



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the financial period ended 31 March 2025

The figures have not been audited.

	Individual Quarter		Cumulative Quarter	
	Current year quarter to 31 March 2025 RM'000	Preceding year quarter to 31 March 2024 RM'000	Current year to 31 March 2025 RM'000	Preceding year to 31 March 2024 RM'000
Revenue	96,824	99,798	96,824	99,798
Other income/ (expense)	7,462	(76)	7,462	(76)
Operating profit before finance costs, depreciation and amortisation, income tax and non-controlling interests	7,530	7,715	7,530	7,715
Depreciation and amortisation	(7,002)	(6,813)	(7,002)	(6,813)
Gain on disposal of property, plant and equipment	5,829	-	5,829	-
Profit from operations	6,357	902	6,357	902
Finance costs	(3,895)	(3,728)	(3,895)	(3,728)
Profit/ (Loss) before tax	2,462	(2,826)	2,462	(2,826)
Tax expense	(924)	(69)	(924)	(69)
Net profit/ (loss) for the financial period	1,538	(2,895)	1,538	(2,895)
Total comprehensive income/ (loss) for the financial period	1,538	(2,895)	1,538	(2,895)
Net profit/ (loss) attributable to owners of the Company	1,538	(2,895)	1,538	(2,895)
Total comprehensive income/ (loss) attributable to owners of the Company	1,538	(2,895)	1,538	(2,895)
Basic earnings/ (loss) per share (sen)	0.15	(0.29)	0.15	(0.29)
Diluted earnings/ (loss) per share (sen)	0.15	(0.29)	0.15	(0.29)

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

Condensed Consolidated Statement of Financial Position as at 31 March 2025

The figures have not been audited.

	(Unaudited) As at 31 March 2025 RM'000	(Audited) As at 31 December 2024 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	271,874	273,900
Investment properties	18,450	18,450
Right-of-use assets	97,689	102,679
Deferred tax assets	4,986	4,986
Biological assets	17,490	17,072
Intangible assets	1,894	1,904
Other financial assets	1,563	1,563
	<u>413,946</u>	<u>420,554</u>
Current assets		
Inventories	87,654	84,386
Trade receivables	43,034	40,098
Other receivables	13,398	14,941
Tax recoverable	1,603	748
Fixed deposits with licensed banks	10,573	13,884
Cash and bank balances	11,712	9,856
	<u>167,974</u>	<u>164,640</u>
Assets held for sale	58,980	68,406
	<u>226,954</u>	<u>233,046</u>
TOTAL ASSETS	<u>640,900</u>	<u>653,600</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	276,666	276,666
Reserves		
Foreign currency reserve	(78)	(78)
Retained earnings	53,996	52,458
Total equity	<u>330,584</u>	<u>329,046</u>
Non-current liabilities		
Other payables	-	2,122
Bank borrowings	73,650	83,148
Lease liabilities	3,713	5,093
Employee defined benefit plan	5,562	4,162
Deferred tax liability	2,729	2,729
	<u>85,654</u>	<u>97,254</u>
Current liabilities		
Trade payables	49,108	42,342
Other payables	23,584	35,458
Lease liabilities	4,294	3,849
Bank borrowings	147,676	145,651
	<u>224,662</u>	<u>227,300</u>
TOTAL EQUITY AND LIABILITIES	<u>640,900</u>	<u>653,600</u>
Net assets per share attributable to equity holders of the Company (RM)	<u>0.33</u>	<u>0.33</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the explanatory notes attached to this interim financial report.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

Condensed Consolidated Statement of Changes in Equity for the financial year ended 31 March 2025

The figures have not been audited.

	Attributable to equity holders of the Company			
	Share capital	Foreign currency	Retained earnings	Total equity
	RM'000	translation reserve	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000
As at 1 January 2025	276,666	(78)	52,458	329,046
Total comprehensive income for the financial period	-	-	1,538	1,538
As at 31 March 2025	276,666	(78)	53,996	330,584
As at 1 January 2024	276,666	(78)	49,894	326,482
Total comprehensive loss for the financial period	-	-	(2,895)	(2,895)
As at 31 March 2024	276,666	(78)	46,999	323,587

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

Condensed Consolidated Statement of Cash Flows for the financial period ended 31 March 2025

The figures have not been audited.

	Current year to 31 March 2025 RM'000 (Unaudited)	Preceding year to 31 March 2024 RM'000 (Audited)
<u>Cash flows used in operating activities</u>		
– Profit/ (loss) before tax	2,462	(2,826)
– Adjustments for non-cash and non-operating items		
• Other non-cash and non-operating items	7,408	11,043
	<u>9,870</u>	<u>8,217</u>
– Changes in working capital		
• Increase in inventories	(3,268)	(913)
• (Increase)/ Decrease in receivables	(1,393)	2,838
• Decrease in payables	(7,229)	(10,894)
	<u>(2,020)</u>	<u>(752)</u>
– Payment of defined benefit plan	(246)	(1,161)
– Tax paid	(1,052)	(248)
– Interest income received	51	58
Net cash used in operating activities	<u>(3,267)</u>	<u>(2,103)</u>
<u>Cash flows from/ (used in) investing activities</u>		
– Purchase of property, plant and equipment and right-of-use assets	(735)	(2,629)
– Purchase of biological assets	(418)	(524)
– Proceeds from disposal of property, plant and equipment	15,269	-
Net cash from/ (used in) investing activities	<u>14,116</u>	<u>(3,153)</u>
<u>Cash flows from/ (used in) financing activities</u>		
– Repayment of lease liabilities	(936)	(274)
– Decrease/ (Increase) of fixed deposits with licensed banks	3,311	(19)
– (Repayment)/ Proceeds of bank borrowings	(7,473)	11,407
– Financing expenses	(3,895)	(3,728)
Net cash (used in)/ from financing activities	<u>(8,993)</u>	<u>7,386</u>
Net increase in cash and cash equivalents	1,856	2,130
Cash and cash equivalents at 1 January	<u>9,856</u>	<u>5,365</u>
Cash and cash equivalents at 31 March	<u><u>11,712</u></u>	<u><u>7,495</u></u>

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



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

PART A: Explanatory Notes of MFRS 134

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 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 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.

2. Changes in Accounting Policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 31 December 2024 except for the adoption of the following standards which are applicable to its financial statements and effective for annual periods beginning on or after 1 January 2025:

Amendments to MFRS 121 : Lack of Exchangeability

3. Auditors' report of preceding annual financial statements for financial year ended 31 December 2024

The audit report of the Group's financial statements for the financial year ended 31 December 2024 was not qualified.

4. Seasonality or cyclical nature of interim operations

Demand for particleboard, rubberwood and related products are generally seasonal and are also affected by domestic and global economic conditions.

5. Exceptional items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2025.

6. Change in estimates

There were no changes in estimates that have had a material effect for the financial period ended 31 March 2025.

7. Issuance and repayment of debt and equity securities

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities for the financial period ended 31 March 2025.

8. Dividends paid

There were no dividends paid for the financial period ended 31 March 2025.



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

9. Segmental reporting

The Group operates in the following geographical areas:

	Revenue		Total assets		Capital expenditure	
	Current year to 31 March 2025 RM'000	Preceding year to 31 March 2024 RM'000	As at 31 March 2025 RM'000	As at 31 March 2024 RM'000	Current year to 31 March 2025 RM'000	Preceding year to 31 March 2024 RM'000
Malaysia	90,116	91,786	640,900	658,861	735	2,629
South East Asia	3,454	2,047	-	-	-	-
Middle East and South Asia	1,534	2,265	-	-	-	-
Hong Kong and China	-	769	-	-	-	-
Others	1,720	2,931	-	-	-	-
	<u>96,824</u>	<u>99,798</u>	<u>640,900</u>	<u>658,861</u>	<u>735</u>	<u>2,629</u>

10. Valuation of property, plant and equipment

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

11. Material events subsequent to the financial period ended 31 March 2025

There were no material events subsequent to the financial period.

12. Changes in the composition of the Group during the financial period ended 31 March 2025

There were no changes in the composition of the Group during the financial period.

13. Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at the date of the financial report.

14. Capital commitments

There were no material capital commitments as at 31 March 2025.

15. Significant related party transactions

The Group had the following transactions with related parties during the financial period ended 31 March 2025:

	RM'000
<u>Transaction with a company in which two Directors of the Company are also directors and one of whom has substantial financial interest</u>	
Lease expenses paid	<u>24</u>



MIECO CHIPBOARD BERHAD (Registration No. 197201001235 (12849-K))

PART B: Explanatory Notes of Bursa Malaysia Listing Requirements

1. Review of performance

Quarter on quarter review

The Group recorded revenue of RM96.8 million in the first quarter of the financial year, declined marginally by RM3.0 million or 3% from RM99.8 million recorded in the preceding year quarter. The lower revenue was mainly due to lower sales volume.

The Group reported pre-tax profit of RM2.5 million against pre-tax loss of RM2.8 million in the preceding year quarter mainly attributable to recognition of gain on disposal of property amounting to RM5.8 million.

2. Material changes in profit before taxation for the quarter against the immediate preceding quarter

The Group's revenue for the current quarter declined by 13% from RM111.7 million to RM96.8 million in the immediate preceding quarter as a result of lower sales volume due to festive holidays during the current quarter.

The Group recorded a lower profit before tax of RM2.5 million as compared to RM8.6 million in the preceding quarter primarily due to lower revenue and a one-time exceptional other income of RM3.2 million from scrap sales recognised in the last quarter of 2024.

3. Prospects

The global economy is expected to continue growing at a sustained pace in year 2025 while the growth of Malaysia economy is expected to trend higher, lifted by recovery in exports and resilient domestic expenditure.

Heightened geopolitical tensions and threats of restrictive trade policies continue to pose significant market volatility and challenges to the complex business environment. The Group is cautiously optimistic of maintaining the current performance and endeavour to achieve a more sustainable performance by further improvement of productivity, reducing production cost via stringent controls over raw material procurement and utilisation of key raw materials, as well as continue to explore new market opportunities and develop new products.

4. Variance of actual profit from forecast profit

The Group did not provide any profit forecast in a public document and therefore, this note is not applicable.



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5. Profit/ (Loss) before tax

	Current year quarter to 31 March 2025 RM'000	Preceding year quarter to 31 March 2024 RM'000	Current year to 31 March 2025 RM'000	Preceding year to 31 March 2024 RM'000
Profit/ (Loss) before tax is arrived at after charging/ (crediting):-				
Interest income	(51)	(58)	(51)	(58)
Interest expense	3,895	3,728	3,895	3,728
Gain on disposal of property, plant and equipment	5,829	-	5,829	-
Depreciation and amortisation	7,002	6,813	7,002	6,813
Realised foreign exchange gain	(315)	(271)	(315)	(271)
Unrealised foreign exchange loss	-	313	-	313

6. Tax expense

	Current quarter to 31 March 2025 RM'000	Current year to 31 March 2025 RM'000
In respect of current year		
- Real property gains tax	(924)	(924)

The Group's effective income tax rate for the current year under review was lower than statutory tax rate mainly due to most of the subsidiaries have sufficient unutilised business losses and capital allowances or were in loss position.

7. Status of corporate proposals

As at the date of this report, being the latest practicable date, there are no corporate proposals announced and pending completion.

8. Borrowings and debt securities

The Group's bank borrowings are all denominated in Ringgit Malaysia. The details of the Group's bank borrowings as at 31 March 2025 are as follows:-

	Current RM'000	Non-current RM'000	Total RM'000
<u>Secured</u>			
Bankers' acceptance and invoice financing	116,739	-	116,739
Revolving credit	14,000	-	14,000
Term loans	16,937	73,650	90,587
	<u>147,676</u>	<u>73,650</u>	<u>221,326</u>



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9. Derivative financial instruments

There was no outstanding foreign currency forward contract as at 31 March 2025.

10. Fair value changes of financial instruments

The Group did not enter into any derivatives during the current financial quarter and financial year-to-date.

Level 1 : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 : Inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 : Inputs are unobservable inputs for the asset or liability

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<u>As at 31 March 2025</u>				
Derivative financial assets	-	-	-	-
<u>As at 31 March 2024</u>				
Derivative financial assets	-	-	-	-

11. Changes in material litigation

There was no material litigation as at the date of this interim financial report.

12. Dividend

The Directors do not propose any dividend for the financial period ended 31 March 2025. No dividend was declared last year.



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13. Earnings/ (Loss) per share

	Current year quarter to 31 March 2025	Preceding year quarter to 31 March 2024	Current year to 31 March 2025	Preceding year to 31 March 2024
(a) Basic earnings/ (loss) per share				
Net profit/ (loss) attributable to the owners of the Company (RM'000)	1,538	(2,895)	1,538	(2,895)
Weighted average number of ordinary shares in issue ('000)	1,000,000	1,000,000	1,000,000	1,000,000
Earnings/ (Loss) per share (sen)	0.15	(0.29)	0.15	(0.29)

(b) Diluted earnings/ (loss) per share

Diluted earnings/ (loss) per share is equivalent to the basic earnings/ (loss) per share as there are no dilutive potential ordinary shares as at the reporting date.

BY ORDER OF THE BOARD
MIECO CHIPBOARD BERHAD

Ng Geok Lian
Company Secretary
Selangor

29 May 2025