

MBV International Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1957



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Corporate Information

EXECUTIVE DIRECTORS

Dato' Tan Meng Seng (*Chairman*)
Dato' Tan Mein Kwang (*Chief Executive Officer*)
Mr. Tan Beng Sen
Ms. Hou Yanli
Datin Kong Siew Peng

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chui Sin Heng
Mr. Au Wing Yuen
Mr. Yu Cheeric

COMPANY SECRETARY

Ms. Lam Hoi Ki (*HKICPA*)

AUDIT COMMITTEE

Ms. Chui Sin Heng (*Chairlady*)
Mr. Au Wing Yuen
Mr. Yu Cheeric

REMUNERATION COMMITTEE

Mr. Au Wing Yuen (*Chairman*)
Ms. Chui Sin Heng
Mr. Yu Cheeric

NOMINATION COMMITTEE

Mr. Yu Cheeric (*Chairman*)
Ms. Chui Sin Heng
Mr. Au Wing Yuen

AUTHORISED REPRESENTATIVES

Dato' Tan Meng Seng
Ms. Lam Hoi Ki

REGISTERED OFFICE

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN MALAYSIA

No. 58-66, Jalan Seroja 39
Taman Johor Jaya
81100 Johor Bahru
Johor, Malaysia

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit B, 23/F, Yue Hing Building
103 Hennessy Road
WanChai, Hong Kong

AUDITORS

Forvis Mazars CPA Limited
Certified Public Accountants, Hong Kong
42nd Floor, Central Plaza
18 Harbour Road, Wanchai
Hong Kong

Corporate Information

PRINCIPAL BANKS

Public Bank Berhad

B-21 & B-23 Jalan Molek 1/5a
Taman Molek
81100 Johor Bahru
Johor, Malaysia

CIMB Bank Berhad

2, Jalan Dedap 20
Johor Jaya
81100 Johor Bahru
Johor, Malaysia

Alliance Bank Malaysia Berhad

No.1 & 1-01
Jalan Molek 1/29
Taman Molek
81100 Johor Bahru
Johor, Malaysia

HSBC Amanah Malaysia Berhad

46, Jalan Molek 1/10
Taman Molek
81100 Johor Bahru
Johor, Malaysia

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited

2103B, 21/F,
148 Electric Road
North Point
Hong Kong

STOCK CODE

1957

COMPANY WEBSITE

<http://www.orensport.com>

Financial Highlights

	Six months ended 30 June	
	2025	2024
	RM'000 (Unaudited)	RM'000 (Unaudited)
Revenue	87,284	92,733
Gross profit	28,221	29,139
Gross profit margin	32.3%	31.4%
Profit before tax	11,937	9,733
Profit for the period attributable to owners of the Company	8,159	6,214
Earnings per share attributable to owners of the Company		
– Basic and diluted (<i>RM cents</i>)	1.30	0.99

Management Discussion and Analysis

COMPANY BACKGROUND

MBV International Limited (the **"Company"**, together with its subsidiaries, the **"Group"**) is a leading imprintable apparel and gift products provider in Malaysia and Singapore. The Group sells a broad product portfolio of imprintable apparel ranging from t-shirts, uniforms, jackets, and others including other casual wear and accessories in a variety of sizes, colour and styles primarily in "blank" or undecorated form, without imprints or embellishment to customers who may decorate products with designs and logos for sale to a diversified range of consumers. With 29 years presence in the market, the Group has accumulated a large and diverse customer base in Malaysia and Singapore. Leveraging on the established and massive customer base, the Group expanded product portfolio by offering gifts and promotion items mainly for corporate marketing and advertising.

Following the acquisition of 40% shares in Lordan Group Ltd. (the **"Lordan"**) in November 2023, the Group, through the entities controlled by Lordan in the People's Republic of China (the **"PRC"**), opened new retail sales channels, strengthened its sales and marketing efforts into the PRC retail market and introduced artificial intelligence in its production and sales process.

The issued shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) since 8 July 2020. To reflect the Group's plan to expand into the PRC market, the Group has adopted "中國大人國際有限公司" as its Chinese name on 4 January 2024.

Financial Overview

During the six months ended 30 June 2025 (the **"Period"**), the Group's revenue decreased by approximately 5.8% and gross profit decreased by approximately 3.2%, respectively, as compared to the six months ended 30 June 2024 (the **"Last Corresponding Period"**). The decrease in revenue and gross profit was primarily due to the decrease in sales volume and average unit selling price of imprintable apparel.

The economic outlook for the second half of year 2025 will remain uncertain and challenging. Nevertheless, the Group will continue to remain prudent and maintain a healthy cash flow position as part of our measures to mitigate risks, while ensuring a solid financial position to seize opportunities that will enhance revenue.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue by products

The Group's product portfolio is broadly categorised into (i) imprintable apparel; and (ii) gift products. The Group's revenue was primarily generated from Malaysia which accounted for approximately 82.6% and 81.0% of the Group's total revenue for the Period and the Last Corresponding Period respectively. The Group's revenue decreased by approximately RM5.4 million or 5.8% from approximately RM92.7 million in the Last Corresponding Period to approximately RM87.3 million in the Period, primarily due to the decrease in the quantity of goods sold and selling price of imprintable apparel during the Period.

Imprintable apparel

The imprintable apparel products, the Group's primary product category, are core apparel essentials commonly used for a wide range of consumers across different demographics throughout a year in Malaysia and Singapore. The revenue generated from the imprintable apparel decreased by approximately RM6.1 million or 8.1% from approximately RM75.3 million in the Last Corresponding Period to approximately RM69.2 million in the Period, as the quantity of goods sold has decreased by approximately 3.2%, from approximately 6.2 million pieces in the Last Corresponding Period to approximately 6.0 million pieces in the Period and average unit selling price has decreased by approximately 4.1%, from approximately RM12.1 per piece in the Last Corresponding Period to approximately RM11.6 per piece in the Period.

Gift products

The Group has broadened gift product portfolio by offering more product categories for the customers to choose from and successfully expanded into the imprintable gift segment since 2015, which are popular corporate marketing and advertising items. The revenue generated from the gift products increased by approximately RM0.6 million or 3.4% from approximately RM17.4 million in the Last Corresponding Period to approximately RM18.0 million in the Period, which was mainly attributable to the increase in the quantity of goods sold by approximately 6.5% from approximately 4.6 million pieces in the Last Corresponding Period to approximately 4.9 million pieces in the Period.

Other income

Other income mainly consisted of interest income, government grants, net reversal of impairment loss of trade receivables, gain on disposal of property plant and equipment and others. Other income increased by approximately RM0.6 million or 42.9%, from approximately RM1.4 million in Last Corresponding Period to approximately RM2.0 million in the Period which was primarily due to the increase in interest income and exchange gain.

Selling and distribution costs

Selling and distribution expenses mainly comprised of (i) employee benefit costs including basic salaries and wages of the sales and marketing staff; (ii) sales commission for the sales and marketing staff; and (iii) advertising and promotions. Selling and distribution costs increased by approximately RM0.3 million or 6.1%, from RM4.9 million in the Last Corresponding Period to approximately RM5.2 million in the Period which was primarily due to increase in employee costs and advertising and promotions.

Management Discussion and Analysis

Administrative and other operating expenses

Administrative and other operating expenses mainly comprised of staff costs including directors' remuneration and other office staff costs and welfare, transportation and travelling cost, depreciation, utilities, repair and maintenance, rental expenses, and legal and professional fee. Administrative and other operating expenses decreased by approximately RM2.2 million or 15.2%, from approximately RM14.5 million in the Last Corresponding Period to approximately RM12.3 million in the Period which was primarily due to the significant decrease from exchange loss of RM1.9 million from last reporting period to exchange gain of RM0.5 million in the current period.

Finance costs

Finance costs for the Period mainly represented interest on interest-bearing borrowings and interest on lease liabilities. The Group's finance costs increased by approximately RM18,000 or 50% from approximately RM36,000 in Last Corresponding Period to approximately RM54,000 in the Period. The increase in finance costs was due to the increase in interest on lease liabilities for the Period.

Income tax expenses

Income tax expenses primarily consisted of current and deferred income tax at the applicable tax rate in accordance with the relevant laws and regulations in Malaysia and Singapore. No provision for Hong Kong profit tax has been made as the Group has no assessable profits arising in or derived from Hong Kong for the Period. The Group's entities established in the Cayman Islands and the British Virgin Islands are exempted from corporate income tax therein. Income tax expenses for the Period and the Last Corresponding Period are relatively stable, amount to approximately RM3.1 million.

Profit attributable to owners of the Company and net profit margin

As a result of the foregoing, and due to the significant decrease from exchange loss of RM1.9 million from last reporting period to exchange gain of RM0.5 million in the current period, the Group recorded a profit attributable to owners of the Company of approximately RM8.2 million in the Period, compared to profit attributable to owners of the Company of approximately RM6.2 million in the Last Corresponding Period. The net profit margin of the Company was approximately 10.1% for the Period and the net profit margin of the Company was approximately 7.2% for the Last Corresponding Period.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND MATERIAL INVESTMENT OR CAPITAL ASSETS

There were no other significant investments held, nor were there material acquisitions or disposal of subsidiaries during the Period.

Other Information

USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

On 8 July 2020 (the “**Listing Date**”), the shares of the Company (the “**Shares**”) were listed on the Main Board of the Stock Exchange. After deducting share issuance expense and professional fee regarding to the global offering, the net proceeds amounted to approximately HK\$60.3 million (the “**Net Proceeds**”).

As stated in the Company’s announcement dated 6 November 2023, the Board resolved to change in the use of the portion of the Net Proceeds which remains unutilised, amounting to approximately HK\$46.5 million, to funding the settlement of the consideration for the acquisition of 20,000 shares in Lordan Group Ltd. (the “**Target Company**”), representing 40% of the issued share capital of the Target Company.

The following sets out the use of Net Proceeds during the Period:

	Balance of unutilized proceeds as at 1 January 2025 HK\$ million	Actual use of proceeds during the Period HK\$ million	Balance of unutilised proceeds as at 30 June 2025 HK\$ million	Expected timeline for unutilised proceeds
Consideration for the acquisition of the Target Company	33.0	0.0	33.0	September 2025

As at 1 January 2025, there were unutilised proceeds of approximately HK\$33.0 million. During the Period, no consideration was paid to the vendor for the acquisition of the Target Company. The remaining balance of the consideration of approximately HK\$33.0 million was mutually agreed by the Group and the vendor to extend the settlement on or before 30 September 2025.

The unutilised portion of the Net Proceeds of approximately HK\$33.0 million were deposited in the Group’s banks in Malaysia and Hong Kong.

We will also continuously evaluate, reassess, change or modify the existing plans and explore new business opportunities in Asian countries in view of the latest market condition with an aim to achieve sustainable business growth and to bring long-term benefits for the Shareholders.

Other Information

LIQUIDITY, CAPITAL RESOURCES AND CAPITAL STRUCTURE

The Group manages its capital structure with the objectives of maintaining a sustainable growth in business and providing a long-term reasonable return to its shareholders. The Group's financial position remained healthy and stable. It is anticipated that the Group has sufficient working capital to fund its future working capital.

As at 30 June 2025, the Group's net current assets were approximately RM143.2 million (as at 31 December 2024: approximately RM132.2 million). The Group's cash and cash equivalents as at 30 June 2025 were approximately RM120.9 million (as at 31 December 2024: approximately RM116.5 million).

As at 30 June 2025, there were interest-bearing borrowings of approximately RM4.6 million (as at 31 December 2024: approximately RM4.9 million) and unutilized bank facilities of approximately RM31.1 million.

As at 30 June 2025 and 31 December 2024, the Group's interest-bearing borrowings carried mainly variable rate borrowings with weighted average effective interest rate of approximately 0.2% per annum.

GEARING RATIO

As at 30 June 2025, the gearing ratio of the Group, based on total interest-bearing borrowings and lease liabilities to total equity (including all capital and reserves) of the Group was approximately 2.6% (as at 31 December 2024: approximately 3.2%). The decrease in gearing ratio is primarily attributable to the repayment of interest-bearing borrowings and increase in equity base.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group employed 450 (as at 30 June 2024: 455) full-time employees in Malaysia and Singapore. The Group recognises the importance of maintaining good relationship with its employees and retaining competent staff to ensure operational efficiency and effectiveness. The remuneration packages offered to the Group's employees are based on each employee's qualifications, relevant experience, position and seniority. The Group conducts review on salary increments, bonuses and promotions based on the performance of each employee. The total staff costs (including directors emoluments) for the Period amounted to approximately RM16.9 million (Last Corresponding Period: approximately RM16.4 million).

The Group provides on-job training to new employees. During the Period, the Group had not experienced any strike, any significant problems with its employees or other material labour disputes which had materially disrupted its operation. The Group has not experienced any difficulties in the recruitment of experienced and skilled staff.

Other Information

TREASURY POLICIES AND FOREIGN CURRENCY EXPOSURE

The Group is exposed to foreign currency risk which refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group's transactions are mainly denominated in Malaysian Ringgit (or "**RM**") and Singapore dollars (or "**S\$**"). Certain financial assets and liabilities of the Group are denominated in currencies other than the functional currency of the respective group entities and therefore exposed to foreign currency risk.

The Group has not experienced any material difficult or liquidity problems resulting from foreign exchange fluctuations. Although the Group currently does not undertake any hedging activities, it will monitor exchange rate trends from time to time to consider if there is such a need in the future in order to mitigate any risks arising from foreign exchange fluctuation.

PLEDGE OF ASSETS

The interest-bearing borrowings and lease liabilities of the Group are all secured by certain assets of the Group which are set out in Note 18 to the condensed consolidated financial statements.

CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any material contingent liabilities.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the Period and up to the date of this report.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE "MODEL CODE")

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix C3 to the Rules ("**Listing Rules**") Governing the Listing of Securities on the Stock Exchange. Having made specific enquiry with each of the Directors, the Company has received confirmations from all Directors that they have complied with the required standards as set out in the Model Code during the six months ended 30 June 2025.

CORPORATE GOVERNANCE

The Board appreciates that good corporate governance is vital to healthy and sustainable development of the Group. During the six months ended 30 June 2025, the Company has complied with the code provisions (the "**CG Code**") as set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix C1 to the Listing Rules.

Other Information

AUDIT COMMITTEE

The Company has established the audit committee of the Company (the "**Audit Committee**") in accordance with the requirements of the CG Code for the purpose of reviewing and supervising the Group's financial reporting process. The Audit Committee currently comprises three independent non-executive Directors, namely Ms. Chui Sin Heng, Mr. Au Wing Yuen and Mr. Yu Cheeric. Ms. Chui Sin Heng is the chairlady of the Audit Committee.

REVIEW OF THE INTERIM RESULTS

The Audit Committee had reviewed the unaudited condensed consolidated results of the Group for the Period and discussed with the management of the Group the accounting principles and practices adopted by the Group as well as internal controls and other financial reporting matters.

INTERESTS OF DIRECTORS AND THE CHIEF EXECUTIVE

As at 30 June 2025, the interests and short positions of each Director and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Future Commission ("**SFO**")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interests and/or short positions in the Company

Director	Nature of Interest	Number of Shares Held ⁽¹⁾	Percentage of Interest in the Company
Dato' Tan Meng Seng	Interest in controlled corporation ⁽²⁾	431,300,000 (L)	68.68%
Dato' Tan Mein Kwang	Interest in controlled corporation ⁽²⁾	431,300,000 (L)	68.68%
Mr. Tan Beng Sen	Interest in controlled corporation ⁽²⁾	431,300,000 (L)	68.68%
Datin Kong Siew Peng	Interest of spouse ⁽³⁾	431,300,000 (L)	68.68%

Notes:

- (1) The letter "L" denotes long position in the shares held.
- (2) These shares are held by MBV Capital Limited. The issued share capital of MBV Capital Limited is owned as to approximately 33.3% by each of Dato' Tan Meng Seng, Dato' Tan Mein Kwang and Mr. Tan Beng Sen, and therefore, each of Dato' Tan Meng Seng, Dato' Tan Mein Kwang and Mr. Tan Beng Sen are deemed to be interested in all the Shares registered in the name of MBV Capital Limited in the Company under Part XV of the SFO.
- (3) Datin Kong Siew Peng is the spouse of Dato' Tan MS. Accordingly, Datin Kong Siew Peng is deemed to be interested in all the Shares held by Dato' Tan MS under Part XV of the SFO.

Other Information

Save as disclosed above, as at 30 June 2025, none of the Directors nor the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2024, so far as the Directors are aware, the following persons had an interest or short position in the Shares or the underlying Shares as recorded in the register required to be kept under the Section 336 of the SFO or which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name	Capacity/nature of interest	Number of Shares/ Position Held ⁽⁵⁾	Approximate percentage of shareholding
MBV Capital Limited ⁽¹⁾	Beneficial Owner	431,300,000 (L)	68.68%
Dato' Tan Meng Seng ⁽¹⁾	Interest in controlled corporation	431,300,000 (L)	68.68%
Dato' Tan Mein Kwang ⁽¹⁾	Interest in controlled corporation	431,300,000 (L)	68.68%
Mr. Tan Beng Sen ⁽¹⁾	Interest in controlled corporation	431,300,000 (L)	68.68%
Datin Kong Siew Peng ⁽²⁾	Interest of spouse	431,300,000 (L)	68.68%
Ms. Foo Kim Foong ⁽³⁾	Interest of spouse	431,300,000 (L)	68.68%
Datin Loi Siew Yoke ⁽⁴⁾	Interest of spouse	431,300,000 (L)	68.68%

Notes:

- These shares are held by MBV Capital Limited. The issued share capital of MBV Capital Limited is owned as to approximately 33.3% by each Dato' Tan Meng Seng, Dato' Tan Mein Kwang and Mr. Tan Beng Sen, and therefore, each of Dato' Tan Meng Seng, Dato' Tan Mein Kwang and Mr. Tan Beng Sen are deemed to be interested in all the Shares registered in the name of MBV Capital Limited in the Company under Part XV of the SFO.
- Datin Kong Siew Peng is the spouse of Dato' Tan Meng Seng. Accordingly, Datin Kong Siew Peng is deemed to be interested in all the Shares held by Dato' Tan Meng Seng under Part XV of the SFO.
- Ms. Foo Kim Foong is the spouse of Mr. Tan Beng Sen. Accordingly, Ms. Foo Kim Foong is deemed to be interested in all the Shares held by Mr. Tan Beng Sen under Part XV of the SFO.
- Datin Loi Siew Yoke is the spouse of Dato' Tan Mein Kwang. Accordingly, Datin Loi Siew Yoke is deemed to be interested in all the Shares held by Dato' Tan Mein Kwang under Part XV of the SFO.
- The letter "L" denotes long position in the shares held.

Other Information

Save as disclosed above, as at 30 June 2025, the Directors are not aware of any other person (other than the Directors or chief executive of the Company) had a beneficial interest or short position in the Shares as recorded in the register required to be kept under Section 336 of the SFO or the underlying Shares which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

SHARE OPTION SCHEME

The share option scheme (the “**Share Option Scheme**”) was approved and conditionally adopted by the Board and shareholders of the Company by way of written resolutions on 19 May 2020. Pursuant to the Share Option Scheme, the Directors may grant options to eligible participants to subscribe for the Shares subject to the terms and conditions stipulated therein.

There was no outstanding share option of the Company under the Share Option Scheme as at 1 January 2025 and 30 June 2025 and no share option of the Company was granted, exercised, lapsed or cancelled during the six months ended 30 June 2025. As at 1 January 2025 and 30 June 2025, the number of share options available for grant under the Share Option Scheme was 62,800,000. There is no service provider sub-limit under the Share Option Scheme.

INTERIM DIVIDEND

The Directors do not recommend payment of an interim dividend to shareholders of the Company for the Period.

IMPORTANT EVENT AFTER THE PERIOD

As at the date of this report, the Group has no significant events after the Period required to be disclosed.

By order of the Board
MBV International Limited
Dato' Tan Meng Seng
Chairman and Executive Director

Hong Kong, 22 August 2025

The Board of Directors (the “**Board**”) of MBV International Limited (the “**Company**”) presents the unaudited interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2025 together with the comparative figures for the corresponding period in 2024 as follows. The interim results have not been audited by the external auditor, but they have been reviewed by the Audit Committee of the Company.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025 RM'000 (Unaudited)	2024 RM'000 (Unaudited)
Revenue	4	87,284	92,733
Cost of sales		(59,063)	(63,594)
Gross profit		28,221	29,139
Other income	5	2,020	1,443
Selling and distribution expenses		(5,222)	(4,914)
Administrative and other operating expenses		(12,332)	(14,546)
Share of results of associates		(696)	(1,353)
Finance costs	6	(54)	(36)
Profit before tax	6	11,937	9,733
Income tax expenses	7	(3,102)	(3,056)
Profit for the period		8,835	6,677
Other comprehensive (loss) income, net of tax			
<i>Item that will not be reclassified to profit or loss</i>			
Exchange differences on translation of the Company's financial statements to presentation currency		(1,373)	672
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on consolidation		3,188	490
Other comprehensive income for the period		1,815	1,162
Total comprehensive income for the period		10,650	7,839
Profit for the period attributable to:			
Owners of the Company		8,159	6,214
Non-controlling interests		676	463
		8,835	6,677
Total comprehensive income for the period attributable to:			
Owners of the Company		9,974	7,376
Non-controlling interests		676	463
		10,650	7,839
Earnings per share attributable to owners of the Company:			
– Basic and diluted	8	RM1.30 cents	RM0.99 cents

Condensed Consolidated Statement of Financial Position

At 30 June 2025

	Notes	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Non-current assets			
Property, plant and equipment	10	54,777	54,516
Intangible assets	11	445	644
Investment in associates	12	33,993	34,689
Deferred tax assets	20	1,996	2,075
		91,211	91,924
Current assets			
Financial assets at fair value through profit or loss ("FVPL")	13	840	720
Inventories	14	38,368	36,921
Trade and other receivables	15	14,770	15,521
Fixed deposit with a licensed bank		108	106
Bank balances and cash		120,941	116,506
		175,027	169,774
Current liabilities			
Trade and other payables	16	7,055	8,640
Consideration payable	17	22,899	26,156
Interest-bearing borrowings	18	887	977
Lease liabilities	19	693	777
Tax payable		264	1,041
		31,798	37,591
Net current assets		143,229	132,183
Total assets less current liabilities		234,440	224,107
Non-current liabilities			
Interest-bearing borrowings	18	3,686	3,944
Lease liabilities	19	544	603
		4,230	4,547
NET ASSETS		230,210	219,560
Capital and reserves			
Share capital	21	3,379	3,379
Reserves		219,401	209,427
Equity attributable to owners of the Company		222,780	212,806
Non-controlling interests		7,430	6,754
TOTAL EQUITY		230,210	219,560

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company						Non-controlling interests RM'000 (Note 22)	Total equity RM'000
	Share capital RM'000 (Note 21)	Share premium RM'000	Capital reserve RM'000	Translation reserve RM'000	Accumulated profits RM'000	Total RM'000		
At 31 December 2023 (Audited)	3,379	45,543	2,190	2,347	138,166	191,625	4,921	196,546
Profit for the period	-	-	-	-	6,214	6,214	463	6,677
Other comprehensive income:								
<i>Item that will not be reclassified to profit or loss</i>								
Exchange differences on translation of the Company's financial statements to presentation currency	-	-	-	672	-	672	-	672
<i>Item that may be reclassified subsequently to profit or loss</i>								
Exchange differences on consolidation	-	-	-	490	-	490	-	490
Other comprehensive income for the period	-	-	-	1,162	-	1,162	-	1,162
Total comprehensive income for the period	-	-	-	1,162	6,214	7,376	463	7,839
At 30 June 2024 (Unaudited)	3,379	45,543	2,190	3,509	144,380	199,001	5,384	204,385

	Attributable to owners of the Company						Non-controlling interests RM'000 (Note 22)	Total equity RM'000
	Share capital RM'000 (Note 21)	Share premium RM'000	Capital reserve RM'000	Translation reserve RM'000	Accumulated profits RM'000	Total RM'000		
At 31 December 2024 (Audited)	3,379	45,543	2,190	1,121	160,573	212,806	6,754	219,560
Profit for the period	-	-	-	-	8,159	8,159	676	8,835
Other comprehensive (loss) income :								
<i>Item that will not be reclassified to profit or loss</i>								
Exchange differences on translation of the Company's financial statements to presentation currency	-	-	-	(1,373)	-	(1,373)	-	(1,373)
<i>Item that may be reclassified subsequently to profit or loss</i>								
Exchange differences on consolidation	-	-	-	3,188	-	3,188	-	3,188
Other comprehensive income for the period	-	-	-	1,815	-	1,815	-	1,815
Total comprehensive income for the period	-	-	-	1,815	8,159	9,974	676	10,650
At 30 June 2025 (Unaudited)	3,379	45,543	2,190	2,936	168,732	222,780	7,430	230,210

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

		Six months ended 30 June	
	Note	2025 RM'000 (Unaudited)	2024 RM'000 (Unaudited)
OPERATING ACTIVITIES			
Profit before tax		11,937	9,733
Adjustments for:			
Depreciation		1,291	1,256
Amortisation		165	176
Exchange differences		(46)	366
Finance costs		54	36
Interest income		(1,151)	(1,100)
Gain on disposal of property, plant and equipment		(114)	(76)
Net fair value gain on financial assets at FVPL		(120)	(440)
(Reversal of)/provision for write-down of inventories, net		(265)	351
Reversal of impairment loss of trade receivables, net		(66)	(89)
Share of results of associates		696	1,353
Operating cash inflows before movements in working capital		12,381	11,566
Changes in working capital:			
Inventories		(1,182)	927
Trade and other receivables		817	2,321
Trade and other payables		(1,585)	(423)
Cash generated from operations		10,431	14,391
Income tax paid		(3,800)	(3,169)
Interest paid		(54)	(36)
Net cash from operating activities		6,577	11,186
INVESTING ACTIVITIES			
Interest received		1,151	1,100
Purchase of property, plant and equipment		(1,278)	(657)
Partial cash consideration for investment in associates paid	17	–	(5,000)
(Increase)/decrease in fixed deposit in a licensed bank		(2)	102
Proceeds from disposal of property, plant and equipment		189	348
Net cash from (used in) investing activities		60	(4,107)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 RM'000 (Unaudited)	2024 RM'000 (Unaudited)
FINANCING ACTIVITIES		
Inception of interest-bearing borrowings	210	—
Repayment of interest-bearing borrowings	(558)	(357)
Repayment of lease liabilities	(495)	(445)
Net cash used in financing activities	(843)	(802)
Net increase in cash and cash equivalents	5,794	6,277
Cash and cash equivalents at the beginning of the reporting period	116,506	93,246
Effect on exchange rate changes	(1,359)	753
Cash and cash equivalents at the end of the reporting period, represented by bank balance and cash	120,941	100,276

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

MBV International Limited (the “**Company**” together with its subsidiaries are collectively referred to as the “**Group**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 3 January 2019. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 July 2020 (the “**Listing**”). The registered office of the Company is situated at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The Company’s principal place of business is situated at Unit B, 23/F, Yue Hing Building, 103 Hennessy Road, Wan Chai, Hong Kong and the Group’s headquarter is situated at No. 58–66, Jalan Seroja 39, Taman Johor Jaya, 81100 Johor Bahru, Johor, Malaysia.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of imprintable apparel and gift products in Malaysia and Singapore.

The immediate and ultimate holding company of the Company is MBV Capital Limited, which is incorporated in the British Virgin Islands (the “**BVI**”). In the opinion of the directors of the Company, the ultimate controlling parties are Dato’ Tan Meng Seng, Dato’ Tan Mein Kwang and Mr. Tan Beng Sen (together the “**Ultimate Controlling Party**”), who have been acting in concert over the course of the Group’s business history.

The condensed consolidated financial statements (the “**Interim Financial Statement**”) of the Group for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting” (“**IAS 34**”) issued by the International Accounting Standard Board (the “**IASB**”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The preparation of the Interim Financial Statements in conformity with IAS 34 requires the Group’s management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a period to date basis. Actual results may differ from these estimates.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

2. PRINCIPAL ACCOUNTING POLICIES

The Interim Financial Statements include an explanation of events and transactions that are significant to an understanding of the changes in financial position and financial performance of the Group since 31 December 2024, and therefore, do not include all of the information required for full set of financial statements prepared in accordance with the IFRS Accounting Standards which collective term includes all applicable individual IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by the IASB. They shall be read in conjunction with the Group's audited financial statements for the year ended 31 December 2024 (the "**Annual Report**").

The Interim Financial Statements have been prepared on the historical cost basis, except for the listed equity securities classified as financial assets at FVPL which are measured at fair value at its initial recognition, and it is presented in Malaysian Ringgit ("**RM**") and rounded to the nearest thousands unless otherwise indicated.

The accounting policies and methods of computation applied in the preparation of the Interim Financial Statements are consistent with those applied in preparing the Annual Report, except for the adoption of the new/revised IFRS Accounting Standards which are relevant to the Group and effective for the Group's financial year beginning on 1 January 2025.

Adoption of new/revised IFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, certain new/revised IFRS Accounting Standards issued by the IASB which are mandatory effective for the annual period beginning on or after 1 January 2025 for the preparation of the Interim Financial Statements.

The adoption of the new/revised IFRS Accounting Standards has no significant impact on the Interim Financial Statement.

At the date of authorisation of the Interim Financial Statement, the Group has not early adopted other new/revised IFRS Accounting Standards that have been issued but are not yet effective. The directors of the Company do not anticipate that the adoption of the new/revised IFRS Accounting Standards in future periods will have any material impact on the financial position, financial performance and cash flows of the Group.

3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being identified as the chief operating decision makers ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. No operating segments identified by CODM have been aggregated in arriving at the reportable operating segments of the Group.

Specifically, the Group's reportable and operating segments are as follows:

- 1) Wholesaling of imprintable apparel and gift products.
- 2) Manufacturing of imprintable apparel.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. SEGMENT INFORMATION (CONTINUED)

a) Segment revenue and results

Segment revenue represents revenue derived from wholesaling of imprintable apparel and gift products and manufacturing of imprintable apparel.

Segment results represent the gross profit reported by each segment without allocation of other income, selling and distribution expenses, administrative and other operating expenses, share of results of associates, finance costs and income tax expenses. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

The segment information provided to the CODM of the Group for the reportable operating segments for the six months ended 30 June 2025 and 2024 are as follows:

For the six months ended 30 June 2025 (Unaudited)

	Wholesaling RM'000	Manufacturing RM'000	Total RM'000
Segment revenue	79,590	7,694	87,284
Segment cost of sales	(53,982)	(5,081)	(59,063)
Segment results	25,608	2,613	28,221
Other income			2,020
Selling and distribution expenses			(5,222)
Administrative and other operating expenses			(12,332)
Share of results of associates			(696)
Finance costs			(54)
Profit before tax			11,937
Income tax expenses			(3,102)
Profit for the period			8,835
<i>Other information</i>			
Depreciation	(1,223)	(68)	(1,291)
Amortisation	(165)	-	(165)
Reversal of write-down of inventories, net	265	-	265
Reversal of impairment loss of trade receivables, net	66	-	66

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. SEGMENT INFORMATION (CONTINUED)

a) Segment revenue and results (Continued)

For the six months ended 30 June 2024 (Unaudited)

	Wholesaling RM'000	Manufacturing RM'000	Total RM'000
Segment revenue	85,445	7,288	92,733
Segment cost of sales	(59,384)	(4,210)	(63,594)
Segment results	26,061	3,078	29,139
Other income			1,443
Selling and distribution expenses			(4,914)
Administrative and other operating expenses			(14,546)
Share of results of associates			(1,353)
Finance costs			(36)
Profit before tax			9,733
Income tax expenses			(3,056)
Profit for the period			6,677
<u>Other information</u>			
Depreciation	(1,192)	(64)	(1,256)
Amortisation	(176)	—	(176)
Provision for write-down of inventories, net	(351)	—	(351)
Reversal of impairment loss of trade receivables, net	89	—	89

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. SEGMENT INFORMATION (CONTINUED)

b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable operating segments:

At 30 June 2025 (Unaudited)

	Wholesaling RM'000	Manufacturing RM'000	Unallocated RM'000	Total RM'000
Assets				
Reportable segment assets	<u>80,275</u>	<u>3,384</u>	<u>182,579</u>	<u>266,238</u>
Liabilities				
Reportable segment liabilities	<u>6,068</u>	<u>987</u>	<u>28,973</u>	<u>36,028</u>
Other information				
Capital expenditures	<u>1,614</u>	<u>11</u>	<u>–</u>	<u>1,625</u>

At 31 December 2024 (Audited)

	Wholesaling RM'000	Manufacturing RM'000	Unallocated RM'000	Total RM'000
Assets				
Reportable segment assets	<u>79,039</u>	<u>3,627</u>	<u>179,032</u>	<u>261,698</u>
Liabilities				
Reportable segment liabilities	<u>7,513</u>	<u>1,127</u>	<u>33,498</u>	<u>42,138</u>
Other information				
Capital expenditures	<u>2,352</u>	<u>110</u>	<u>–</u>	<u>2,462</u>

For the purposes of monitoring segment performance and allocating resources between segments:

- segment assets include property, plant and equipment, inventories and certain trade and other receivables. Other assets are not allocated to operating segments as these assets are managed on a corporate basis; and
- segment liabilities include certain trade and other payables. Other liabilities are not allocated to operating segments as these liabilities are managed on a corporate basis.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. SEGMENT INFORMATION (CONTINUED)

c) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and intangible assets (the "Specified Non-current Assets"). The geographical location of the revenue is presented based on the entity's countries of domicile for the provision of imprintable apparel and gift products. The geographical location of the Specified Non-current Assets is presented based on the location of the assets.

i) Location of revenue

	Wholesaling RM'000	Manufacturing RM'000	Total RM'000
For the six months ended 30 June 2025 (Unaudited)			
Malaysia	66,868	5,231	72,099
Singapore	12,722	2,463	15,185
	<u>79,590</u>	<u>7,694</u>	<u>87,284</u>

	Wholesaling RM'000	Manufacturing RM'000	Total RM'000
For the six months ended 30 June 2024 (Unaudited)			
Malaysia	70,214	4,906	75,120
Singapore	15,231	2,382	17,613
	<u>85,445</u>	<u>7,288</u>	<u>92,733</u>

ii) Location of the Specified Non-current Assets

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Malaysia	54,746	54,584
Singapore	476	576
	<u>55,222</u>	<u>55,160</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. SEGMENT INFORMATION (CONTINUED)

d) Information about major customers

The Group's revenue from any single external customer did not contribute 10% or more of the total revenue of the Group during the six months ended 30 June 2025 and 2024.

4. REVENUE

	Six months ended 30 June	
	2025	2024
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within IFRS 15 – at a point in time		
Wholesaling		
– Imprintable apparel	61,549	67,984
– Gift products	18,041	17,461
Manufacturing	7,694	7,288
	87,284	92,733

5. OTHER INCOME

	Six months ended 30 June	
	2025	2024
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Interest income	1,151	1,100
Government grants (Note)	61	61
Exchange gain, net	477	–
Rental income	68	36
Reversal of impairment loss of trade receivables, net	66	89
Gain on disposal of property, plant and equipment	114	76
Sundry income	83	81
	2,020	1,443

Note: During the six months ended 30 June 2025 and 2024, government grants primarily consist of subsidy for transitional wage support for employers in Singapore.

There was no unfulfilled condition or contingency relating to the government grants.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

6. PROFIT BEFORE TAX

This is stated after charging (crediting):

	Six months ended 30 June	
	2025 RM'000 (Unaudited)	2024 RM'000 (Unaudited)
Finance costs		
Interest on interest-bearing borrowings	5	5
Interest on lease liabilities	49	31
	<u>54</u>	<u>36</u>
Staff costs (including directors' emoluments)		
Salaries, discretionary bonus, allowances and other benefits in kind	15,373	14,763
Contributions to defined contribution plans	1,541	1,668
	<u>16,914</u>	<u>16,431</u>
Other items		
Cost of inventories sold (Note)	59,063	63,594
Auditor's remuneration	613	813
Depreciation (charged to "cost of sales" and "administrative and other operating expenses", as appropriate)	1,291	1,256
Amortisation (charged to "administrative and other operating expenses", as appropriate)	165	176
Exchange (gain) loss, net	(477)	1,892
Net fair value gain on financial assets at FVPL	(120)	(440)
(Reversal of)/provision for write-down of inventories, net (included in cost of inventories sold)	<u>(265)</u>	<u>351</u>

Note: For the six months ended 30 June 2025, cost of inventories sold included approximately RM4,759,000 (six months ended 30 June 2024: approximately RM4,584,000) relating to the aggregate amount of certain staff costs, depreciation of property, plant and equipment, which were included in the respective amounts as disclosed above.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

7. TAXATION

	Six months ended 30 June	
	2025 RM'000 (Unaudited)	2024 RM'000 (Unaudited)
Current tax		
Malaysia corporate income tax	2,758	2,715
Singapore corporate income tax	265	404
	3,023	3,119
Deferred tax (Note 20)		
Changes in temporary differences	79	(63)
Total income tax expenses for the period	3,102	3,056

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in or derived from Hong Kong for the six months ended 30 June 2025 and 2024.

The group entities established in the Cayman Islands and the BVI are exempted from corporate income tax ("CIT") therein.

For the six months ended 30 June 2025 and 2024, Malaysia CIT is calculated at 24% of the estimated assessable profits. Malaysia incorporated entities with paid-up capital of RM2.5 million or less and having gross business income of not more than RM50 million enjoy tax rate of 15% on the first RM150,000 and 17% on the next RM450,000 of the estimated assessable profits and remaining balance at tax rate of 24%.

For the six months ended 30 June 2025 and 2024, Singapore CIT is calculated at 17% of the assessable profits. The Group's entities incorporated in Singapore can also enjoy 75% tax exemption on the first Singapore dollars (or "S\$") 10,000 of normal chargeable income and a further 50% tax exemption on the next S\$190,000 of normal chargeable income for the six months ended 30 June 2025 and 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

8. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following information:

	Six months ended 30 June	
	2025	2024
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the Company, used in basic and diluted earnings per share calculation	8,159	6,214
	'000	'000
Weighted average number of ordinary shares for basic and diluted earnings per share calculation	628,000	628,000

Diluted earnings per share are the same as the basic earnings per share as there are no potential dilutive ordinary shares in existence for the six months ended 30 June 2025 and 2024.

9. DIVIDEND

The directors of the Company did not recommend a payment of an interim dividend for the six months ended 30 June 2025 and 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

10. PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets RM'000	Freehold land RM'000	Buildings RM'000	Leasehold improvements RM'000	Plant and machinery, furniture, fixtures and office equipment RM'000	Motor vehicles RM'000	Total RM'000
Reconciliation of carrying amount – year ended 31 December 2024 (Audited)							
At 1 January 2024	822	38,430	11,218	429	803	3,176	54,878
Additions	1,506	-	-	170	216	570	2,462
Disposals	-	-	-	-	(18)	(272)	(290)
Depreciation	(918)	-	(273)	(142)	(332)	(875)	(2,540)
Exchange realignments	5	-	-	-	1	-	6
At 31 December 2024 (Audited)	<u>1,415</u>	<u>38,430</u>	<u>10,945</u>	<u>457</u>	<u>670</u>	<u>2,599</u>	<u>54,516</u>
Reconciliation of carrying amount – six months ended 30 June 2025 (Unaudited)							
At 1 January 2025 (Audited)	1,415	38,430	10,945	457	670	2,599	54,516
Additions	347	-	-	248	103	927	1,625
Disposals	-	-	-	-	-	(75)	(75)
Depreciation	(501)	-	(135)	(83)	(125)	(447)	(1,291)
Exchange realignments	5	-	-	-	(3)	-	2
At 30 June 2025 (Unaudited)	<u>1,266</u>	<u>38,430</u>	<u>10,810</u>	<u>622</u>	<u>645</u>	<u>3,004</u>	<u>54,777</u>
At 31 December 2024 (Audited)							
Cost	3,827	38,430	14,396	2,249	7,064	6,239	72,205
Accumulated depreciation	(2,412)	-	(3,451)	(1,792)	(6,394)	(3,640)	(17,689)
	<u>1,415</u>	<u>38,430</u>	<u>10,945</u>	<u>457</u>	<u>670</u>	<u>2,599</u>	<u>54,516</u>
At 30 June 2025 (Unaudited)							
Cost	4,179	38,430	14,396	2,498	7,143	6,846	73,492
Accumulated depreciation	(2,913)	-	(3,586)	(1,876)	(6,498)	(3,842)	(18,715)
	<u>1,266</u>	<u>38,430</u>	<u>10,810</u>	<u>622</u>	<u>645</u>	<u>3,004</u>	<u>54,777</u>

Note:

The carrying amounts of the Group's freehold land and buildings pledged to secure banking facilities (Note 18) are approximately RM24,985,000 at 30 June 2025 (31 December 2024: approximately RM25,120,000) and the carrying amounts of the Group's motor vehicles pledged to secure leases liabilities (Note 19) was approximately RM40,000 at 30 June 2025 (31 December 2024: approximately RM46,000).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

11. INTANGIBLE ASSETS

	Software RM'000
Reconciliation of carrying amount	
At 1 January 2024 (Audited)	1,004
Amortisation	(343)
Exchange realignments	(17)
	<hr/>
At 31 December 2024 and 1 January 2025 (Audited)	644
Amortisation	(165)
Exchange realignments	(34)
	<hr/>
At 30 June 2025 (Unaudited)	445
	<hr/>
At 31 December 2024 (Audited)	
Cost	1,680
Accumulated amortisation	(1,036)
	<hr/>
	644
	<hr/>
At 30 June 2025 (Unaudited)	
Cost	1,571
Accumulated amortisation	(1,126)
	<hr/>
	445
	<hr/>

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. INVESTMENT IN ASSOCIATES

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Unlisted shares, at cost	33,993	34,689

Details of the associates at the end of the reporting period are as follows:

Name of associates	Principal place of business and place of incorporation	Class of shares held	Proportion of value of issued/registered capital held by the Company		Principal activities
			Directly	Indirectly	
Lordan Group Ltd. ("Lordan")	The Cayman Island	Ordinary	–	40%	Investment holding
China Daren Group Limited	Hong Kong	Ordinary	–	40%	Investment holding
大仁科技(深圳)有限公司 Daren Technology (Shenzhen) Co., Ltd.*	The PRC	Paid-up capital	–	40%	Investment holding
大人数科(北京)科技集团有限公司 Daren Digital Science (Beijing) Technology Co., Ltd.*	The PRC	Paid-up capital	–	40%	Service provider in digitalisation and e-commerce transformation of physical businesses
北京首科迅達科技有限公司 Beijing Shoukexunda Technology Co., Ltd.*	The PRC	Paid-up capital	–	20.4%	Inactive
北京極樂互娛科技有限公司 Beijing Jilehuyu Technology Co., Ltd.*	The PRC	Paid-up capital	–	40%	Inactive
北京昱龍盛世生物科技有限公司 Beijing Yulong Shengshi Biotechnology Co., Ltd.*	The PRC	Paid-up capital	–	20.4%	Clinical research and application of cell therapy
宇游國際旅行社(海南經濟特區)有限公司 Yuyou International Travel Agency (Hainan Special Economic Zone) Co., Ltd.*	The PRC	Paid-up capital	–	40%	Travel agency and tour guide services

* English translation for identification purposes only.

All of the above associates are accounted for using the equity method in the condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

13. FINANCIAL ASSETS AT FVPL

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
At fair value		
Listed equity securities	840	720

The amounts at 30 June 2025 and 31 December 2024 represent equity securities listed in Malaysia. The fair values of the listed equity securities are determined on the basis of quoted market prices at the end of the reporting period.

The movements of the listed equity securities are analysed as follows:

	RM'000
At 1 January 2024 (Audited)	840
Fair value changes recognised in profit or loss	(120)
At 31 December 2024 and 1 January 2025 (Audited)	720
Fair value changes recognised in profit or loss	120
At 30 June 2025 (Unaudited)	840

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

14. INVENTORIES

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Raw materials	1,212	992
Work-in-progress	133	318
Finished goods	37,023	35,611
	<u>38,368</u>	<u>36,921</u>

15. TRADE AND OTHER RECEIVABLES

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Trade receivables		
From third parties	9,054	8,101
Less: Loss allowances	(839)	(905)
	<u>8,215</u>	<u>7,196</u>
Other receivables		
Prepayments	609	617
Deposits paid to suppliers (Note)	4,795	5,940
Other deposits and receivables	1,151	1,768
	<u>6,555</u>	<u>8,325</u>
	<u>14,770</u>	<u>15,521</u>

Note : The balances at 30 June 2025 and 31 December 2024 included payment in advance to certain suppliers for the ordered apparels and gifts products to be delivered, upon completion, to the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

15. TRADE AND OTHER RECEIVABLES (CONTINUED)

The ageing of trade receivables, net of loss allowances, based on invoice date at the end of each reporting period is as follows:

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Within 30 days	4,368	5,858
31 to 60 days	3,066	1,127
61 to 90 days	642	211
Over 90 days	139	–
	<u>8,215</u>	<u>7,196</u>

At the end of each reporting period, the ageing analysis of the trade receivables, net of loss allowances, by due date is as follows:

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Not yet due	7,271	6,857
Past due:		
Within 30 days	868	339
31 to 60 days	76	–
	<u>944</u>	<u>339</u>
	<u>8,215</u>	<u>7,196</u>

The Group normally grants credit terms up to 60 days from the date of issuance of invoices.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

16. TRADE AND OTHER PAYABLES

		At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
	Note		
Trade payables			
To a related party	16(a)	388	418
To third parties		1,128	1,235
		<u>1,516</u>	<u>1,653</u>
Other payables			
Salary payables		3,455	4,184
Other accruals and other payables		2,084	2,803
		<u>5,539</u>	<u>6,987</u>
		<u>7,055</u>	<u>8,640</u>

At the end of each reporting period, the ageing analysis of the trade payables based on invoice date is as follows:

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Within 30 days	835	1,408
31 to 60 days	676	239
61 to 90 days	5	6
	<u>1,516</u>	<u>1,653</u>

The trade payables are interest-free and with normal credit terms up to 30 days.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

16. TRADE AND OTHER PAYABLES (CONTINUED)

(a) Trade payables to a related party

The trade payables to a related party are unsecured, interest-free and with normal credit terms up to 30 days.

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Forever Silkscreen & Embroidery Sdn. Bhd. ("Forever Silkscreen") (Note)	388	418

Note: At 30 June 2025 and 31 December 2024, the Ultimate Controlling Party held 50% equity interests of Forever Silkscreen.

17. CONSIDERATION PAYABLE

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
At the end of the reporting period	22,899	26,156

On 6 November 2023, the Group and Belcher Ventures Investment Ltd., an independent third party incorporated in the BVI (the "**Vendor**"), entered into a conditional share purchase agreement in relation to the proposed acquisition (the "**Share Purchase Agreement**"). Pursuant to which, the Group conditionally agreed to acquire, and the Vendor conditionally agreed to sell 20,000 shares in Lordan held by the Vendor, representing 40% of the issued share capital of Lordan at the consideration of HK\$57,218,250 (equivalent to approximately RM34,139,000). All the conditions precedent set out in the Share Purchase Agreement have been fulfilled and the completion took place on 29 November 2024. Upon Completion, the Group holds 40% of the issued share capital of Lordan, and it has become an associate of the Group.

In connection with the acquisition of Lordan and its subsidiaries during the year ended 31 December 2023, the total consideration of HK\$57,218,250 (equivalent to approximately RM34,139,000) shall be settled by the Group in cash, initial cash consideration of HK\$5,000,000 (equivalent to approximately RM2,983,000) was paid during the year ended 31 December 2023 and the Group shall pay HK\$52,218,250 (equivalent to approximately RM31,156,000), being the balance of the consideration to the Vendor on or before 30 April 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

17. CONSIDERATION PAYABLE (CONTINUED)

During the six months ended 30 June 2024, the Group has partially settled HK\$8,500,000 (equivalent to approximately RM5,000,000) to the Vendor. The remaining balance of the consideration of HK\$43,718,250 (equivalent to approximately RM22,899,000) was mutually agreed by the Group and the Vendor to extend the settlement on or before 30 September 2025.

18. INTEREST-BEARING BORROWINGS

The secured bank borrowings are repayable ranging from within one year to over five years since their inception. At 30 June 2025, the secured bank borrowings carried weighted average effective interest rate of approximately 0.21% per annum (31 December 2024: 0.17% per annum).

At the end of each reporting period, details of the interest-bearing borrowings of the Group are as follows:

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Secured bank borrowings		
– Current portion	887	977
– Non-current portion	3,686	3,944
	4,573	4,921

The interest-bearing borrowings are secured by:

- (i) guarantees provided by the Company; and
- (ii) certain property, plant and equipment with aggregate net carrying amount of approximately RM24,985,000 (31 December 2024: approximately RM25,120,000), as set out in Note 10.

All the banking facilities are subject to the fulfilment of covenants, as is commonly found in lending arrangements with financial institutions. If the subsidiaries were to breach the covenants, the drawn-down facilities would become repayable on demand. At 30 June 2025, none (31 December 2024: none) of the covenants relating to drawn down facilities had been breached.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

19. LEASE LIABILITIES

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Right-of-use assets (Note 10)		
Motor vehicles	40	46
Leased properties	1,226	1,369
	<u>1,266</u>	<u>1,415</u>
Lease liabilities		
Current	693	777
Non-current	544	603
	<u>1,237</u>	<u>1,380</u>

In addition to the information disclosed in Note 10, the Group had the following amounts relating to leases during the six months ended 30 June 2025 and 2024:

	Six months ended 30 June 2025 RM'000 (Unaudited)	2024 RM'000 (Unaudited)
Depreciation charge of right-of-use assets		
Motor vehicles	5	11
Leased properties	496	425
	<u>501</u>	<u>436</u>

The total cash outflow for leases for the six months ended 30 June 2025 was approximately RM544,000 (for the six months ended 30 June 2024: approximately RM476,000).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

19. LEASE LIABILITIES (CONTINUED)

Commitments and present value of lease liabilities:

	At 30 June 2025	
	Lease payment	Present value of lease payments
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Amounts payable:		
Within one year	723	693
From one year to two years	475	437
From three to five years inclusive	124	107
Less: future finance charges	(85)	–
Total lease liabilities	1,237	1,237

	At 31 December 2024	
	Lease payment	Present value of lease payments
	RM'000	RM'000
	(Audited)	(Audited)
Amounts payable:		
Within one year	803	777
From one year to two years	512	455
From three to five years inclusive	174	148
	1,489	1,380
Less: future finance charges	(109)	–
Total lease liabilities	1,380	1,380

The lease liabilities are secured by certain motor vehicles with aggregate net carrying amount of approximately RM40,000 at 30 June 2025 (31 December 2024: approximately RM46,000), as set out in Note 10.

At 30 June 2025, the weighted average effective interest rates of the lease liabilities of the Group were 6.5% per annum (31 December 2024: 6.4% per annum).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

20. DEFERRED TAX ASSETS

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
At the beginning of the reporting period	2,075	1,897
Credit to profit or loss	(79)	178
At the end of the reporting period	1,996	2,075

The movements in the Group's deferred tax assets (liabilities) for the respective reporting periods were as follows:

	Impairments/ write-down of assets RM'000	Accelerated tax Depreciation RM'000	Total RM'000
At 1 January 2024 (Audited)	2,248	(351)	1,897
Income tax credit (expenses)	195	(17)	178
At 31 December 2024 and 1 January 2025 (Audited)	2,443 (79)	(368) -	2,075 (79)
Income tax expenses			
At 30 June 2025 (Unaudited)	2,364	(368)	1,996

21. SHARE CAPITAL

	Number of shares '000	HK\$'000	Equivalent to RM approximately RM'000
Ordinary shares of HK\$0.01 each Authorised:			
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	5,000,000	50,000	25,636
Issued and fully paid:			
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	628,000	6,280	3,379

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

22. NON-CONTROLLING INTERESTS

At 30 June 2025 and 31 December 2024, 30% equity interests of MyGift Universal Sdn. Bhd. is held by the non-controlling shareholders.

23. RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in the Interim Financial Statements, during the six months ended 30 June 2025 and 2024, further information of the related party transactions is set out below.

(a) Related party transactions of the Group

Name of the related party	Nature of transactions	Six months ended 30 June	
		2025 RM'000 (Unaudited)	2024 RM'000 (Unaudited)
Forever Silkscreen	Service costs	1,166	1,227

(b) Remuneration for key management personnel (including directors) of the Group

	Six months ended 30 June	
	2025 RM'000 (Unaudited)	2024 RM'000 (Unaudited)
Salaries, discretionary bonus, allowances and other benefits in kind	4,156	3,797
Contributions to defined contribution plans	462	452
	4,618	4,249

24. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value on a recurring basis across the three levels of the fair value hierarchy defined in IFRS 13 "Fair Value Measurement" with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 (lowest level): unobservable inputs for the asset or liability.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

24. FAIR VALUE MEASUREMENTS (CONTINUED)

(a) Assets measured at fair value

			At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
	Fair value hierarchy	Valuation techniques and key inputs		
Financial assets at FVPL – Listed equity securities (Note 13)	Level 1	Quoted prices in an active market	840	720

During the six months ended 30 June 2025 and year ended 31 December 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

(b) Assets and liabilities with fair value disclosure, but not measured at fair value

All other financial assets and liabilities are carried at amounts not materially different from their fair values as at the end of each reporting period.

25. COMMITMENTS

Commitments under operating leases

The Group as lessor

The Group leases out its properties under operating leases with average terms of three years. The future aggregate minimum rental receivables under non-cancellable operating leases are as follows:

	At 30 June 2025 RM'000 (Unaudited)	At 31 December 2024 RM'000 (Audited)
Within one year	138	78
In the second to third years inclusive	26	48
	164	126