

**Condensed Unaudited Consolidated Statement of Financial Position  
As At 31 December 2024**

	<b>As at 31.12.2024 RM'000 (Unaudited)</b>	<b>As at 31.12.2023 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	415,792	418,044
Goodwill on consolidation	22	22
Right-of-use assets	16,579	15,294
Other investments	-	10,000
Deferred tax assets	20,862	6,898
Investment properties	26,422	26,422
<b>Total non-current assets</b>	<u>479,677</u>	<u>476,680</u>
<b>Current assets</b>		
Inventories	108,695	85,294
Trade and other receivables	90,247	57,510
Prepayments	1,294	2,676
Tax Recoverable	90,263	95,180
Other investment	107,473	105,547
Cash and cash equivalents	57,060	141,182
<b>Total current assets</b>	<u>455,032</u>	<u>487,389</u>
<b>TOTAL ASSETS</b>	<u>934,709</u>	<u>964,069</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	142,985	142,985
Treasury shares	(5,512)	(5,512)
Reserves	676,341	732,231
<b>TOTAL EQUITY</b>	<u>813,814</u>	<u>869,704</u>
<b>Non-current liabilities</b>		
Loans and borrowings	7,706	9,028
Provision for restoration	2,719	2,588
Deferred tax liabilities	1,351	2,291
<b>Total non-current liabilities</b>	<u>11,776</u>	<u>13,907</u>
<b>Current liabilities</b>		
Loans and borrowings	42,089	33,337
Trade and other payables	63,925	44,411
Contract liabilities	2,666	2,710
Derivative financial liabilities	439	-
<b>Total current liabilities</b>	<u>109,119</u>	<u>80,458</u>
<b>TOTAL LIABILITIES</b>	<u>120,895</u>	<u>94,365</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>934,709</u>	<u>964,069</u>
<b>Net assets per share attributable to owners of the company (sen)</b>	140	150

The Condensed Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023.

## Condensed Unaudited Consolidated Statement of Comprehensive Income For the Fourth Quarter Ended 31 December 2024

	Current Quarter Ended <u>31.12.2024</u> RM'000 (Unaudited)	Corresponding Quarter Ended <u>31.12.2023</u> RM'000 (Unaudited)	Current YTD Ended <u>31.12.2024</u> RM'000 (Unaudited)	Corresponding YTD Ended <u>31.12.2023</u> RM'000 (Audited)
Revenue	97,497	73,644	346,756	325,883
Cost of sales	(112,312)	(69,251)	(381,062)	(349,752)
<b>Gross (loss) / profit</b>	<b>(14,815)</b>	<b>4,393</b>	<b>(34,306)</b>	<b>(23,869)</b>
Other income	7,263	453	2,524	14,450
Selling and marketing expenses	(1,213)	(1,058)	(4,143)	(4,543)
Administrative expenses	(4,779)	(12,260)	(25,946)	(31,869)
<b>Operating loss</b>	<b>(13,544)</b>	<b>(8,472)</b>	<b>(61,871)</b>	<b>(45,831)</b>
Finance costs	(967)	(511)	(2,314)	(2,131)
<b>Loss before tax</b>	<b>(14,511)</b>	<b>(8,983)</b>	<b>(64,185)</b>	<b>(47,962)</b>
Income tax expense	2,196	13,406	8,295	11,150
<b>(Loss) / Profit for the period</b>	<b>(12,315)</b>	<b>4,423</b>	<b>(55,890)</b>	<b>(36,812)</b>
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive (loss) / profit for the period</b>	<b>(12,315)</b>	<b>4,423</b>	<b>(55,890)</b>	<b>(36,812)</b>
<b>(Loss) / Profit attributable to:</b>				
<b>Owners of the Company</b>	<b>(12,315)</b>	<b>4,423</b>	<b>(55,890)</b>	<b>(36,812)</b>
<b>Total comprehensive (loss)/ profit attributable to:</b>				
<b>Owners of the Company</b>	<b>(12,315)</b>	<b>4,423</b>	<b>(55,890)</b>	<b>(36,812)</b>
<b>(Loss) / Profit per ordinary share attributable to owners of the Company (sen) (Note 27)</b>				
- Basic	(2.12)	0.76	(9.64)	(6.36)
- Diluted	(2.12)	0.76	(9.65)	(6.36)

The Condensed Unaudited Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the financial year ended 31 December 2023.

## Condensed Unaudited Consolidated Statement of Changes in Equity For the Fourth Quarter Ended 31 December 2024

	← Attributable to Owners of the Company →					
	Share Capital RM'000	Treasury Shares RM'000	Other Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
At 1 January 2024	142,985	(5,512)	11,319	31,862	689,050	869,704
<b>Total comprehensive loss for the financial period</b>						
Loss for the financial period	-	-	-	-	(55,890)	(55,890)
Realisation of revaluation reserve	-	-	-	(1,584)	1,584	0
Total comprehensive expense	-	-	-	(1,584)	(54,306)	(55,890)
At 31 December 2024	142,985	(5,512)	11,319	30,278	634,744	813,814
	<b>Note 25</b>	<b>Note 26</b>				

The Condensed Unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023.

**Condensed Unaudited Consolidated Statement of Cash Flows  
For The year Ended 31 December 2024**

	<b>Current YTD Ended 31.12.2024 RM'000 (Unaudited)</b>	<b>Corresponding YTD Ended 31.12.2023 RM'000 (Audited)</b>
<b>Cash flows from operating activities</b>		
Loss before taxation	(64,185)	(47,962)
Adjustments for:		
Net fair value loss on derivatives	440	-
Net loss on impairment of financial assets value loss on derivatives	-	5,568
Property, plant and equipment		
- loss / (gain) on disposal	470	(51)
- depreciation	40,032	44,798
- written off	929	445
Depreciation of right-of-use asset	469	407
Allowance for doubtful debts	386	-
Written back of doubtful debts	(33)	-
Inventory provision on slow moving	8,462	5,683
Provision / (Reversal) of inventory written down	2,380	(12,725)
Fair value (gain) on investment	(224)	(900)
Impairment loss	272	-
Interest expense	2,314	2,131
Interest income	(6,832)	(7,090)
Unrealised loss / (gain) on foreign exchange	1,383	(6,272)
<b>Operating loss before changes in working capital</b>	<b>(13,737)</b>	<b>(15,968)</b>
Changes in working capital:		
Inventories	(34,243)	31,431
Receivables	(28,206)	8,637
Payables	19,138	(10,674)
<b>Net cash (used in) / generated from operations</b>	<b>(57,048)</b>	<b>13,426</b>
Income tax paid	(1,757)	(6,424)
Income tax refund	62	1
Interest received	6,832	4,366
<b>Net cash flow (used in) / generated from operating activities</b>	<b>(51,912)</b>	<b>11,369</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(41,096)	(14,034)
Interest income from other investments	2,502	2,724
Withdrawal from other investment	10,000	-
Addition to other investments	(4,203)	(1,974)
Proceeds from disposal of property, plant and equipment	7	87
<b>Net cash flows used in investing activities</b>	<b>(32,790)</b>	<b>(13,197)</b>
<b>Cash flows from financing activities</b>		
Repurchase of treasury shares	-	(144)
Net changes in bill payables	7,308	9,285
Net changes in term loan financing	(2,796)	(2,796)
Net changes in lease liabilities	2,037	(18)
Interest paid	(2,314)	(2,131)
<b>Net cash flows generated from financing activities</b>	<b>4,235</b>	<b>4,196</b>
<b>Net changes in cash and cash equivalents</b>	<b>(80,467)</b>	<b>2,368</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>141,182</b>	<b>134,563</b>
	<b>60,715</b>	<b>136,931</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(3,657)</b>	<b>4,251</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b>57,058</b>	<b>141,182</b>

The Condensed Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the financial year ended 31 December 2023.

## Notes to the unaudited interim financial report

### 1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting, paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. These interim financial statements contain selected explanatory notes which provide explanations of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group.

The significant accounting policies adopted are consistent with the audited financial statements for the financial year ended 31 December 2023 except for the adoption of MFRSs, amendments and interpretations that are effective for annual periods beginning on or after 1 January 2024 which are applicable to Group. The initial adoption of these applicable MFRSs, amendments and interpretations do not have any material impact on the financial statements of the Group.

### 2. Audit qualifications

The auditors’ reports on the financial statements of the Group for the financial year ended 31 December 2023 is not subject to any qualification.

### 3. Seasonal or cyclical factors

The Group’s operations were not affected by any seasonal or cyclical factors.

### 4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year to date because of their nature, size, or incidence.

### 5. Changes in estimates

There were no significant changes in financial estimates reported in prior financial year that would have material impact in the current financial year report.

**6. Debts and equity securities**

There were no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares in the current quarter and financial year ended 31 December 2024.

**7. Contingent assets and contingent liabilities**

There were no contingent assets and liabilities since the last financial year.

**8. Property, plant and equipment**

Property, plant and equipment are stated at valuation or cost less accumulated depreciation and impairment losses.

**9. Material events**

There were no material events that may materially impact the financial results for the current quarter and financial year to date.

**10. Changes in composition of the Group**

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

## 11. Operating segments

The Group's operating segments for the 12 months year ended 31 December 2024:

	Manufacturing and Trading RM'000	Investment Holding RM'000	Inter- Segment RM'000	Total RM'000
<b>Revenue</b>				
Revenue from				
external customers	346,756	-	-	346,756
Inter segment revenue	3,720	2,273	(5,993)	-
Total revenue	<u>350,476</u>	<u>2,273</u>	<u>(5,993)</u>	<u>346,756</u>
<b>Results</b>				
Segment (loss)/profit	(30,081)	3,278	-	(26,803)
Interest income				6,832
Interest expense				(2,314)
Property, plant and equipment				
- depreciation				(40,032)
- (loss) on disposal				(470)
- written off				(929)
Depreciation of right-of-use asset				<u>(469)</u>
Loss before tax				(64,185)
Taxation				8,295
Net loss for the period				<u><u>(55,890)</u></u>

The Group's operating segments for the 12 months year ended 31 December 2023:

	Manufacturing and Trading RM'000	Investment Holding RM'000	Inter- Segment RM'000	Total RM'000
<b>Revenue</b>				
Revenue from				
external customers	325,883	-	-	325,883
Inter segment revenue	105,328	2,610	(107,938)	-
Total revenue	<u>431,211</u>	<u>2,610</u>	<u>(107,938)</u>	<u>325,883</u>
<b>Results</b>				
Segment (loss)/profit	(13,959)	6,688	-	(7,271)
Interest income				7,090
Interest expense				(2,131)
Property, plant and equipment				
- depreciation				(44,798)
- gain on disposal				-
- written off				(445)
Depreciation of right-of-use asset				<u>(407)</u>
Loss before tax				(47,962)
Taxation				11,150
Net loss for the period				<u><u>(36,812)</u></u>

**12. Review of performance**

	4th Quarter Ended		Year to Date Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	(4QYE31DEC24)	(4QYE31DEC23)	(12MFYE31DEC24)	(12MYE31DEC23)
	RM'000	RM'000	RM'000	RM'000
Revenue	97,497	73,644	346,756	325,883
Gross (loss) / profit	(14,815)	4,393	(34,306)	(23,869)
Operating loss	(13,544)	(8,472)	(61,871)	(45,831)
Loss before tax	(14,511)	(8,983)	(64,185)	(47,962)
(Loss) / profit after tax	(12,315)	4,423	(55,890)	(36,812)
(Loss) / profit attributable to Owners of the Company	(12,315)	4,423	(55,890)	(36,812)
Net (loss) / profit margin	-12.6%	6.0%	-16.1%	-11.3%

The Group recorded a revenue of RM97.5 million for the fourth quarter ended 31 December 2024, representing a 32% increase from RM73.6 million in the same quarter of 2023. This growth was driven by securing additional sales orders from export customers and improving market conditions.

The shift from a gross margin of RM4.4 million to a gross loss of RM14.8 million was primarily due to higher provisions for slow-moving inventory and a refinement of inventory costing during the financial period ended 31 December 2024. Despite these challenges, our continued emphasis on cost control and operational efficiency has positively contributed to overall profitability.

The Group reported a loss after tax of RM12.3 million for the current quarter, compared to a profit of RM4.4 million in the corresponding quarter of the previous year (4QYE31DEC23). This was mainly attributed to higher provisions for slow-moving inventory, refinement in inventory costing, and a lower recognition of deferred tax credit for the financial year ended 31 December 2024.



**13. Variation of quarterly results against preceding quarter**

	Quarter Ended		
	31.12.2024 (4QYE31DEC24) RM'000	30.09.2024 (3QYE30SEP24) RM'000	Changes %
Revenue	97,497	105,485	-8%
Gross loss	(14,815)	(5,331)	-178%
Operating loss	(13,544)	(25,608)	47%
Loss before tax	(14,511)	(26,346)	45%
Loss after tax	(12,315)	(26,320)	53%
Loss attributable to owners of the Company	(12,315)	(26,320)	53%
Net loss margin	-12.6%	-25.0%	

For the current quarter under review (4QYE31DEC24), the Group recorded revenue of RM97.5 million, representing a 8% decline compared to the previous quarter (3QYE30SEP24). This decrease was primarily due to lower sales volumes in domestic markets.

The Group reported a gross loss of RM14.8 million in 4QYE31DEC24, a significant increase from the RM5.3 million loss recorded in 3QYE30SEP24. This was mainly driven by the refinement of inventory costing and a higher impairment of slow-moving inventory during the quarter.

Additionally, in 4QYE31DEC24, the Group recognized a deferred tax credit of RM8.7 million.

**14. Current year prospects**

The rubber glove market, experiencing a significant oversupply following pandemic-driven capacity expansion, has begun to stabilize in the latter half of 2024. Plant rationalization measures implemented by glove manufacturers are addressing excess production and inventory levels. Recent geopolitical developments, specifically increased import tariffs on medical gloves into the USA, have positively impacted Malaysian glove manufacturers, resulting in order reshoring since September 2024. This has translated into increased order volumes for Malaysian glove manufacturers, signaling a market recovery.

Looking forward to the next fiscal year, and barring unforeseen global events, the Group maintains a cautiously optimistic outlook. Anticipating continued improvement in market conditions and stabilizing demand in key sectors, the management has invested additional capital expenditure to boost efficiency and productivity, as the Group projects a gradual upward trend in sales and operational performance. Strategic initiatives, market adaptability, and a focus on operational efficiency will remain key drivers of our growth.

**15. Profit forecast or profit guarantee**

The Group did not publish any profit forecast or issue any profit guarantee during the reporting year.

**16. Loss before taxation**

This was arrived at after crediting/(charging):

	3 months ended 31.12.2024 RM'000	3 months ended 31.12.2023 RM'000	YTD ended 31.12.2024 RM'000	YTD ended 31.12.2023 RM'000
Interest income	1,446	2,443	6,832	7,090
Interest expense	(967)	(511)	(2,314)	(2,131)
Depreciation on property, plant and equipment	(9,849)	(10,934)	(40,032)	(44,798)
Depreciation of right-of-use asset	159	(106)	(469)	(407)
(Loss) / Gain on Foreign Exchange:				
- realised	(1,745)	799	(2,590)	18
- unrealised	7,482	(3,513)	(1,383)	6,272
Fair value (loss) on derivatives	118	(401)	(440)	-
(Loss) / Gain on disposal of plant and equipment	(185)	(10)	(470)	51
Written back of doubtful debts	-	(9)	33	-
Inventory provision on slow moving	(2,032)	(1,761)	(8,462)	(5,683)
(Provision) / reversal of Inventories written down	2,982	3,091	(2,380)	12,725

## 17. Capital Commitments

As at 31 December 2024, the Group has the below capital commitments:

	YTD Ended 31.12.2024 RM'000	YTD Ended 31.12.2023 RM'000
Property, plant and equipment		
- approved and contracted for	20,014	3,655
- approved but not contracted for	-	-
	<u>20,014</u>	<u>3,655</u>

The capital commitments were mainly related to ancillary facilities for the enhancement of operation.

## 18. Taxation

	4th Quarter Ended		YTD Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Deferred taxation - current year	8,685	-	14,905	(3,640)
Taxation - current year	(6,489)	(1,964)	(6,610)	1,101
- over provision in prior year	-	-	-	283
	<u>2,196</u>	<u>(1,964)</u>	<u>8,295</u>	<u>(2,256)</u>

## 19. Derivative financial Liabilities

	Year Ended 31.12.2024		Year Ended 31.12.2023	
	Contract Amount	Assets/(Liabilities)	Contract Amount	Assets/(Liabilities)
	RM'000	RM'000	RM'000	RM'000
<b>Non-hedging derivative:</b>				
Forward exchange contracts	<u>7,934</u>	<u>(439)</u>	<u>938</u>	<u>(38)</u>

The Group use forward exchange contracts to manage some of the foreign currency exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for year consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

Forward exchange contracts are used to manage the foreign currency exposures arising from the Group's sales denominated in USD. The forward exchange contracts have maturities of not more than 12 months.

## 20. Quoted investment

There were no purchases or sales of quoted securities for the current financial period.

## 21. Status of corporate proposal announced

There was no other corporate proposal announced and not completed as of 31 December 2024.

## 22. Borrowings

The Group have the following borrowings as at 31 December 2024:

	YTD Ended 31.12.2024 RM'000	YTD Ended 31.12.2023 RM'000
<b>Non current:</b>		
<b>Secured</b>		
- Term Loan (RM denominated)	4,600	7,396
- Lease liability	3,106	1,632
	<u>7,706</u>	<u>9,028</u>
<b>Current:</b>		
<b>Secured</b>		
- Bill payables (USD denominated)	15,485	18,547
- Bill payables (RM denominated)	23,201	11,950
- Term Loan (RM denominated)	2,796	2,796
- Lease liability	607	44
	<u>42,089</u>	<u>33,337</u>
	<u>49,795</u>	<u>42,365</u>

### 23. Material litigation

The Group was not aware of any material litigation that may have significant impact to the Group's profit since the last audited annual financial statements date to the date of issue of the quarterly report except for the legal proceedings in relation to the Notices of Tax Assessment raised on Comfort Rubber Gloves Industries Sdn Bhd ("CRGI") and Gallant Quality Sdn Bhd ("GQ"), wholly owned subsidiaries of Comfort Gloves Berhad ("CGB"), by the Director General Of Inland Revenue ("DGRI") as announced.

### 24. Dividends

The Directors did not recommend any payment of dividend for the current financial year to-date.

### 25. Share Capital

The Group's share capital as at 31 December 2024 is as follow:

	YTD Ended 31.12.2024	
	No. of shares Unit' 000	RM'000
Issued and fully paid:		
- At 1 Jan 2024 / 31 Dec 2024	582,949	142,985

**26. Treasury Shares**

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company.

For the year under review, the Company do not repurchased any shares from the open market.

At 31 December 2024, the number of the Company's treasury shares held is 3,949,200 shares, at a carrying amount of RM5,511,616.

There was no cancellation or distribution of treasury shares during the financial period.

**27. Earnings Per Share****(a) Basic earnings per share**

Basic earnings per share are based on the profit for the financial period or year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial period or year, calculated as follows:

	3 months ended 31.12.2024	YTD ended 31.12.2024
Loss attributable to owners of the Company (RM'000)	(12,315)	(55,890)
Weighted average number of ordinary shares for basic earnings per share ('000)	579,592	579,942
Effect of treasury shares held	-	(350)
Weighted average number of ordinary shares for diluted earnings per share ('000)(basic)	579,592	579,592
Basic loss per ordinary share (sen)	(2.12)	(9.64)

## 27. Earnings Per Share (Cont'd)

### (b) Diluted earnings per share

Diluted earnings per share are based on the profit for the financial period or year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Potential ordinary shares are treated as dilutive when their conversion to ordinary shares would decrease earnings per share or increase loss per share. Potential ordinary shares are antidilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share.

Diluted earnings per share calculated as follows:

	<b>3 months ended</b>	<b>YTD ended</b>
	<b>31.12.2024</b>	<b>31.12.2024</b>
Loss attributable to owners of the Company (RM'000)	(12,315)	(55,890)
Weighted average number of ordinary shares for basic earnings per share ('000)	579,592	579,592
Effect of treasury shares held	-	(350)
Weighted average number of ordinary shares for diluted earnings per share ('000)	<u>579,592</u>	<u>579,242</u>
Diluted loss per ordinary share (sen)	(2.12)	(9.65)