



Kim Hin Joo (Malaysia) Berhad

197801000642 (37655-U)

Wisma Pang Cheng Yean, Lot 5205C, Jalan Perindustrian Balakong Jaya 1/3, Kawasan Perindustrian Balakong Jaya, 43300 Seri Kembangan, Selangor, Malaysia. General Line +603 8940 6638

The Board of Directors of KIM HIN JOO (MALAYSIA) BERHAD hereby announce the following unaudited consolidated results for the second quarter and financial period ended (“FPE”) 30 June 2025.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND FPE 30 JUNE 2025

	3 months ended		6 months ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
Revenue	18,522	22,782	39,772	45,877
Cost of sales	(10,426)	(13,292)	(22,422)	(26,652)
Gross profit	8,096	9,490	17,350	19,225
Other operating income	477	512	911	962
Selling and marketing costs	(771)	(720)	(1,496)	(1,497)
Administration and other operating expenses	(8,430)	(9,759)	(17,553)	(20,073)
Finance cost	(125)	(149)	(232)	(317)
Loss before tax	(753)	(626)	(1,020)	(1,700)
Tax expense	(10)	(147)	(24)	(265)
Loss and total comprehensive loss for the period	(763)	(773)	(1,044)	(1,965)
Basic earnings per ordinary share (sen)	(0.20)	(0.20)	(0.27)	(0.52)

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



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	As at 30.06.2025 RM'000	As at 31.12.2024 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Plant and equipment	3,412	3,524
Right-of-use assets	8,470	8,413
Deferred tax assets	697	721
Refundable deposits	1,089	824
	13,668	13,482
Current Assets		
Inventories	26,604	33,134
Trade receivables	1,931	1,436
Other receivables, deposits and prepaid expenses	4,041	4,847
Short-term investments	6,000	-
Tax recoverable	1,218	1,123
Fixed deposits with licensed banks	24,269	16,204
Cash and bank balances	7,980	17,750
	72,043	74,494
TOTAL ASSETS	85,711	87,976

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

	As at 30.06.2025 RM'000	As at 31.12.2024 RM'000 (Audited)
Equity attributable to owners of the parent		
Share capital	31,128	31,128
Retained earnings	40,670	41,714
TOTAL EQUITY	71,798	72,842
Non-Current Liability		
Lease liabilities	5,166	4,946
	5,166	4,946
Current Liabilities		
Trade payables	1,525	2,090
Other payables, accrued expenses and provision	3,756	4,380
Amount due to other related company	18	-
Lease Liabilities	3,448	3,717
Tax Liabilities	[^]	1
	8,747	10,188
TOTAL LIABILITIES	13,913	15,134
TOTAL EQUITY AND LIABILITIES	85,711	87,976
Net assets per ordinary share attributable to ordinary equity holders of the Company (sen)	18.89	19.17

[^] *Negligible*

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



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FPE 30 JUNE 2025

←— Attributable to owners of the Company —→

	Share Capital RM'000	Retained Earnings RM'000	Total RM'000
Balance as at 1 January 2024	31,128	45,145	76,273
Total comprehensive loss for the year	-	(1,965)	(1,965)
Balance as at 30 June 2024	31,128	43,180	74,308
Balance as at 1 January 2025	31,128	41,714	72,842
Total comprehensive loss for the year	-	(1,044)	(1,044)
Balance as at 30 June 2025	31,128	40,670	71,798

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



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FPE 30 JUNE 2025**

	6 months ended 30.06.2025 RM'000	6 months ended 30.06.2024 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Loss before tax	(1,020)	(1,700)
Adjustments:		
Amortisation of right-of-use asset	2,342	3,610
Depreciation for plant and equipment	1,160	1,586
Finance costs:		
- Unwinding of interest expense of provision for restoration cost	9	9
- Lease interest expense	223	308
Fit out contribution	-	(83)
Loss on termination of MFRS 16	5	-
Interest income	(540)	(329)
Inventories		
- Written down / (Reversal)	11	(28)
- Written off	137	122
Plant and equipment written off	33	3
Unrealised loss / (gain) on foreign exchange	35	(40)
Unwinding of interest income – refundable deposit	(27)	(52)
Operating profit before changes in working capital	2,368	3,406
Changes in working capital:		
(Increase)/Decrease in:		
Inventories	6,382	10,617
Trade receivables	(495)	(115)
Other receivables, deposits and prepaid expenses	524	425
Amount due from holding company	-	82
Amount due from other related company	-	514
Increase/(Decrease) in:		
Trade payables	(597)	(3,857)
Other payables, accrued expenses and provision	(660)	(2,653)
Amount due to other related company	18	^
Cash generated from operations	7,540	8,419
Income tax paid	(120)	(342)
Income tax refund	24	-
Net cash from operating activities	7,444	8,077

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FPE 30 JUNE 2025**

	6 months ended 30.06.2025 RM'000	6 months ended 30.06.2024 RM'000
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Acquisition of plant and equipment	(1,082)	(87)
Interest received	540	329
Increase in short-term investment	(6,000)	-
Proceed from disposal of short-term investment	-	2,039
Net cash (used in)/from investing activities	(6,542)	2,281
CASH FLOWS USED IN FINANCING ACTIVITIES		
Interest paid	(223)	(307)
Repayment of lease liabilities	(2,384)	(3,682)
Net cash used in financing activities	(2,607)	(3,989)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(1,705)	6,369
Effect of exchange rate differences on the balance of cash held in foreign currencies	[^]	(4)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	31,818	18,531
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	30,113	24,896
Cash and cash equivalents comprise:		
Fixed deposits	24,269	8,128
Cash and bank balances	7,980	17,745
	32,249	25,873
Less: Fixed deposits pledged with licensed banks	(2,136)	(977)
	30,113	24,896

[^] Negligible

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



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
SECOND QUARTER ENDED 30 JUNE 2025**

A COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) (“LISTING REQUIREMENTS”)

A1 Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with all the new Malaysian Financial Reporting Standards (“MFRS”) and Amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

The unaudited condensed consolidated interim financial statements should be read in conjunction with audited financial statements for the financial year ended (“FYE”) 31 December 2024 and the accompanying explanatory notes therein. The explanatory notes attached to these unaudited condensed consolidated 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 Kim Hin Joo (Malaysia) Berhad and its subsidiaries (“Group”) since FYE 31 December 2024.

A2 Material Accounting Policy Information

The accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements for the FYE 31 December 2024, save for the adoption of the following amendments to MFRSs, which became effective and relevant to the Group for financial period beginning 1 January 2025:

Amendments to MFRS

Amendments to MFRS 121 *Lack of Exchangeability*

The adoption of the above amendments to MFRS did not have any material impact on the amounts reported in the financial statements of the Group upon its initial application.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
SECOND QUARTER ENDED 30 JUNE 2025****New MFRSs and amendments to MFRSs in issue but not yet effective**

At the date of authorisation for issue of these financial statements, the new MFRSs and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group are as listed below:

Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture¹</i>
Amendments to MFRSs	<i>Annual Improvements to MFRS Standards – Volume 11²</i>
Amendments to MFRS 9 and MFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments²</i>
MFRS 18	<i>Presentation and Disclosure in Financial Statements³</i>
MFRS 19	<i>Subsidiaries Without Public Accountability: Disclosures³</i>

¹ Effective date deferred to a date to be determined and announced by MASB.

² Effective immediately for annual periods beginning before 1 January 2026 with earlier application permitted.

³ Effective immediately for annual periods beginning before 1 January 2027 with earlier application permitted.

The adoption of these new MFRSs and amendments to MFRSs are not expected to have any material financial impact on the financial statements of the Group in the period of initial application.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Group for the FYE 31 December 2024 was not subject to any qualification.

A4 Seasonality

The Group's business operations are generally dependent on the Malaysia's economy, consumer confidence and Government restrictions and policies on retail operations, as well as major festive seasons sales such as Chinese New Year, Hari Raya and Christmas celebrations.

A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

A6 Changes in Estimates

There were no changes in estimates that have had a material effect on the current quarter results.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
SECOND QUARTER ENDED 30 JUNE 2025****A7 Changes in Debt and Equity Securities**

There was no issuance, cancellations, repurchases, resale or repayments of debt and equity securities during the current financial quarter.

A8 Dividends Paid

There was no dividend paid for the current financial quarter.

A9 Operating segments

The business segment of the Group comprises Retail and Distribution.

The segmental analysis of the Group's revenue by business segments are set out as follows:

	3 months ended		6 months ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
Retail	15,953	19,680	34,705	39,739
Distribution	2,569	3,102	5,067	6,138
Total	18,522	22,782	39,772	45,877

The major contributor to the revenue stream of the Group was from the retail segment, which constituted 87.26% of the Group's total revenue for FPE 30 June 2025, recording sales totalling RM34.71 million. This represents a decrease of approximately 12.66% compared to RM39.74 million recorded in the previous FPE 30 June 2024.

Meanwhile, the Distribution segment revenue recorded a decrease of 17.43% from RM6.14 million in the FPE 30 June 2024 to RM5.07 million in the FPE 30 June 2025.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
SECOND QUARTER ENDED 30 JUNE 2025**

A10 Valuation of Plant and Equipment

There were no valuations of plant and equipment during the current quarter under review.

A11 Material Subsequent Event

There were no significant events since the end of this current quarter up to the date of this announcement.

A12 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter.

A13 Contingent liabilities or contingent assets

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

A14 Recurrent Related Party Transactions (“RRPT”)

Save as disclosed below, there was no other RRPT for the FPE 30 June 2025:

	6 months ended	6 months ended
	30.06.2025	30.06.2024
	RM'000	RM'000
Purchases	467	612
Sales	527	362
Rental payable	480	480
E-Commerce management fees payable	135	142
Corporate management fees payable	-	55
Management service routine fees	-	98

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
SECOND QUARTER ENDED 30 JUNE 2025****B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS****B1 Review of Performance**

	Individual Period (2nd Quarter)				Cumulative Period (6 Months)			
	Current Year Quarter 30 June 2025	Preceding Year Corresponding Quarter 30 June 2024	Variance		Current Year-to-date 30 June 2025	Preceding Year Corresponding Period 30 June 2024	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	18,522	22,782	(4,260)	(18.70)	39,772	45,877	(6,105)	(13.31)
Gross Profit	8,096	9,490	(1,394)	(14.69)	17,350	19,225	(1,875)	(9.75)
Loss Before Tax	(753)	(626)	(127)	(20.29)	(1,020)	(1,700)	680	40.00

Current quarter ("Q2 2025") against preceding corresponding quarter ("Q2 2024")

The Group recorded a revenue of RM18.52 million for the current quarter, compared to RM22.78 million in the corresponding quarter of the previous year. The decline in revenue was mainly attributable to lower sales volumes across both retail & distribution segments.

As a result, the Group recorded a loss before tax ("LBT") of RM0.75 million in Q2 2025, compared to a LBT of RM0.63 million in Q2 2024.

Current year to date ended 30 June 2025 ("Q2 2025") against preceding year corresponding period dated 30 June 2024 ("Q2 2024")

For the FPE 30 June 2025, the Group registered revenue of RM39.77 million, compared to RM45.88 million in FPE 30 June 2024, representing a decrease of RM6.11 million or 13.31%.

The Group recorded a LBT of RM1.02 million in FPE 30 June 2025, compared to a LBT of RM1.70 million in FPE 30 June 2024.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
SECOND QUARTER ENDED 30 JUNE 2025****B2 Comment on material change in profit before taxation for current quarter compared with the immediately preceding quarter**

	Current Quarter 30 June 2025	Immediate Preceding Quarter 31 March 2025	Variance	
	RM'000	RM'000	RM'000	%
Revenue	18,522	21,250	(2,728)	(12.84%)
Gross Profit	8,096	9,255	(1,159)	(12.52%)
Gross Profit Margin	43.71%	43.55%		
Loss Before Tax	(753)	(267)	(486)	(182.02%)

For the current quarter under review, the Group registered revenue of RM18.52 million and LBT of RM0.75 million as compared to the revenue of RM21.25 million and LBT of RM0.27 million reported in the preceding quarter.

B3 Prospects

The retail environment in Malaysia continues to face challenges, with general weakness in consumer spending and declining birth rates affecting demand in the mother, baby, and children segment. In addition, the implementation of the new SST regime may further dampen performance, impacting both costs and revenue.

We continue to make progress in streamlining our total store portfolio across both Mothercare and The Entertainer. As part of this rationalisation, we expect to close two additional The Entertainer stores within the year, with the final two stores under this banner scheduled to close by 2026. This will allow us to redeploy resources toward higher-performing formats and growth channels.

Looking forward, our focus will remain on strengthening our brand portfolio and scaling our online channels to meet the evolving needs of parents and families. By sharpening our assortment, leveraging strong partnerships, and accelerating digital initiatives, we are confident of building a more resilient and future-ready business.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
SECOND QUARTER ENDED 30 JUNE 2025**

B4 Variance between Actual Profit and Forecast Profit

The Group has not provided any profit forecast in any public documents and announcements.

B5 Taxation

	3 months ended		6 months ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
Current tax	-	126	-	225
Deferred tax	10	21	24	40
Total	10	147	24	265

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit before tax for the current quarter and current financial period.

B6 Unquoted investments and properties

There were no purchases or sales of unquoted investment or properties for the current quarter.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities for the current quarter and the financial period to date.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
SECOND QUARTER ENDED 30 JUNE 2025****B8 Status of Corporate Proposals**

There is no corporate proposal announced but pending completion as at the date of this report.

B9 Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the end of current quarter to the date of the interim financial report.

B10 Material Litigation

As at the date of this report, there is no litigation against the Group which has a material effect on the financial position of the Group and the Board is not aware of any material litigation or any proceedings pending or threatened or of any fact likely to give rise to any proceedings.

B11 Earnings Per Share (“EPS”)

	3 months ended		6 months ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
BASIC EPS				
Loss attributable to owners of the Company (RM'000)	(763)	(773)	(1,044)	(1,965)
Weighted average number of ordinary shares in issue ('000)	380,000	380,000	380,000	380,000
Basic EPS (sen)	(0.20)	(0.20)	(0.27)	(0.52)

Notes:

The basic earnings per share is computed based on profit after tax attributable to the owners of the Company and divided by the weighted average number of shares in issue as at 30 June 2025.

There was no dilution in the earning per share as there was no potential diluted ordinary share outstanding as at the end of the current period under review.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
SECOND QUARTER ENDED 30 JUNE 2025****B12 Notes to the Statement of Comprehensive Income**

	3 months ended		6 months ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
The following items have been charged / (credited) in arriving profit from operations:				
Auditors' remuneration	44	54	89	108
Amortisation of right-of-use assets	1,252	1,797	2,342	3,610
Depreciation for plant and equipment	563	771	1,160	1,586
Reversal from short-term investment	-	17	-	-
Finance costs:				
Unwinding of interest expense of provision for restoration cost	3	5	9	9
Lease interest expense	121	144	223	308
Fit out contribution	-	(42)	-	(83)
Loss on termination of MFRS 16	-	-	5	-
Loss / (Gain) on foreign exchange:				
- Realised	13	(51)	31	32
- Unrealised	21	(45)	35	(40)
Interest income	(285)	(196)	(540)	(329)
Inventories:				
- Written down / (Reversal)	-	(28)	11	(28)
- Written off	28	65	137	122
Plant and equipment written off	12	3	33	3
Rent concessions	-	(4)	-	(6)
Unwinding of interest income – refundable deposit	(27)	(26)	(27)	(52)

B13 Authorisation for issue

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Board dated 29 August 2025.