of machineries and factory equipment	9,300	7,400
	<u>64,823</u>	<u>28,575</u>

**A14. Related Party Transactions**

	<b>QUARTER ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>Unaudited 30.06.2025 RM'000</b>	<b>Unaudited 30.06.2024 RM'000</b>	<b>Unaudited 30.06.2025 RM'000</b>	<b>Unaudited 30.06.2024 RM'000</b>
Rental expenses charged by a person connected to a director	14	13	28	27

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**
**B1. Review of Group Performance**

(a) Result for current quarter

	QUARTER ENDED		Variance	
	Current Quarter	Previous Corresponding Quarter	RM'000	%
	30.06.2025 RM'000	30.06.2024 RM'000	RM'000	
Revenue	419,299	315,329	103,970	32.97
Profit before tax	42,080	18,744	23,336	124.50

In the current quarter ended 30 June 2025, the Group recorded revenue of RM419.30 million — an increase of RM103.97 million or 32.97%, compared to RM315.33 million in the previous corresponding quarter ended 30 June 2024. The increase was attributed to an enlarged production capacity of 51,980 km/ year in the current quarter, approximately 14% higher compared to the same quarter last year.

Geographically, the Malaysian market remained the largest contributor to group revenue, accounting for approximately 88.77% of total revenue, while overseas market made up the balance of 11.23% in the current financial quarter. In absolute terms, sales from Malaysia grew by 23.12%, while sales from overseas increased by 261.78% as compared to the same quarter last year.

The Group's revenue growth in the current financial quarter was mainly attributed to higher sales volume of power cables and wires and adjusted higher average selling prices of cables and wires in line with raw material prices.

The power cables and wires segment accounted for RM388.25 million or 92.60% of the Group's total revenue for the current quarter — an increase of RM102.80 million or 36.01%, from RM285.46 million in the previous corresponding quarter.

The balance of RM31.05 million or 7.40% of total group revenue was derived from the communication cables and wires segment, control and instrumentation cables and wires segment, and others. Overall, revenue from these segments increased by RM1.18 million, or 3.93%, from RM29.87 million in the previous corresponding quarter, attributed to higher sales of control and instrumentation cables and wires, and contribution from rectifier system installation services for the telecommunications sector.

The Group's profit before tax jumped to RM42.08 million in the current quarter — an increase of RM23.34 million or 124.50%, compared to RM18.74 million in the previous corresponding quarter. The profit growth was driven by higher revenue and better product mix, as well as improved profit margins resulting from economies of scale achieved through increased production volume.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**

(b) Result for financial year-to-date

	YEAR-TO-DATE ENDED		Variance	
	Current Year to Date 30.06.2025 RM'000	Previous Year to Date 30.06.2024 RM'000	RM'000	%
Revenue	810,107	627,356	182,751	29.13
Profit before tax	77,937	37,316	40,620	108.86

The Group recorded revenue of RM810.11 million for the current financial period ended 30 June 2025 — an increase of RM182.75 million or 29.13%, compared to RM627.36 million for the previous financial period ended 30 June 2024.

Geographically, the Malaysian market remained the largest contributor to group revenue, accounting for approximately 90.35% of total revenue, while overseas market made up the balance of 9.65% in the current financial period. In absolute terms, sales from Malaysia grew by 19.96%, at the same time sales from overseas increased by 353.56%, respectively, as compared to the same period last year.

The Group's revenue growth in the current financial period was mainly attributed to higher sales volume of power cables and wires and adjusted average selling prices of cables and wires in line with raw material prices.

The power cables and wires segment accounted for RM 755.19 million or 93.22% of the Group's total revenue for the current financial period — an increase of RM191.79 million or 34.04%, from RM563.40 million in the previous financial period.

The balance RM54.92 million or 6.78% of total group revenue was derived from the communication cables and wires segment, control and instrumentation cables and wires segment, and others. Overall, revenue from these segments decreased by RM9.03 million or -14.13% from RM63.95 million in the previous period, mainly on lower sales of communication cables and wires, and aluminium rods.

The Group recognised profit before tax of RM77.94 million in the current financial period — an increase of RM40.62 million or 108.86%, compared with RM37.32 million in the previous period, on the back of higher revenue and better product mix, as well as improved profit margins resulting from economies of scale achieved through increased production volume.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**
**B2. Comparison with the Immediate Preceding Quarter Result**

	<b>INDIVIDUAL QUARTER</b>			
	<b>Current Quarter</b>	<b>Preceding Quarter</b>		
	<b>30.06.2025</b>	<b>31.03.2025</b>	<b>Variance</b>	<b>%</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Revenue	419,299	390,808	28,491	7.29
Profit before tax	42,080	35,857	6,223	17.36

The Group's revenue for the current quarter — increased by 7.29% or RM28.49 million to RM419.30 million, from RM390.81 million in the preceding quarter ended 31 March 2025, driven by higher sales volume of power cables and wires supported by a larger annual production capacity.

The Group recorded a 17.36% or RM6.22 million increase in profit before tax to RM42.08 million, from RM35.86 million in the preceding quarter in line with the higher revenue and a better product mix.

**B3. Commentary of Prospects**

Southern Cable's prospects are underpinned by sustained demand for cables and wires in Malaysia, driven by infrastructure development and the National Energy Transition Roadmap. The Group maintains a proven track record as a leading producer of a comprehensive range of power cables and wires for power transmission and distribution networks, large-scale solar farms, construction and infrastructure projects, and data centres.

As at 30 June 2025, the Group's robust orders in hand of RM1.17 billion provides strong financial visibility until 2026. These orders include supply of underground cables and conductors to power utility companies, rectifier and battery systems to Telekom Malaysia Berhad, and significant purchase orders from EPCC (Engineering, Procurement, Construction, Commissioning) contractors, resellers, and other customers.

In parallel with its domestic strength, Southern Cable is driving overseas sales growth, particularly in the United States, where demand from its key customer continues to grow. The Group is expanding its product portfolio and securing certifications to broaden its product range and accelerate overseas revenue growth.

Barring unforeseen macroeconomic headwinds, Southern Cable's outlook for FY2025 remains positive, supported by its healthy order book, resilient product portfolio, and robust market demand. The Group is committed to increasing its product range and enhancing production capacity to cater to market growth.

The capacity expansion at the industrial lands adjacent to the Group's manufacturing facilities in Kuala Ketil, Kedah, is progressing on schedule. With a total capital expenditure of close to RM40 million, this initiative involves constructing a new facility on a 7.9-acre land featuring a high-capacity furnace that triples the Group's aluminium rod output to more than 60,000 MT annually, and installing a new production line capable of manufacturing Medium- to Extra-High Voltage (33kV to 275kV) power cables. Scheduled for completion in 2026, the initiative will reinforce the Group's position in the high- and-medium voltage cable and wire sector.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**
**B4. Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee during the current quarter and financial year-to-date.

**B5. Tax Expense**

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 30.06.2025 RM'000	Unaudited 30.06.2024 RM'000	Unaudited 30.06.2025 RM'000	Unaudited 30.06.2024 RM'000
<b>In respect of current period:</b>				
Income tax	10,436	4,314	18,891	8,813
Effective tax rate (%)	24.80	23.02	24.24	23.62
Statutory tax rate (%)	24.00	24.00	24.00	24.00

The effective tax rate of the Group for the current quarter and financial year-to-date was higher than the statutory tax rate mainly due to non-deductible expenses.

**B6. Status of Corporate Proposals**

There are no other corporate proposals announced by the Company but not completed as at the date of this interim financial report.



**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**

**B7. Use of Proceeds Raised from Public Issue**

The gross proceeds of approximately RM71.18 million from the Public Issue is intended to be utilised in the following manner:

<b>Detail of utilisation</b>	<b>Proposed Utilisation RM'000</b>	<b>Variation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Balance Unutilised RM'000</b>	<b>Initial Time Frame for Utilisation</b>	<b>Previous Revised Time Frame</b>
Capital expenditure and expansion					Within 36 months	Within 24 months until 15 October 2025
- Purchase and upgrade of new machinery and equipment	18,500	-	18,500	-		
- Construction of factories	7,500	2,000 <sup>(a)</sup>	9,500	-		
- Purchase and installation of Enterprise Resource Planning information technology system	4,000	(2,000) <sup>(a)</sup>	2,000	-		
	<b>30,000</b>	<b>-</b>	<b>30,000</b>	<b>-</b>		
Repayment of bank borrowings	9,188	-	9,188	-	Within 6 months	
Working capital	27,490	-	27,490	-	Within 6 months	
Estimated listing expenses	4,500	-	4,500	-	Within 3 months	
<b>Total</b>	<b>71,178</b>	<b>-</b>	<b>71,178</b>	<b>-</b>		

Note:

(a) RM2 million allocated for the purchase and installation of Enterprise Resource Planning information technology system has been re-allocated to construction of factories.

The use of proceeds as disclosed above should be read together with the Prospectus.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**
**B8. Borrowings**

The details of the Group's borrowings are as follows:

	<b>Unaudited 30.06.2024 RM'000</b>	<b>Audited 31.12.2023 RM'000</b>
<b>Non-current</b>		
Term loans	2,873	3,432
Lease liabilities	5,263	6,208
	<b>8,136</b>	<b>9,640</b>
<b>Current</b>		
Term loans	1,113	1,110
Lease liabilities	2,762	3,199
Bankers' acceptance	193,546	181,784
	<b>197,421</b>	<b>186,093</b>
<b>Total</b>	<b>205,557</b>	<b>195,733</b>

All the borrowings are secured and denominated in Ringgit Malaysia.

The details of the Group's borrowings are as follows:

	<b>Unaudited 30.06.2025 RM'000</b>	<b>Audited 31.12.2024 RM'000</b>
<b>Non-current</b>		
Term loans	15,899	1,779
Lease liabilities	3,460	4,434
	<b>19,359</b>	<b>6,213</b>
<b>Current</b>		
Term loans	1,043	1,043
Lease liabilities	2,099	2,429
Bankers' acceptance	253,989	206,022
	<b>257,131</b>	<b>209,494</b>
<b>Total</b>	<b>276,490</b>	<b>215,707</b>

All the borrowings are secured and denominated in Ringgit Malaysia.

**B9. Material Litigation**

As at the date of this report, the Group is not engaged in any material litigation.

**B10. Dividends Declared**

The Board of Directors of the Company had on 25 August 2025 declared a first interim single tier dividend of 1.20 sen per ordinary share for the financial year ending 31 December 2025, to be paid on 15 October 2025 to all holders of ordinary shares whose names appeared in the Record of Depositors at the close of business on 30 September 2025.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**
**B11. Earnings per Share ("EPS")**
**(a) Basic EPS**

Basic EPS is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 30.06.2025	Unaudited 30.06.2024	Unaudited 30.06.2025	Unaudited 30.06.2024
Profit attributable to owners of the Company (RM'000)	31,644	14,430	59,046	28,503
Weighted average number of shares for basic EPS ('000):				
Number of shares in issue as at 1 Jan ('000)	900,031	800,050	900,031	800,050
Effect of issuance of ordinary shares ('000)	43,428	30,288	67,258	30,718
Weighted average number of shares for basic EPS ('000)	938,074	805,752	900,046	801,475
Basic EPS (sen)	3.37	1.79	6.56	3.56

**(b) Diluted EPS**

The diluted earnings per share is computed based on profit after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares that would have been issued upon full conversion of the remaining Warrants 2022/2027.

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 30.06.2025	Unaudited 30.06.2024	Unaudited 30.06.2025	Unaudited 30.06.2024
Profit attributable to owners of the Company (RM'000)	31,644	14,430	59,046	28,503
Weighted average number of shares in issue ('000)	938,074	805,752	900,046	801,475
Effect of warrants conversion ('000')	25,162	58,227	224,665	159,672
Weighted average number of shares adjusted for the effect of dilution ('000)	963,236	863,979	1,073,180	961,147
Diluted EPS (sen)	3.29	1.67	5.25	2.97

\* The effects of potential ordinary shares arising from the conversion of warrants were anti-dilutive and accordingly, it has been ignored in the calculation of diluted earnings per share. As a result, the diluted earnings per share is the same as basic earnings per share.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**
**B12. Notes to the Condensed Consolidated Statement of Comprehensive Income**

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 30.06.2025 RM'000	Unaudited 30.06.2024 RM'000	Unaudited 30.06.2025 RM'000	Unaudited 30.06.2024 RM'000
Interest income	(520)	(264)	(863)	(606)
Interest expenses	3,242	2,236	5,993	4,212
Amortisation/depreciation of investment properties	1	1	3	3
Amortisation/depreciation of property, plant and equipment	2,891	2,024	5,593	3,942
Depreciation of right-of-use assets	582	499	1,196	1,077

Save as disclosed above, the other disclosure items as required under Paragraph 16 of Appendix 9B of the Listing Requirements of Bursa Securities are not applicable.

**B13. Derivative Financial Instruments**

The Group has entered into forward foreign exchange contracts in the current quarter to manage the foreign currency exposures arising from the Group's payables denominated in United States Dollar (USD). Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity. The notional principal amounts of the Group's outstanding forward foreign exchange contracts as at 30 June 2025 was RM67.47million. The derivative financial assets of RM0.60 million, which measured at fair value, has been recognised in the Unaudited Condensed Consolidated Statement of Financial Position as at the date of this interim financial report.