



AGRICORE CS HOLDINGS BERHAD

(Registration No: 202301018008 (1511930-P))

(Incorporated in Malaysia)

**FIRST QUARTER INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME⁽¹⁾
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

	Note	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 3 MONTHS ENDED	
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		Unaudited RM'000	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000
Revenue		36,650	36,855	36,650	36,855
Cost of sales		(32,274)	(31,391)	(32,274)	(31,391)
Gross profit		4,376	5,464	4,376	5,464
Other income		129	25	129	25
Administrative and other expenses		(3,256)	(3,079)	(3,256)	(3,079)
Profit from operations		1,249	2,410	1,249	2,410
Finance costs		(289)	(413)	(289)	(413)
Profit before tax	B13	960	1,997	960	1,997
Tax expense	B5	(281)	(493)	(281)	(493)
Profit after tax / total comprehensive income for the period		679	1,504	679	1,504
Profit after tax / total comprehensive income for the period attributable to:					
Owners of the Group		679	1,504	679	1,504
Earnings per share ("EPS") per share	B12				
- Basic / diluted (sen) ⁽²⁾		0.33	1.00	0.33	1.00

Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic EPS for the current quarter is calculated based on the Company's share capital of 202,800,000 ordinary shares as at 31 March 2025. Basic EPS for corresponding quarter and corresponding cumulative quarter are calculated based on the Company's share capital of 151,086,000 ordinary shares before the IPO on 21 June 2024.

AGRICORE CS HOLDINGS BERHAD
Registration No.: 202301018008 (1511930-P)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾
AS AT 31 MARCH 2025

	Note	Unaudited As at 31.03.2025 RM'000	Audited As at 31.12.2024 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		12,872	13,138
Right-of-use assets		4,730	4,813
Total non-current assets		17,602	17,951
Current assets			
Inventories		25,024	24,746
Receivables		21,518	20,638
Prepayments		1,749	221
Current tax assets		1,255	1,223
Cash and cash equivalents		20,854	21,532
Total current assets		70,400	68,360
TOTAL ASSETS		88,002	86,311
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		48,390	48,390
Reorganisation reserve		(13,358)	(13,358)
Retained earnings		20,095	19,416
TOTAL EQUITY		55,127	54,448
LIABILITIES			
Non-current liabilities			
Loan and borrowings	B8	5,987	6,185
Lease liabilities	B8	1,855	1,966
Deferred tax liabilities		662	668
Deferred income on government grants		363	375
Total non-current liabilities		8,867	9,194
Current liabilities			
Payables		9,274	10,282
Loans and borrowings	B8	13,662	11,103
Lease liabilities	B8	883	898
Contract liabilities		-	233
Current tax liabilities		189	153
Total current liabilities		24,008	22,669
TOTAL LIABILITIES		32,875	31,863
TOTAL EQUITY AND LIABILITIES		88,002	86,311
Net assets per ordinary share attributable to owners of the Company (RM)⁽²⁾		0.27	0.27

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾
AS AT 31 MARCH 2025 (CONTINUED)

Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Financial Position are detailed in Note A1 and should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's share capital of 202,800,000 ordinary shares.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY⁽¹⁾
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	← Non-distributable →		Distributable	
	Share Capital RM'000	Reorganisation Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
At 1 January 2025 (Audited)	48,390	(13,358)	19,416	54,448
Profit after tax / total comprehensive income for the financial period	-	-	679	679
At 31 March 2025 (Unaudited)	48,390	(13,358)	20,095	55,127

Note:

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

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AGRICORE CS HOLDINGS BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	CURRENT PERIOD-TO- DATE 31.03.2025 RM'000	PRECEDING PERIOD-TO- DATE 31.03.2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	960	1,997
Adjustments for:		
Amortisation of deferred income	(12)	(7)
Depreciation of property, plant and equipment	323	285
Depreciation of right-of-use assets	223	52
Interest expense	289	413
Interest income	(70)	(4)
Loss on disposal of property, plant and equipment	-	1
Operating profit before changes in working capital	1,713	2,737
Changes in working capital:		
Inventories	(278)	(5,070)
Receivables	(880)	(1,308)
Prepayment	(1,528)	(655)
Payables	(1,008)	(1,687)
Contract liabilities	(233)	-
Cash used in operations	(2,214)	(5,983)
Interest received	70	4
Income tax paid	(283)	(599)
Net cash used in operating activities	(2,427)	(6,578)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(58)	(28)
Acquisition of right of use assets	(40)	-
Proceeds from disposal of property, plant and equipment	-	19
Net cash used in investing activities	(98)	(9)
CASH FLOWS FROM FINANCING ACTIVITIES		
Changes in term deposits pledged as security	(86)	(50)
Interest paid	(289)	(413)
Net increase in short-term loans and borrowings	2,611	5,938
Payment of lease liabilities	(226)	(57)
Repayment of term loans	(250)	(205)
Net cash from financing activities	1,760	5,213
NET DECREASE IN CASH AND CASH EQUIVALENTS	(765)	(1,374)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	16,596	7,364
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	15,831	5,990

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTINUED)

	CURRENT PERIOD-TO- DATE 31.03.2025 RM'000	PRECEDING PERIOD-TO- DATE 31.03.2024 RM'000
Cash and cash equivalents at the end of the period are represented by:		
Cash and cash equivalents	20,854	10,185
Less: term deposits pledged as security	<u>(5,023)</u>	<u>(4,195)</u>
	<u>15,831</u>	<u>5,990</u>

Note:

- (1) The above Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

This condensed consolidated interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Rule 9.22 and Appendix 9B of Listing Requirements of Bursa Securities.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2024. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2024.

A2. Significant Accounting Policies

The significant accounting policies and method of computation adopted in the interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 31 December 2024 except for the adoption of the following MFRSs that have been issued by the MASB but are not yet effective for the Group :

Amendments/improvements to MFRSs that have been issued, but yet to be effective

	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosure	1 January 2027
Amendments to MFRS 9 and MFRS 7 Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7 Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

The initial application of the abovementioned accounting standards, interpretations or amendments is not expected to have any material financial impact on the Group.

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A3. Auditors' Report on Preceding Annual Financial Statements

There were no qualifications on the audited financial statements of the Group for the financial year ended 31 December 2024.

A4. Seasonal or Cyclical Factors

The Group's operation was not significantly affected by any unusual seasonal or cyclical factors in the current quarter and financial period-to-date under review.

A5. Unusual Items Due to Their Nature, Size or Incidence

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

A6. Material Changes in Estimates

There were no material changes in estimates in the current quarter and financial period-to-date under review.

A7. Debt and Equity Securities

There were no issuances, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter and financial period-to-date under review.

A8. Dividend Paid

There were no dividends paid during the current quarter and financial period-to-date under review.

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segmental Information

The Group's revenue is segmented as follows:

Revenue by products/services

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Revenue from sale of goods	36,650	36,855	36,650	36,855
Major products:				
• Sourcing and distribution of plant-based agricultural products	33,366	32,343	33,366	32,343
• Production of food additives and fried shallots	3,284	4,512	3,284	4,512
	36,650	36,855	36,650	36,855
Disaggregated by geographical areas:				
• Malaysia	36,515	36,728	36,515	36,728
• Overseas	135	127	135	127
	36,650	36,855	36,650	36,855

The Group's revenue decreased by RM0.21 million for current quarter as compared to preceding year correspondence quarter, due to decrease in contribution from production of food additives and fried shallots by RM1.23 million, which recorded RM3.28 million as compared to RM4.51 million in preceding year corresponding quarter. In contrast, sourcing and distribution of plant-based agricultural products business segment reported revenue of RM33.37 million for the current quarter, representing an increase of RM1.03 million compared to RM32.34 million in the corresponding quarter.

The Group's principal market is in Malaysia which accounted for 99.63% and 99.66% of total revenue for the current and corresponding period respectively.

A10. Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment during the current financial quarter under review.

A11. Material Events Subsequent to the End of the Reporting Period

There were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

A13. Contingent Liabilities or Contingent Assets

The Company has issued corporate guarantees to financial institutions for banking facilities granted to the subsidiaries up to a total limit of RM43.81 million of which RM18.88 million has been utilised as at 31 March 2025. Other than the aforesaid, there were no contingent liabilities or contingent assets in the Group during the current quarter under review.

A14. Related Party Transactions Disclosures

There were no material related party transactions in the Group during the current quarter under review.

A15. Capital Commitments

There were no material commitments during the current quarter under review.

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B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Financial Performance

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Revenue	36,650	36,855	36,650	36,855
Gross profit	4,376	5,464	4,376	5,464
Profit before tax	960	1,997	960	1,997
Profit after tax	679	1,504	679	1,504
Profit attributable to owners of the Company	679	1,504	679	1,504

The Group recorded revenue of RM36.65 million for the current financial quarter and cumulative period, representing a decrease of RM0.21 million or 0.57% compared to RM36.86 million in the corresponding quarter of preceding year. The marginal decline is mainly caused by decrease in revenue from production of food additive and fried shallots.

The Group recorded profit before tax of RM0.96 million for the current financial quarter and cumulative period, representing a decrease of RM1.03 million or 51.76% compared to RM1.99 million in the preceding year's corresponding quarter. The unfavorable results were mainly due to:

- (i) Increase in warehouse rental and labour costs by RM0.28 million incurred by the new regional storage facility, which commenced operations in September 2024;
- (ii) Increase in depreciation of property, plant and equipment and right-of-use assets by RM0.21 million; and
- (iii) Higher forwarding and shipping costs by RM0.37 million due to higher import of raw materials and increase in full load container charges by approximately 2% during the quarter.

Consequently, the Group reported net profit after tax of RM0.68 million for current quarter and cumulative quarter representing a decrease of RM0.82 million or 54.67% compared to RM1.50 million in the corresponding quarter of preceding year.

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B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B2. Comparison with Immediate Preceding Quarter's Results

	<u>CURRENT</u> <u>QUARTER</u> 31.03.2025 RM'000	<u>IMMEDIATE</u> <u>PRECEDING</u> <u>QUARTER</u> 31.12.2024 RM'000	Changes %
Revenue	36,650	37,121	(1.27)
Gross profit	4,376	3,565	22.75
Profit before tax	960	108	788.89
Profit after tax	679	68	898.53

The Group reported a lower revenue of RM36.65 million compared to RM37.12 million but higher gross profit of RM4.38 million compared to RM3.57 million in the immediate preceding quarter. Revenue for Sourcing and Distribution segment increased by RM0.09 million but production of Food Additives and Fried Shallots segment decreased by RM0.56 million as compared to the immediate preceding quarter.

The Group reported a higher profit before tax of RM0.96 million compared to RM0.11 million in the immediate preceding quarter mainly due to increase in gross profit margin attributed to better sales mix and improvement in overall products margin for both Sourcing and Distribution segment and production of Food Additives and Fried Shallots segment during the quarter.

B3. Prospects of the Group

The Group is principally involved in the sourcing and distribution of plant-based agricultural products and production of food additives and fried shallots.

The Group remains cognisant of the challenging business environment for the current financial year. Given the structural growth in demand for food products, the Group remains positive on its long-term prospects and future profitability by focusing on implementing its expansion strategies to ensure ongoing competitiveness and profitability through optimising the usage of storage capacity and efficiency of the new regional storage facility in Klang, exploring export market and introducing new SKU products to the markets. Barring any unforeseen circumstances, the Group is cautiously optimistic that performance for the coming and remaining quarters of the financial year to remain positive.

B4. Variance of Actual Profits from Profit Forecast

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

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B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B5. Taxation

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Tax expense				
- Current period	281	493	281	493
Effective tax rate	29.3	24.6	29.3	24.6
(%)(⁽¹⁾)				
Statutory tax rate	24.0	24.0	24.0	24.0
(%)				

Notes:

- (1) The Group's effective tax rate for the current financial and cumulative quarters are higher than statutory tax rate of 24.0% because of certain expenses are non-deductible for tax purposes.

B6. Status of Corporate Proposals

There were no corporate proposals announced but not completed for financial period under review.

B7. Utilisation of Proceeds from the Public Issue

The status of utilization of gross proceeds of RM25.86 million from the Public Issue as of the current financial period :

Details of utilisation of proceeds ⁽¹⁾	Proposed utilisation	Percentage of utilisation	Actual utilisation	Balance to be utilised	⁽²⁾Estimated timeframe for utilisation
	RM'000	%	RM'000	RM'000	
Setup of a regional storage facility	2,650	10.25	2,021	629	Within 12 months
Purchase of inventories	18,929	73.21	18,929	-	Fully utilised
Recruitment of staff	578	2.23	344	234	Within 12 months
Estimated listing expenses	3,700	14.31	3,700	-	Fully utilised
	25,857	100.00	24,994	863	

Note:

- (1) The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 30 May 2024.
- (2) From the date of listing of our Shares, except for staff costs for the regional storage facility which will be utilised within 12 months from the commencement date of operations of the regional storage facility in September 2024.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B8. Group Borrowings and Debts Securities

	31.03.2025 Unaudited RM'000	31.12.2024 Audited RM'000
Loans and borrowings		
Secured		
Banker acceptances	12,842	10,231
Term loans	6,807	7,057
	<u>19,649</u>	<u>17,288</u>
 Disclosed as :		
Current liabilities	13,662	11,103
Non-current liabilities	5,987	6,185
	<u>19,649</u>	<u>17,288</u>
 Lease liability		
Current liabilities	883	898
Non-current liabilities	1,855	1,966
	<u>2,738</u>	<u>2,864</u>
 Total borrowings	<u>22,387</u>	<u>20,152</u>

B9. Derivative Financial Instruments

There were no outstanding derivatives for financial period under review.

B10. Material Litigations

There were no material litigations by or against the Group for financial period under review.

B11. Dividends

There was no dividend declared for the financial period under review.

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B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B12. Earnings per share ("EPS")

The basic and diluted EPS for the current financial quarter under review and financial period-to-date are computed as follows:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Company	679	1,504	679	1,504
Number of ordinary shares in issue ('000) ⁽¹⁾	202,800	151,086	202,800	151,086
Basic / Diluted EPS (sen) ⁽²⁾	0.33	1.00	0.33	1.00

Notes:

- (1) Basic EPS for the current quarter is calculated based on the Company's share capital of 202,800,000 ordinary shares as at 31 March 2025. Basic EPS for corresponding and cumulative quarter are calculated based on the Company's share capital of 151,086,000 ordinary shares before the IPO on 21 June 2024.
- (2) The diluted EPS is equivalent to the basic EPS as there is no dilutive securities in the current financial quarter.

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B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B13. Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

The following items have been charged/(credited) in arriving at the profit before tax for the current financial quarter and the profit before tax for the financial period-to-date:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
After charging:				
Depreciation of:				
- property, plant and equipment	323	285	323	285
- right-of-use assets	223	52	223	52
Employee benefit expense	1,769	1,894	1,769	1,894
Interest expense	289	413	289	413
Loss on disposal of property, plant and equipment	-	1	-	1
Loss on foreign exchange	29	29	29	29
And crediting:				
Amortisation of deferred income	(12)	(7)	(12)	(7)
Interest income	(70)	(4)	(70)	(4)
Gain on foreign exchange	(54)	(22)	(54)	(22)

B14. Authorisation for Issue

This interim financial report was authorised for issue by the Board on 22 May 2025.