



**ALCOM GROUP BERHAD (201701047083(1261259-V))
(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED
31 DECEMBER 2024**

ALCOM GROUP BERHAD (201701047083 (1261259-V))

Condensed Consolidated Statement of Comprehensive Income for the 4th Quarter and Financial Year ended 31 December 2024 (Unaudited)

	Quarter ended 31 December 2024 RM'000	Quarter ended 31 December 2023 RM'000	12 months ended 31 December 2024 RM'000	12 months ended 31 December 2023 RM'000
Revenue	171,128	149,754	619,629	669,928
Expenses excluding tax	(175,587)	(149,730)	(627,241)	(650,837)
Other operating income	955	1,116	3,441	4,122
(Loss)/profit before tax	(3,504)	1,141	(4,171)	23,213
Taxation	660	(954)	360	(6,912)
Net (loss)/profit	(2,844)	187	(3,811)	16,301
Other comprehensive expense, net of tax : <u>Item that will not be classified subsequently to profit or loss</u>				
Actuarial loss on gratuity scheme	-	(249)	-	(249)
Cost of hedging	(2,717)	-	(2,717)	-
Taxation relating to component of other comprehensive expense	652	60	652	60
Other comprehensive expense, net of tax	(2,065)	(189)	(2,065)	(189)
Total comprehensive (expense)/income	(4,909)	(2)	(5,876)	16,112
(Loss)/profit attributable to:				
- Owners of the Company	(2,876)	283	(3,915)	16,749
- Non-Controlling Interests	32	(96)	104	(448)
	(2,844)	187	(3,811)	16,301
Total comprehensive (expense)/income attributable to:				
- Owners of the Company	(4,941)	94	(5,980)	16,559
- Non-Controlling Interests	32	(96)	104	(448)
	(4,909)	(2)	(5,876)	16,112
Basic (loss)/earnings per ordinary share (sen)	(2.14)	0.21	(2.91)	12.47

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes to this interim financial statements.)

ALCOM GROUP BERHAD (201701047083 (1261259-V))**Condensed Consolidated Statement of Financial Position as at 31 December 2024 (Unaudited)**

	UNAUDITED As At 31 December 2024 RM'000	AUDITED As At 31 December 2023 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	225,234	91,504
Right-of-use assets	14,006	14,240
Intangible assets	3,494	2,775
Deferred tax assets	6,959	3,493
	<u>249,693</u>	<u>112,012</u>
CURRENT ASSETS		
Inventories	220,723	129,464
Contract assets	1,014	1,838
Contract costs	124	-
Trade receivables	71,234	46,121
Other receivables and prepayments	4,257	18,171
Tax recoverable	7,816	7,729
Cash and bank balances	103,433	154,711
	<u>408,601</u>	<u>358,034</u>
TOTAL ASSETS	<u>658,294</u>	<u>470,046</u>
CAPITAL AND RESERVES		
Share capital	104,778	104,778
Retained earnings	127,139	138,492
Equity attributable to owners of the Company	<u>231,917</u>	<u>243,270</u>
Non-controlling interests	(84)	(188)
TOTAL EQUITY	<u>231,833</u>	<u>243,082</u>
NON-CURRENT LIABILITIES		
Loans and borrowings	104,714	31,692
Provision for gratuity scheme	3,329	3,184
Lease liabilities	882	1,001
Deferred tax liabilities	205	992
	<u>109,130</u>	<u>36,869</u>
CURRENT LIABILITIES		
Loans and borrowings	236,516	137,293
Lease liabilities	1,166	1,120
Provision for gratuity scheme	128	681
Trade payables	55,957	26,608
Other payables and accruals	20,718	21,363
Contract liabilities	324	2,826
Derivative financial instruments	2,288	101
Provision for taxation	234	103
	<u>317,331</u>	<u>190,095</u>
TOTAL LIABILITIES	426,461	226,964
TOTAL EQUITY AND LIABILITIES	<u>658,294</u>	<u>470,046</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 2023 and the accompanying explanatory notes to this interim financial statements.)

ALCOM GROUP BERHAD (201701047083 (1261259-V))
Condensed Consolidated Statement of Changes In Equity for the Financial Year ended
31 December 2024 (Unaudited)

	← Attributable to Owners of the Company →			Non- controlling interests RM'000	Total equity RM'000
	Non- Distributable	Distributable	Total		
	Share capital RM'000	Retained earnings RM'000	RM'000		
Balance as at 1 January 2024	104,778	138,492	243,270	(188)	243,082
<u>Total comprehensive expense:</u>					
Loss for the year	-	(3,915)	(3,915)	104	(3,811)
Cost of hedging, net of tax	-	(2,065)	(2,065)	-	(2,065)
Total comprehensive expense for the year	-	(5,980)	(5,980)	104	(5,876)
Dividends to owners of the Company	-	(5,373)	(5,373)	-	(5,373)
Balance as at 31 December 2024	104,778	127,139	231,917	(84)	231,833
Balance as at 1 January 2023	104,778	125,290	230,068	260	230,328
<u>Total comprehensive income:</u>					
Profit for the year	-	16,559	16,559	(448)	16,112
Total comprehensive income for the year	-	16,559	16,559	(448)	16,112
Dividends to owners of the Company	-	(3,358)	(3,358)	-	(3,358)
Balance as at 31 December 2023	104,778	138,491	243,269	(188)	243,082

(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 2023 and the accompanying explanatory notes to this interim financial statements.)

ALCOM GROUP BERHAD (201701047083 (1261259-V))
Condensed Consolidated Statement of Cash Flows for the Financial Year ended 31 December 2024 (Unaudited)

	12 months ended 31 December 2024 RM'000	12 months ended 31 December 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(4,171)	23,213
Adjustments for:-		
Allowance for inventory write-down	319	1,334
Amortisation of intangible assets	206	171
Depreciation of:		
- Property, plant and equipment	9,255	9,087
- Right-of-use assets	1,651	1,750
Gain on disposal of property, plant and equipment	(23)	(216)
Interest expenses	9,409	8,584
Interest expenses on lease liabilities	96	114
Interest income	(2,711)	(1,834)
Net fair value (gain)/loss on forward foreign exchange contracts	(615)	78
Property, plant and equipment written off	4	26
Provision for gratuity scheme	282	309
Net (reversal)/loss on impairment of financial assets	(3)	150
Impairment of property, plant and equipment	2	-
Unrealised forex loss/(gain)	1,150	(1,039)
Taxation	-	-
	14,851	41,727
Changes in Working Capital:-		
Inventories	(91,579)	66,531
Receivables	(8,489)	20,722
Payables	26,817	(33,090)
Contract assets	824	6,134
Contract costs	(124)	9,856
Contract liabilities	(2,502)	(23,985)
Cash (used in)/generated from operations	(60,202)	87,895
Gratuity paid	(690)	(676)
Interest paid	(96)	(114)
Tax paid	(3,179)	(19,087)
Net cash (used in)/from operating activities	(64,167)	68,018
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of:		
- Property, plant and equipment	(143,011)	(47,195)
- Intangible assets	(925)	(517)
Proceeds from disposal of:		
- Property, plant and equipment	45	222
Change in deposits pledged	(7,452)	1,148
Interest income received	2,993	1,834
Net cash used in investing activities	(148,350)	(44,508)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(5,373)	(3,358)
Net drawdown of loans and borrowings	172,246	15,506
Payment of lease liabilities	(1,489)	(1,570)
Interest paid	(9,693)	(9,152)
Net cash from financing activities	155,691	1,426
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(56,826)	24,936
Foreign exchange differences	(1,904)	(976)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	150,602	126,642
CASH & CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	91,872	150,602

CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	As at 31 December 2024 RM'000	As at 31 December 2023 RM'000
Cash and bank balances		
Deposit placed with licensed bank	10,744	2,294
Liquid investment	32,116	82,291
Cash and bank balances	60,573	70,126
	<hr/> 103,433	<hr/> 154,711
Less: Cash and cash equivalents held on behalf of the owners of EmHub	(10,511)	(4,109)
Less: Deposit pledged	(1,050)	-
	<hr/> 91,872	<hr/> 150,602

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes to this interim financial statements.)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the Group’s financial statements for financial year ended 31 December 2023. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2023.

A2. Accounting policies

The significant accounting policies and methods of computation adopted in the preparation of this interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2023 except for the adoption of the following accounting standards, interpretations and amendments to published standards with effect from 1 January 2024:

- Amendments to MFRS 16, Leases – Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
- Amendments to MFRS 107, Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures - Supplier Finance Arrangements

The application of the abovementioned accounting standards, interpretations and amendments do not have a material financial impact to the interim financial statements of the Group and of the Company.

At the date of authorisation of these interim financial statements, the following accounting standards, interpretations and amendments of the MFRSs have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and by the Company:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments
- Amendments that are part of Annual Improvements – Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*

ALCOM GROUP BERHAD (“AGB”) (Co. Reg. No. 201701047083(1261259-V))
Quarterly Report on Consolidated Results for the Fourth Quarter Ended 31 December 2024

A2. Accounting policies (continued)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2026 (continued)

- Amendments to MFRS 10, *Consolidated Financial Statements*
- Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments once they become effective.

The initial application of the abovementioned accounting standards, interpretations and amendments is not expected to have any material financial impact to the current year and prior year financial statements of the Group and of the Company.

A3. Audit Report of the preceding annual Financial Statements

The audit report of the Group’s preceding annual Financial Statements was not subject to any qualification.

A4. Comments about Seasonal or Cyclical Factors

One of the products’ category that the Group manufactures and sells is finstock (both bare fin and coated fin). These products are supplied to air conditioning manufacturers, in which the sector demand is subject to seasonal fluctuations.

A5. Unusual items affecting assets, liabilities, equity, net income, or cash flow

During the current quarter and financial year under review, there were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group.

A6. Material changes in estimates

There were no significant changes in estimates that have had a material effect on the results of the current quarter and financial year under review.

ALCOM GROUP BERHAD (“AGB”) (Co. Reg. No. 201701047083(1261259-V))
 Quarterly Report on Consolidated Results for the Fourth Quarter Ended 31 December 2024

A7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter and financial year under review.

A8. Dividends paid

A first and final single-tier dividend of 4.0 sen per share for the financial year ended 31 December 2023 was paid on 26 July 2024.

A9. Segmental information

The Group which operates in Malaysia was involved in 4 segments, principally:

- 1) Manufacturing - manufacturing and trading of aluminium products
- 2) Property development - development of properties
- 3) Construction - property construction works and supply and installation of roofing systems
- 4) Investment holding

Segmental earnings before interest, tax, depreciation and amortisation (“EBITDA”) for the financial year ended 31 December 2024 were as follows:-

	Manufacturing	Property Development	Construction	Investment Holding	Inter Segment Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<i>Segment EBITDA</i>	10,994	4,995	612	4,002	(6,870)	13,733
Included in the measure of segment EBITDA are:						
- Revenue from external customers	585,484	19,561	14,584	-	-	619,629
- (Allowance)/reversal of inventory write-down	(323)	-	4	-	-	(319)

A10. Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment for the current quarter and financial year under review.

ALCOM GROUP BERHAD (“AGB”) (Co. Reg. No. 201701047083(1261259-V))
 Quarterly Report on Consolidated Results for the Fourth Quarter Ended 31 December 2024

A11. Capital Commitments

Authorised capital expenditures for property, plant and equipment not provided for in the financial statements were as follows:

	Group 31 December 2024 RM'000
- Contracted	51,087
- Not Contracted	129,633
Total Capital Commitment	180,720

A12. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the financial year under review up to the date of this announcement that have not been disclosed in this quarterly financial statements.

A13. Changes in the composition of the Group

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

A14. Changes in contingent liabilities or contingent assets

The contingent liabilities as at 31 December 2024 were as follows:

<u>Unsecured contingent liabilities</u>	Company 31 December 2024 RM'000
Corporate guarantee given to financial institutions in respect of banking facilities granted to subsidiaries	710,511

A15. Related party disclosures

Related party transactions for the current quarter and financial year under review in which certain Directors have direct/indirect interest were as follows:

	Group	
	Quarter ended 31 December 2024 RM'000	Year-to-date 31 December 2024 RM'000
	-	-
Sales of Finished Goods	-	-

These transactions have been entered into in the normal course of business and at arm's length basis and on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders.

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE
 LISTING REQUIREMENTS OF BURSA SECURITIES**

B1. Review of Group Performance
Financial review of the fourth quarter ended 31 December 2024 (“Q4 FY2024”) compared with the corresponding quarter in Financial Year 2023 (“Q4 FY2023”)

	Q4 FY2024	Q4 FY2023	Change %
	RM'000	RM'000	
Revenue	171,128	149,754	14
(Loss)/Profit Before Interest and Tax	(1,991)	2,382	-184
(Loss)/Profit Before Tax	(3,504)	1,141	-407

The Group's revenue for Q4 FY2024 increased by 14% compared to Q4 FY2023. Of the RM171.13 million revenue recorded in Q4 FY2024, approximately 90% was generated from the manufacturing segment and the remaining 10% was generated from its property development and construction segments. These percentages in Q4 FY2023 were 99% and 1% respectively. No external revenue was recorded by the investment holding segment in both these quarters.

The manufacturing segment registered a revenue in Q4 FY2024 of RM166.44 million, an increase of 20% as compared to Q4 FY2023 which registered a revenue of RM148.04 million. This increase was attributable to increased shipments as well as base metal price which trended higher. Shipment volume was approximately 14% higher mainly in the exports of coated fin and specialty products to the India and Korea markets respectively. The base metal price which is denominated in USD comprising aluminium prices quoted on the London Metal Exchange and transport premium was also higher by 15% in Q4 FY2024 as compared to Q4 FY2023.

The property development segment posted a revenue of RM3.56 million in Q4 FY2024 as compared to nil revenue in Q4 FY2023 for its maiden EmHub project. This revenue was mainly attributable to higher sales in the current quarter due to strong demand for the remaining few unsold units, benefitting from improved building occupancy.

Meanwhile, the construction segment's external revenue registered an increase from RM1.79 million in Q4 FY2023 to RM5.15 million in Q4 FY2024, mainly attributable to its roofing and cladding projects.

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ALCOM GROUP BERHAD (“AGB”) (Co. Reg. No. 201701047083(1261259-V))

Quarterly Report on Consolidated Results for the Fourth Quarter Ended 31 December 2024

B1. Review of Group Performance (continued)**Financial review of the fourth quarter ended 31 December 2024 (“Q4 FY2024”) compared with the corresponding quarter in Financial Year 2023 (“Q4 FY2023”) (continued)**

The Group registered a loss before tax of RM3.50 million in Q4 FY2024 as compared to Q4 FY2023's profit before tax of RM1.14 million. The segmental breakdown was as follows:

	Q4 FY2024	Q4 FY2023	Change %
	RM'000	RM'000	
Manufacturing Segment	(1,077)	4,247	-125
Property Development Segment	(972)	(3,063)	68
Construction Segment	(442)	439	-201
Investment Holding Segment	5,073	6,346	-20
Inter-Segment Elimination	(6,086)	(6,828)	11
Group Total	(3,504)	1,141	-407

The manufacturing segment registered a loss before tax in Q4 FY2024 of RM1.08 million versus Q4 FY2023's profit before tax of RM4.25 million. This loss before tax was primarily due to the weakening of the USD currency vis-à-vis the Ringgit Malaysia by approximately 8% in Q4 FY2024 versus Q4 FY2023. Additionally, repairs and maintenance expenses were higher in Q4 FY2024.

The property development segment recorded a lower loss before tax of RM0.97 million in Q4 FY2024 as compared to Q4 FY2023's loss before tax of RM3.06 million. This lower loss was due mainly to the higher revenue recognised during Q4 FY2024 from its EmHub project, coupled with higher administrative income and lower marketing expenses, but partially offset by higher administrative expenses as compared to Q4 FY2023.

For the construction segment, it recorded a loss before tax of RM0.44 million in Q4 FY2024 as compared to Q4 FY2023's profit before tax of RM0.44 million, mainly attributable to the progressive profits from its roofing and cladding projects.

B2. Financial review of the fourth quarter ended 31 December 2024 (“Q4 FY2024”) compared with the immediate preceding quarter ended 30 September 2024 (“Q3 FY2024”)

	Q4 FY2024	Q3 FY2024	Change %
	RM'000	RM'000	
Revenue	171,128	164,658	4
(Loss)/Profit Before Interest and Tax	(1,991)	(226)	-779
(Loss)/Profit Before Tax	(3,504)	(2,914)	-20

The Group recorded a revenue of RM171.13 million in Q4 FY2024 which was higher by 4% as compared to the revenue of RM164.66 million registered in Q3 FY2024. This increase was largely attributable to the manufacturing segment.

ALCOM GROUP BERHAD (“AGB”) (Co. Reg. No. 201701047083(1261259-V))

Quarterly Report on Consolidated Results for the Fourth Quarter Ended 31 December 2024

B2. Financial review of the fourth quarter ended 31 December 2024 (“Q4 FY2024”) compared with the immediate preceding quarter ended 30 September 2024 (“Q3 FY2024”) (continued)

The manufacturing segment registered a revenue of RM166.44 million in Q4 FY2024 compared to its Q3 FY2024’s attainment of RM148.73 million. This increase was driven by higher shipment volumes of approximately 20% mainly in the exports of coated fin products to the India and Japan markets, and bare fin products to the India and Saudi Arabia markets. No external revenue was recorded in the investment holding segment.

The property development segment posted a revenue of RM3.56 million in Q4 FY2024 which was a decrease of RM8.30 million as compared to RM11.86 million of revenue in Q3 FY2024 for its EmHub project. This decrease was mainly attributable to lower sales in the current quarter as there were not many unsold units left due to strong market demand.

For the construction segment, it recorded a higher external revenue of RM13.76 million in Q4 FY2024 compared with Q3 FY2024’s external revenue of RM10.36 million, mainly attributable to its roofing and cladding projects.

The Group registered a loss before tax of RM3.26 million in Q4 FY2024 as compared to RM2.91 million in Q3 FY2024. The segmental breakdown was as follows:

	Q4 FY2024	Q3 FY2024	Change %
	RM’000	RM’000	
Manufacturing Segment	(1,077)	(8,348)	87
Property Development Segment	(972)	5,634	-117
Construction Segment	(442)	217	-304
Investment Holding Segment	5,073	(290)	1,849
Inter-Segment Elimination	(6,086)	(127)	-4,693
Group Total	(3,504)	(2,914)	-20

The manufacturing segment registered a loss before tax in Q4 FY2024 of RM1.08 million versus Q3 FY2024’s loss before tax of RM8.35 million. This decrease in the loss before tax was primarily contributed by a higher margin product mix supported by increased shipment volumes, along with a lower allowance for slow moving inventories.

The property development segment recorded a loss before tax of RM0.97 million in Q4 FY2024 compared with Q3 FY2024’s profit before tax of RM5.63 million. This loss arose because there was lower revenue recognised in the current quarter from its EmHub project, coupled with higher administrative expenses, but partially offset by higher administrative income.

For the construction segment, it recorded a loss before tax of RM0.44 million in Q4 FY2024 compared with Q3 FY2024’s profit before tax of RM0.22 million, mainly attributable to the progressive profits from its roofing and cladding projects.

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ALCOM GROUP BERHAD (“AGB”) (Co. Reg. No. 201701047083(1261259-V))
 Quarterly Report on Consolidated Results for the Fourth Quarter Ended 31 December 2024

B3. Financial review of Financial Year ended 31 December 2024 (“FY2024”) versus Financial Year ended 31 December 2023 (“FY2023”)

	FY2024	FY2023	Change %
	RM'000	RM'000	
Revenue	619,629	669,928	-8
Profit Before Interest and Tax	2,622	29,529	-91
(Loss)/Profit Before Tax	(4,171)	23,213	-118

The Group's revenue for YTD FY2024 decreased by RM50.30 million or 8% to RM619.63 million as compared to YTD FY2023. Of the RM619.63 million revenue, RM587.87 million was attributable from the manufacturing segment with the remaining RM32.90 million external revenue being generated from the property development and construction segments. No revenue was recorded in the investment holding segment.

The manufacturing segment recorded an increase of RM46.31 million in revenue to RM587.87 million for FY2024 as compared to FY2023's attainment of RM541.56 million. This 9% increase in revenue was driven by higher shipment volumes of approximately 11% mainly in the export of specialty products to the United States market, but partially offset by lower shipment volumes of coated fin to the Europe and Thailand markets. In addition, the higher revenue was also attributable to the increase in the base metal price of approximately 4% in FY2024 as compared to FY2023.

The property development segment registered a revenue of RM19.56 million in FY2024, which was a decrease of RM100.41 million when compared to FY2023's revenue of RM119.97 million. This 84% decrease was mainly attributable to the lower number of units sold as there were not many unsold units left owing to the high market demand.

The construction segment posted an increase in external revenue, rising from RM10.30 million in FY2023 to RM15.73 million in FY2024, primarily driven by steady progress in its roofing and cladding projects.

The Group registered a loss before tax of RM4.17 million for FY2024 as compared to FY2023's profit before tax of RM23.21 million. The segmental breakdown was as follows:-

	FY2024	FY2023	Change %
	RM'000	RM'000	
Manufacturing Segment	(7,904)	(3,856)	-105
Property Development Segment	6,218	25,023	-75
Construction Segment	204	539	-62
Investment Holding Segment	4,087	5,390	-24
Inter Segment Elimination	(6,776)	(3,884)	-74
Group Total	(4,171)	23,213	-118

ALCOM GROUP BERHAD (“AGB”) (Co. Reg. No. 201701047083(1261259-V))

Quarterly Report on Consolidated Results for the Fourth Quarter Ended 31 December 2024

B3. Financial review of Financial Year ended 31 December 2024 (“FY2024”) versus Financial Year ended 31 December 2023 (“FY2023”) (continued)

The manufacturing segment recorded a loss before tax of RM7.90 million in FY2024 versus FY2023's loss before tax of RM3.86 million. This increase in loss before tax was mainly due to the weakening of the USD currency by approximately 1%, a lower margin product mix and higher repairs and maintenance expenses.

The property development segment's pre-tax profit had decreased by 75% to RM6.22 million in FY2024 as compared to FY2023's pre-tax profit of RM25.02 million, mainly attributable to the lower revenue recognized in FY2024, coupled with lower interest income, but partially offset by lower administrative and marketing expenses.

Meanwhile, the construction segment recorded a decrease in pre-tax profit to RM0.20 million in FY2024 as compared to FY2023's pre-tax profit of RM0.54 million, mainly attributable to the progressive profits from its roofing and cladding projects.

B4. Commentary on Prospects

According to the World Economic Outlook issued in January 2025 by the International Monetary Fund, global economic growth is projected at 3.3% both in 2025 and 2026, below the historical (2000–2019) average of 3.7 percent. This outlook is shaped by ongoing trade tensions between the US and China, and uncertainties arising from recent US policy shifts which may contribute to market volatility. However, the potential peace in Ukraine and the gradual recovery of the European economy could strengthen economic confidence and activity. For Malaysia, the economy is expected to grow by 4.7% in 2025, supported by strong domestic demand and a resilient export sector. The Group's manufacturing segment, which is primarily export-driven, has benefited from the recent appreciation of the USD against the MYR. Moving forward, the Group remains focused on diversifying into new markets and expanding product lines to reduce risks and achieve sustainable growth. Additionally, the Group is committed to enhancing operational efficiencies and implementing cost-control measures to maintain competitiveness amid evolving global demand.

Meanwhile, Malaysia's property market is expected to experience steady growth in 2025, supported by economic stability, rising minimum wages and increased foreign investment. The significant increase in transaction volumes in 2024, particularly in residential and industrial sectors, reflects strong investor confidence. However, challenges such as high living costs and global economic uncertainties may lead to cautious buyer sentiment. Nevertheless, demand for properties in well-established areas is likely to remain robust. Overall, the market outlook is cautiously optimistic.

On 24 June 2024, the acquisition of 2 parcels of contiguous leasehold vacant commercial land totalling approximately 7.08 acres in Bukit Raja, Klang, Selangor from 88 Legacy Sdn. Bhd. was completed. The subject land is strategically located around 450 meters from the planned Bandar Baru Klang LRT Station on the upcoming Shah Alam LRT Line (LRT 3), and the segment anticipates that LRT 3 infrastructure project will stimulate growing interest in property investments within the Klang region. The segment intends to develop the subject land into a proposed mixed development project, comprising commercial lots, SOHO and service apartments. This project will be carried out in two (2) phases. Phase 1 will take place on Lot 117427, while Phase 2 will be on Lot 117426. For Phase 1, the application for planning permission was submitted to the local council in September 2024 and is currently awaiting approval. The segment will remain focused on delivering competitive and differentiated property products to ensure sustainable growth and profitability.

ALCOM GROUP BERHAD (“AGB”) (Co. Reg. No. 201701047083(1261259-V))
 Quarterly Report on Consolidated Results for the Fourth Quarter Ended 31 December 2024

B5. Variance of Actual Profit from Forecast Profit

Not applicable.

B6. Profit for the Period under Review

The profit is arrived at after charging/(crediting):

	Fourth Quarter ended 31 December 2024 RM'000	Year ended 31 December 2024 RM'000
Interest income	(401)	(2,711)
Interest expense	1,885	9409
Interest expense on lease liabilities	29	96
Amortisation of intangible assets	70	206
(Reversal of)/allowance for inventory write-down	(2,650)	319
Depreciation of:		
- Property, plant and equipment	2,567	9,255
- Right-of-use assets	439	1,651
Foreign exchange (gain)/loss:		
- Realised	(1,096)	(676)
- Unrealised	829	1,150
Net fair value gain on derivatives	(86)	(615)
Gain on disposal of property, plant and equipment	(136)	(23)
Property, plant and equipment written-off	4	4

B7. Taxation

	Fourth Quarter ended		Year ended	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000
Current Tax				
- current year	98	(353)	(5,293)	(8,437)
Deferred Taxation				
- Origination and reversal of temporary differences	562	(601)	5,653	1,525
	660	(954)	360	(6,912)

The disproportionate tax charge of the Group for the quarter under review was mainly due to non-deductibility of certain expenses, as well as non-availability of Group tax relief in respect of losses incurred by certain subsidiary companies.

B8. Status of Corporate Proposals

There was no corporate exercise proposal announced that has not been completed as at the date of this announcement.

ALCOM GROUP BERHAD (“AGB”) (Co. Reg. No. 201701047083(1261259-V))
 Quarterly Report on Consolidated Results for the Fourth Quarter Ended 31 December 2024

B9. Group Borrowings

The Group’s borrowings as at 31 December 2024 were as follows:

	Long-Term RM’000	Short-Term RM’000	Total RM’000
<u>Secured</u>			
-Term Loans	104,510	7,001	111,511
-Finance lease liabilities	204	128	332
-Revolving credit	-	130,000	130,000
-Trade lines	-	99,385	99,386
<u>Unsecured</u>			
- Corporate credit card facility from a financial institution	-	2	2
	104,714	236,516	341,231

B10. Derivative Financial Instruments

As at 31 December 2024, total contract value and fair value of the Group’s outstanding forward foreign exchange contracts stood as follows:

Types of Derivatives (Foreign Exchange Contracts)	Contract/Notional Value RM’000	Fair Value RM’000
Less than 1 year		
- Payable	92,420	90,167
- Receivable	11,350	11,385

B11. Changes in Material Litigation

Not applicable.

B12. Dividends

The board is recommending a first and final single-tier dividend of 3.0 sen per share amounting to RM4,029,926 in respect of FY2024 (FY2023: first and final single-tier dividend of 4.0 sen per share). The aforesaid dividend is subject to approval by shareholders at the forthcoming Annual General Meeting of the Company.

ALCOM GROUP BERHAD (“AGB”) (Co. Reg. No. 201701047083(1261259-V))

Quarterly Report on Consolidated Results for the Fourth Quarter Ended 31 December 2024

B13. Earnings Per Share

	Fourth Quarter ended 31 December 2024	Fourth Quarter ended 31 December 2023	Year ended 31 December 2024	Year ended 31 December 2023
Net (loss)/profit attributable to owners of the Company (RM'000)	(2,876)	283	(3,914)	16,749
Weighted average number of ordinary shares in issue ('000)	134,331	134,331	134,331	134,331
Basic (loss)/earnings per share (sen)	(2.14)	0.21	(2.91)	12.47

B14. Reclassification and Comparative Figures

Certain comparative figures have been reclassified to conform with the current period's presentation as follows:-

Unaudited condensed consolidated statement of profit or loss and comprehensive income

	Individual Quarter			Cumulative Quarter		
	After Preceding Corresponding Quarter Ended	Before Preceding Corresponding Quarter Ended	Variance	After Current Year To Date Ended	Before Preceding Corresponding Year To Date Ended	Variance
	31 December 2023	31 December 2023		31 December 2023	31 December 2023	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	149,754	147,062	2,692	669,928	660,004	9,924
Expenses excluding tax	(149,730)	(147,038)	(2,692)	(650,837)	(640,913)	(9,924)

B15. Authorisation of Issue

The interim financial statements were authorised for issue by the Board of Directors of AGB in accordance with a resolution of the Directors passed on 26 February 2025.

BY ORDER OF THE BOARD
26 February 2025