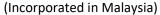
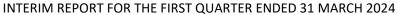
(Company No.: 201701041672 (1255845-W))







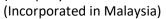
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (1)

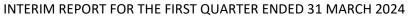
	Individual Quarter		Cumulativ	e Quarter
	31-Mar-2024	31-Mar-2023	31-Mar-2024	31-Mar-2023
	RM'000	RM'000	RM'000	RM'000
Revenue	22,358	23,561	22,358	23,561
Cost of sales	13,811	14,977	13,811	14,977
Gross profit	8,547	8,584	8,547	8,584
Other income	839	962	839	962
Administrative expenses	(4,818)	(4,660)	(4,818)	(4,660)
Distribution expenses	(2,327)	(1,856)	(2,327)	(1,856)
Operating profit	2,241	3,030	2,241	3,030
Finance costs	(296)	(270)	(296)	(270)
Profit before tax	1,945	2,760	1,945	2,760
Income tax expense	(652)	(780)	(652)	(780)
Profit for the financial period	1,293	1,980	1,293	1,980
Other comprehensive income, net of tax:				
Item that may be reclassified subsequently to pro	ofit or loss			
Exchange differences on translation				
of foreign operations	39	139	39	139
Other comprehensive income for the	20	400	20	400
financial period	39	139	39	139
Total comprehensive income for the financial period	1,332	2,119	1,332	2,119
·	· ·			
Profit attributable to:				
Owners of the Group	1,326	2,051	1,326	2,051
Non-controlling interests	(33)	(71)	(33)	(71)
	1,293	1,980	1,293	1,980
Total comprehensive income attributable to:				
Owners of the Group	1,365	2,190	1,365	2,190
Non-controlling interests	(33)	(71)	(33)	(71)
	1,332	2,119	1,332	2,119
Earnings per share attributable to ordinary share	holders:			
Basic and diluted (sen) ⁽²⁾	0.40	0.62	0.40	0.62

⁽¹⁾ The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

⁽²⁾ Based on weighted average number of ordinary shares in HPMT ("Shares") in issue during the period under review.

(Company No.: 201701041672 (1255845-W))





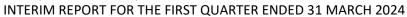


CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION $^{(1)}$

	Unaudited	Audited	
	As at	As at	
	31-Mar-2024	31-Dec-2023	
	RM'000	RM'000	
ASSETS			
Non-current assets			
Property, plant and equipment	69,629	71,568	
Right-of-use assets	587	676	
Deferred tax assets	250	245	
Total non-current assets	70,466	72,489	
_			
Current assets	22.674	22.442	
Inventories Current tax assets	32,671 324	33,413 168	
Trade and other receivables	17,558	16,740	
Short-term cash investments (2)	34,301	41,469	
Cash and bank balances	19,596	14,411	
Total current assets	104,450	106,201	
TOTAL ASSETS	174,916	178,690	
EQUITY AND LIABILITIES			
Share capital	103,553	103,553	
Other reserves	1,269	1,230	
Merger deficit	(54,067)	(54,067)	
Retained earnings	91,972	90,646	
Equity attributable to owners of the Company	142,727	141,362	
Non-controlling interests	58	91	
TOTAL EQUITY	142,785	141,453	
Non-current liabilities			
Loans and borrowings	10,720	11,215	
Lease liabilities	178	275	
Deferred income	488	588	
Deferred tax liabilities	6,405	6,418	
Total non-current liabilities	17,791	18,496	
Current liabilities			
Loans and borrowings	7,859	6,619	
Lease liabilities	404	395	
Deferred income	571	629	
Current tax liabilities	706	378	
Trade and other payables	4,800	10,720	
Total current liabilities	14,340	18,741	
TOTAL LIABILITIES	32,131	37,237	
TOTAL EQUITY AND LIABILITIES	174,916	178,690	
Net assets per share (RM)	0.43	0.43	

(Company No.: 201701041672 (1255845-W))

(Incorporated in Malaysia)





- (1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.
- (2) Fund placement with licensed financial institutions.

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INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024



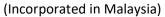
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY⁽¹⁾

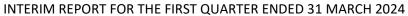
	Share capital RM'000	Exchange reserve RM'000	PRC statutory reserve RM'000	Merger deficit RM'000	Retained earnings RM'000	Sub-total RM'000	Non- controlling interest RM'000	Total equity RM'000
At 1 January 2024	103,553	1,022	208	(54,067)	90,646	141,362	91	141,453
Total comprehensive income								
for the financial period								
Profit for the financial period	-	-	-	-	1,326	1,326	(33)	1,293
Other comprehensive income for the financial period	-	39	-	-	-	39	-	39
Total comprehensive income	-	39	-	-	1,326	1,365	(33)	1,332
At 31 March 2024	103,553	1,061	208	(54,067)	91,972	142,727	58	142,785
At 1 January 2023 Total comprehensive income for the financial period	103,553	674	208	(54,067)	86,181	136,549	409	136,958
Profit for the financial period	-	-	-	-	2,051	2,051	(71)	1,980
Other comprehensive income for the financial period	-	139	-	-	-	139	-	139
Total comprehensive income	-	139	-	-	2,051	2,190	(71)	2,119
Transaction with owners								
Dividends paid	-	-	-		(1,150)	(1,150)		(1,150)
At 31 March 2023	103,553	813	208	(54,067)	87,082	137,589	338	137,927

Notes:

(1) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

(Company No.: 201701041672 (1255845-W))







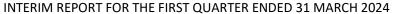
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW $^{(1)}$

Cumulative Quarter

Cash flows from operating activities	31-Mar-2024 RM'000 1,945	31-Mar-2023 RM'000 15,024
	1,945	15,024
	1,945	,
	1,945	
Profit before tax	,	2,760
		,
Adjustments for:		
Depreciation of property, plant and equipment	2,413	2,298
Depreciation of right-of-use assets	100	127
Government grant amortisation	(157)	(193)
Allowances for slow-moving inventories	185	127
Reversal of impairment loss on trade receivables	-	(1)
Finance costs	296	270
Interest income	(252)	(100)
Net fair value loss on derivatives	-	27
Net unrealised foreign exchange gain	(407)	(366)
Operating profit before working capital changes	4,123	4,949
Changes in working capital:	557	188
Trade and other receivables	(870)	(6,268)
Trade and other payables	(6,226)	620
Contract liabilities	-	(33)
Cash used in operation	(2,416)	(544)
Income tax paid	(498)	(371)
Interest paid	(18)	(17)
Interest received	45	31
Net cash used in operating activities	(2,887)	(901)
Cash flows from investing activities		
Purchase of property, plant and equipment	(24)	(49)
Net changes in short-term cash investments	7,301	(4,993)
Short-term cash investment income	207	69
Net cash from/(used in) investing activities	7,484	(4,973)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (continued) (1)

Cumulative Quarter

	31-Mar-2024 RM'000	31-Mar-2023 RM'000
Cash flows from financing activities		
Drawdown of revolving credit	300	-
Net drawdown/(repayment) of bankers' acceptances	1,195	(956)
Payment of lease liabilities	(98)	(121)
Drawdown of term loans	-	3,468
Repayment of term loans	(554)	(1,098)
Repayment of hire purchase	(15)	(20)
Interest paid	(278)	(253)
Dividends paid	- -	(1,150)
Net cash from/(used in) financing activities	550	(130)
Net increase/(decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the	5,147	(6,004)
financial period	14,411	26,231
Effects of exchange differences on translation	38	129
Cash and cash equivalents at the end of the financial period	19,596	20,356

For the purpose of the condensed consolidated statement of cash flows, cash and cash equivalents comprise of the following:

	Cumulative Quarter		
	31-Mar-2024	31-Mar-2023	
	RM'000	RM'000	
Cash and bank balances	19,596	20,356	
Short-term deposits placed with licensed banks	<u> </u>		
Cash and short-term deposits	19,596	20,356	
Less: Bank overdrafts	<u> </u>		
Cash and cash equivalents at the end of the financial			
period	19,596	20,356	

⁽¹⁾ The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

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INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024



PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements.

This interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The accounting policies adopted by the Group in the interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following Amendments to MFRS.

Adoptions of new MFRS and amendments to MFRSs effective for financial periods beginning on or after 1 January 2024:-

Amendments to MFRSs

MFRS 16 Leases - Lease Liabilities in a Sale and Leaseback
MFRS 101 Presentation of Financial Statements - Classification of

Liabilities as Current or Non-Current

MFRS 101 Presentation of Financial Statements - Non-Current Liabilities

with Covenants

MFRS 107 and MFRS 7 Statement of Cash Flows and Financial Instruments: Disclosures

- Supplier Finance Arrangements

The initial application of the abovementioned standards and amendments do not have any material impacts to the current and future periods financial statements upon their first adoption.

A3. Auditors' Report

There was no qualification on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2023.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal and cyclical factors during the current quarter and financial year-to-date under review.

A5. Material Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter and financial year-to-date under review.

A6. Material Changes in Estimates

There were no changes in estimates that have a material effect in the current quarter and financial year-to-date under review.

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INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024



PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (continued)

A7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current quarter and financial year-to-date under review.

A8. Dividends Paid

Dividends paid during the financial year ended 31 December 2024 are as follows:

i) Second interim dividend of 0.35 sen per share amounting to RM 1,149,712 for the financial year ended 31 December 2023 was paid on 8 April 2024.

A9. Segmental Information

The Group's operating segments are manufacturing, trading and coating services. These operating segments are required to be organised and managed for the purpose of making decisions about resource allocation and performance assessment. The Group's segmental revenue are as follows:

	Individual	Quarter	Cumulative Quarter		
	31-Mar-2024	31-Mar-2023	31-Mar-2024	31-Mar-2023	
	RM'000	RM'000	RM'000	RM'000	
<u>Revenue</u>					
Manufacturing	21,364	22,374	21,364	22,374	
Trading	425	791	425	791	
Coating	569	396	569	396	
Total	22,358	23,561	22,358	23,561	

A10. Property, Plant and Equipment

(i) Acquisitions and disposals

During current year, the Group acquired assets at cost of RM 0.47 million.

(ii) Impairment losses

There were no impairment losses during the current quarter and financial year-to-date under review.

(iii) Valuation

The Group has not carried out any valuation on its property, plant and equipment during the current quarter and financial year-to-date under review.

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INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024



PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING (continued)

A11. Material Events Subsequent to the end of the Quarter

There were no material events subsequent to the end of the current quarter and financial period under review that have not been reflected in the interim financial report.

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial period under review.

A13. Contingent Liabilities and Contingent Assets

As at 31 March 2024 RM'000

Corporate Guarantee issued to financial institutions in respect of banking facilities granted to subsidiary companies.

18,362

Save for the above, there were no changes in contingent assets and contingent liabilities of the Group, since the last audited accounts as at 31 December 2023.

A14. Material Capital Commitment

The capital commitments of the Group as at the end of the quarter under review were as follows:

	RM'000
Approved and contracted for	
Purchase of property, plant and equipment	442
Approved but not contracted for	
Purchase of property, plant and equipment	10,174
Total	10,616

A15. Significant Related Party Transactions

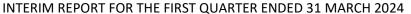
There were no significant related party transactions during the current quarter and financial period under review.

A16. Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current quarter and financial period under review.

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

B1. Review of Performance

	Individual Quarter			
	31-Mar-2024	31-Mar-2023	Char	iges
	RM'000	RM'000	RM'000	%
Revenue	22,358	23,561	(1,203)	-5.1%
Profit before Taxation	1,945	2,760	(815)	-29.5%

The Group recorded revenue and profit before taxation ("PBT") of approximately RM 22.36 million and RM 1.95 million respectively during the current quarter under review, representing a decrease of 5.1% and 29.5% as compared to RM 23.56 million and RM 2.76 million generated in the corresponding quarter ended 31 March 2023.

B2. Comparison with Immediate Preceding Quarter

	Current Quarter 31-Mar-2024	Preceding Quarter 31-Dec-2023	Chan	ges
	RM'000	RM'000	RM'000	%
Revenue	22,358	21,525	833	3.9%
Profit before Taxation	1,945	1,313	632	48.1%

The Group revenue for the current quarter was RM 22.36 million, an increase of RM 0.83 million as compared to RM 21.53 million generated during the preceding quarter. Revenue from the manufacturing segment increased by RM 1.36 million or 6.8% due to increased orders from dealers to replenish their inventory levels. Revenue from the coating segment increased by RM0.02 million or 3.8%. Revenue from the trading segment decreased by RM0.55 million or 56.3% with decrease in trading sales.

The Group's reported profit before taxation of RM 1.95 million for the current quarter is approximately RM 0.63 million higher as compared to profit before taxation of the preceding quarter of RM 1.31 million. The increase in PBT is primarily attributable to higher revenue derived in current quarter.

B3. Prospects for the Current Financial Year

Looking ahead, the Group acknowledges that the cutting tools industry faces headwinds from slower-than-expected global economic recovery and prolonged geopolitical tensions. The elevated cost environment at the macro level is expected to persist into 2024, continuing to impact its operational costs and margins.

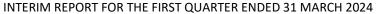
Despite this challenge, the Group remains steadfast in its commitment to prioritizing revenue expansion, production process enhancement, and product innovation to maintain competitiveness. The Board of Directors remains cautiously optimistic about the outlook of the Group's performance.

B4. Profit Forecast

The Group has not issued any profit forecast in any form of public documentation and announcement.

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PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (continued)

B5. Tax Expense

	Individual Qu	Individual Quarter		Cumulative Quarter		
	31-Mar-2024	31-Mar-2024 31-Mar-2023		31-Mar-2023		
	RM'000	RM'000	RM'000	RM'000		
Current Income Tax	670	937	670	937		
Deferred Tax	(18)	(157)	(18)	(157)		
Total	652	780	652	780		

The effective tax rate of the Group is 33.5% which is higher than the statutory income tax rate, this is mainly due to losses of certain subsidiaries not being available for set off against taxable profits of other subsidiaries and lower tax allowances claimable for current year.

B6. Status of Corporate Proposals

There are no corporate proposals announced but pending completion as at the date of this interim report.

B7. Utilisation of Proceeds from the Public Issue

Details of u	utilisation of proceeds	Estimated timeframe for utilisation upon Listing	Amount of proceeds RM'000	Actual Utilisation RM'000	Percentage utilised %
(.,	rchase of new machineries d equipment	Within 60 months ⁽¹⁾	34,000	26,381	77.6%
- Finishe	orking Capital: d goods inventories osts and raw materials	Within 24 months Within 24 months	1,000 1,910	1,000 1,910	100.0% 100.0%
(iii) Es	timated listing expenses	Immediate	5,400	5,400	100.0%
Total			42,310	34,691	

Notes:

(1) On 27 May 2022, the Company announced the extension of timeframe for the utilisation of proceeds allocated for purchase of new machineries and equipment from within 36 months to within 60 months.

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the company dated 17 May 2019.

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INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024



PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (continued)

B8. Group Borrowings

			As at 31-Mar-2024	As at 31-Mar-2023
		Currency	RM'000	RM'000
Long	-term Borrowings (secured)			
(i)	Term loans	MYR	10,555	12,007
(ii)	Hire purchase	MYR	165	227
Sub-	total	_	10,720	12,234
Shor	t-term borrowings (secured)			
(i)	Term loans	MYR	1,919	2,113
		EUR	-	1,464
(ii)	Hire purchase	MYR	62	62
(iii)	Bankers' acceptances	MYR	2,578	1,530
(iv)	Revolving credits	MYR	3,300	1,800
Sub-	total		7,859	6,969
Total borrowings			18,579	19,203

We utilise credit facilities such as overdrafts, revolving credits and bankers' acceptances to partially finance our working capital. In addition, we utilise term loans to finance purchase of our manufacturing equipment and factory building. The credit facilities are secured by corporate guarantees, specific debentures and properties.

B9. Derivative Financial Instruments

There were no financial derivatives during the current quarter under review.

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INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024



PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (continued)

B10. Material Litigation

As at the date of this interim financial report, the Group is not engaged in any material litigation or arbitration proceedings either as plaintiff or defendant, and the Directors are not aware of any proceedings pending or threatened against the Group, which may materially and adversely affect the financial position or business performance of the Group.

B11. Dividend

No dividend has been declared by the Company during the current quarter and financial year-to-date under review.

B12. Earnings Per Share ("EPS")

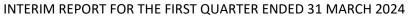
The basic and diluted EPS for the current quarter and financial year-to-date is computed as below:

	Individual Quarter		Cumulative Quarter	
	31-Mar-2024	31-Mar-2023	31-Mar-2024	31-Mar-2023
	RM'000	RM'000	RM'000	RM'000
Profit after tax attributable to the owner				
of the Group (RM'000)	1,326	2,051	1,326	2,051
Weighted average number of ordinary				
shares in issue ('000)	328,489	328,489	328,489	328,489
Basic EPS (sen) ⁽¹⁾	0.40	0.62	0.40	0.62
Diluted EPS (sen) ⁽²⁾	0.40	0.62	0.40	0.62

- (1) Basic EPS is calculated by dividing the profit attributable to owners of the Group by the weighted average number of ordinary shares outstanding during the period under review.
- (2) Diluted EPS is equivalent to the basic EPS as the Company does not have any convertible securities as at the end of the financial period under review.

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PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (continued)

B13. Profit Before Tax

	Individual Quarter		Cumulative Quarter	
	31-Mar-2024	31-Mar-2023	31-Mar-2024	31-Mar-2023
	RM'000	RM'000	RM'000	RM'000
Interest income	(252)	(100)	(252)	(100)
Other income	(180)	(204)	(180)	(204)
Interest expense	296	270	296	270
Depreciation of property, plant and				
equipment	2,413	2,298	2,413	2,298
Depreciation of right-of-use assets	100	127	100	127
Allowance for slow-moving inventories	185	127	185	127
Reversal of impairment loss on trade				
receivables	-	(1)	-	(1)
Realised loss/(gain) on foreign exchange	165	(290)	165	(290)
Unrealised gain on foreign exchange	(407)	(366)	(407)	(366)
Fair value loss on derivatives	-	27	-	27

Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Listing Requirements are not applicable.