



**SOUTHERN SCORE BUILDERS BERHAD**  
(Registration No. 200301019817 (622237-D))  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME<sup>(1)</sup>**

|   | Individual Quarter<br>3-month ended |  | Cumulative Quarter<br>9-month ended |   |
|---|-------------------------------------|--|-------------------------------------|---|
|   | Current Year<br>Quarter             | Preceding Year<br>Corresponding<br>Quarter | Current Year<br>To-Date             | Preceding Year<br>Corresponding<br>Period |
|   | 31.03.2024                          | 31.03.2023                                 | 31.03.2024                          | 31.03.2023                                |
|   | RM'000                              | RM'000                                     | RM'000                              | RM'000                                    |
| Revenue   | 39,352                              | 67,297                                     | 107,133                             | 177,770                                   |
| Cost of sales   | (27,895)                            | (51,596)                                   | (77,882)                            | (134,673)                                 |
| <b>Gross Profit</b>   | <b>11,457</b>                       | <b>15,701</b>                              | <b>29,251</b>                       | <b>43,097</b>                             |
| Other income  | 416                                 | 2,685                                      | 1,528                               | 3,587                                     |
| Administrative expenses   | (1,906)                             | (2,187)                                    | (5,897)                             | (6,395)                                   |
| <b>Operating Profit</b>   | <b>9,967</b>                        | <b>16,199</b>                              | <b>24,882</b>                       | <b>40,289</b>                             |
| Reverse acquisition expenses  | -                                   | -  | -                                   | (14,626)                                  |
| Share of loss of an associate   | -                                   | -  | (3)                                 | (2)                                       |
| Finance costs   | (271)                               | (65)                                       | (482)                               | (68)                                      |
| <b>Profit before tax</b>  | <b>9,696</b>                        | <b>16,134</b>                              | <b>24,397</b>                       | <b>25,593</b>                             |
| Tax expense   | (2,510)                             | (3,337)                                    | (5,842)                             | (8,977)                                   |
| <b>Profit after tax / Total comprehensive income</b>                  | <b>7,186</b>                        | <b>12,797</b>                              | <b>18,555</b>                       | <b>16,616</b>                             |
| <b>Profit after tax / Total comprehensive income attributable to:</b> |                                     |  |                                     |   |
| Owners of the Company   | 7,186                               | 12,797                                     | 18,555                              | 16,616                                    |
| <b>Earnings per share (sen)</b>                                       |                                     |  |                                     |   |
| Basic/ diluted <sup>(2)</sup>   | 0.32                                | 0.62                                       | 0.82                                | 0.81                                      |

**Notes:**

- (1) The basis of preparation of the unaudited condensed consolidated Statement of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the audited financial statements of Southern Score Builders Berhad ("**Company**") for the 6-month financial period ended 30 June 2023, as well as the accompanying explanatory notes attached to this interim financial report.
- (2) Basic earnings per share ("**EPS**") and diluted EPS are the same as the Company did not have any potential dilutive securities during the period.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION<sup>(1)</sup>**

|  | <b>Unaudited</b>        | <b>Audited</b>          |
|--|-------------------------|-------------------------|
|  | <b>As at 31.03.2024</b> | <b>As at 30.06.2023</b> |
|  | <b>RM'000</b>           | <b>RM'000</b>           |
| <b>ASSETS</b>                            |                         |                         |
| <b>NON-CURRENT ASSETS</b>                |                         |                         |
| Property, plant & equipment              | 1,705                   | 1,895                   |
| Investment in an associate               | 250                     | 253                     |
| Fixed deposits with licensed banks       | 7,912                   | 7,718                   |
| Total Non-Current Assets                 | <u>9,867</u>            | <u>9,866</u>            |
| <b>CURRENT ASSETS</b>                    |                         |                         |
| Contract assets                          | 23,997                  | 25,572                  |
| Trade receivables                        | 163,214                 | 88,447                  |
| Other receivables                        | 515                     | 1,787                   |
| Short term deposit placement             | 39,546                  | 71,121                  |
| Cash and bank balances                   | 1,004                   | 700                     |
| Total Current Assets                     | <u>228,276</u>          | <u>187,627</u>          |
| <b>TOTAL ASSETS</b>                      | <b><u>238,143</u></b>   | <b><u>197,493</u></b>   |
| <b>EQUITY AND LIABILITIES</b>            |                         |                         |
| <b>EQUITY</b>                            |                         |                         |
| Share capital                            | 117,042                 | 117,042                 |
| Retained earnings                        | 50,497                  | 31,942                  |
| <b>TOTAL EQUITY</b>                      | <b><u>167,539</u></b>   | <b><u>148,984</u></b>   |
| <b>LIABILITIES</b>                       |                         |                         |
| <b>NON-CURRENT LIABILITIES</b>           |                         |                         |
| Finance lease liabilities                | 148                     | 266                     |
| Deferred tax liabilities                 | 159                     | 159                     |
| Total Non-Current Liabilities            | <u>307</u>              | <u>425</u>              |
| <b>CURRENT LIABILITIES</b>               |                         |                         |
| Contract liabilities                     | 6,161                   | -                       |
| Trade payables                           | 45,800                  | 35,217                  |
| Other payables                           | 681                     | 1,504                   |
| Finance lease liabilities                | 156                     | 151                     |
| Bank overdraft                           | 15,060                  | 4,995                   |
| Tax payable                              | 2,439                   | 6,217                   |
| Total Current Liabilities                | <u>70,297</u>           | <u>48,084</u>           |
| <b>TOTAL LIABILITIES</b>                 | <b><u>70,604</u></b>    | <b><u>48,509</u></b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>      | <b><u>238,143</u></b>   | <b><u>197,493</u></b>   |
| Net assets per share (RM) <sup>(2)</sup> | 0.07                    | 0.07                    |

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)<sup>(1)</sup>**

**Notes:**

- (1) The basis of preparation of the unaudited condensed consolidated Statement of Financial Position are detailed in Note A1 and should be read in conjunction with the audited financial statements of Company for the 6-month financial period ended 30 June 2023, as well as the accompanying explanatory notes attached to this interim financial report.
- (2) The net assets per share as at 31 March 2024 and 30 June 2023 were calculated based on the enlarged share capital of the Group of 2,272,589,562 ordinary shares upon completion of the regularisation plan.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY<sup>(1)</sup>**

|  | SHARE<br>CAPITAL | CAPITAL<br>RESERVE | DISTRIBUTABLE<br>RETAINED<br>EARNINGS | TOTAL<br>EQUITY |
|--|------------------|--------------------|---------------------------------------|-----------------|
|  | RM'000           | RM'000             | RM'000                                | RM'000          |
| <b>As at 1 July 2023 (Audited)</b>   | <b>117,042</b>   | -                  | <b>31,942</b>                         | <b>148,984</b>  |
| Total profit or loss and other comprehensive income for the period (unaudited) | -                | -                  | 18,555                                | 18,555          |
| <b>As at 31 March 2024 (Unaudited)</b>   | <b>117,042</b>   | -                  | <b>50,497</b>                         | <b>167,539</b>  |
| <b>As at 1 July 2022 (Audited)</b>   | <b>9,793</b>     | <b>622</b>         | <b>(16,851)</b>                       | <b>(6,436)</b>  |
| Deemed cost purchase consideration   | 4,332            | -                  | -                                     | 4,332           |
| Adjustment arising from Reverse Acquisition                                    | (8,793)          | (622)              | 42,562                                | 33,147          |
| Issuance of placement shares pursuant to the regularisation plan               | 108,610          | -                  | -                                     | 108,610         |
| Issuance of settlement shares pursuant to the regularisation plan              | 3,100            | -                  | -                                     | 3,100           |
| Dividend payable   | -                | -                  | (22,726)                              | (22,726)        |
| Total profit or loss and other comprehensive income for the period (unaudited) | -                | -                  | 16,616                                | 16,616          |
| <b>As at 31 March 2023 (Unaudited)</b>   | <b>117,042</b>   | -                  | <b>19,601</b>                         | <b>136,643</b>  |

**Note:**

- (1) The basis of preparation of the unaudited condensed consolidated Statement of Changes in Equity are detailed in Note A1 and should be read in conjunction with the audited financial statements of Company for the 6-month financial period ended 30 June 2023, as well as the accompanying explanatory notes attached to this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS<sup>(1)</sup>**

|   | <b>Current year<br/>to-date<br/>31.03.2024<br/>RM'000</b> | <b>Preceding year<br/>to-date<br/>31.03.2023<br/>RM'000</b> |
|---|---|---|
| <b>OPERATING ACTIVITIES</b>   |   |   |
| Profit before tax   | 24,397  | 25,593  |
| <b>Adjustments:</b>   |   |   |
| Depreciation of property, plant and equipment                                     | 204   | 154   |
| Share of loss of an associate   | 3   | 2   |
| Gain on disposal of property, plant and equipment                                 | (3)   | -   |
| Reverse acquisition expenses  | -   | 14,626  |
| Waiver of director fee  | -   | (2,155)   |
| Interest expense  | 482   | 68  |
| Interest income   | (507)   | (390)   |
| Operating profit before working capital changes                                   | 24,576  | 37,898  |
| <b>Changes in working capital:</b>  |   |   |
| Contract assets/ liabilities  | 7,875   | (1,283)   |
| Receivables   | (73,521)  | (5,270)   |
| Payables  | 9,759   | (23,319)  |
| <b>Cash (used in)/ generated from operations</b>                                  | <b>(31,311)</b>   | <b>8,026</b>  |
| Interest received   | 39  | 321   |
| Income tax paid   | (9,620)   | (9,281)   |
| <b>Net cash used in operating activities</b>                                      | <b>(40,892)</b>   | <b>(934)</b>  |
| <b>INVESTING ACTIVITIES</b>   |   |   |
| Purchase of property, plant and equipment   | (176)   | (142)   |
| Proceed from sale of property, plant and equipment                                | 26  | -   |
| Net cash received from Reverse Acquisition  | -   | 7   |
| Interest received   | 301   | 69  |
| <b>Net cash generated from/(used in) investing activities</b>                     | <b>151</b>  | <b>(66)</b>   |
| <b>FINANCING ACTIVITIES</b>   |   |   |
| Repayment of finance lease liabilities  | (113)   | (44)  |
| Interest received   | 194   | -   |
| Interest paid   | (482)   | (68)  |
| Placement of fixed deposits   | (194)   | (7,692)   |
| Proceeds from issuance of placement shares pursuant to the regularisation plan    | -   | 108,610   |
| Repayment to a director   | -   | (1,613)   |
| <b>Net cash (used in)/generated from financing activities</b>                     | <b>(595)</b>  | <b>99,193</b>   |
| <b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>                       | <b>(41,336)</b>   | <b>98,193</b>   |
| <b>CASH AND CASH EQUIVALENTS BALANCE AT THE BEGINNING OF THE FINANCIAL PERIOD</b> | <b>66,826</b>   | <b>3,644</b>  |
| <b>CASH AND CASH EQUIVALENTS BALANCE AT THE END OF THE FINANCIAL PERIOD</b>       | <b>25,490</b>   | <b>101,837</b>  |

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)<sup>(1)</sup>**

|                                    | <b>Current year to-<br/>date<br/>31.03.2024<br/>RM'000</b> | <b>Preceding year<br/>to-date<br/>31.03.2023<br/>RM'000</b> |
|------------------------------------|--|---|
| <b>CASH AND CASH EQUIVALENTS</b>   |  |   |
| Fixed deposits with licensed banks | 7,912  | 7,692   |
| Short term deposit placement       | 39,546   | 81,043  |
| Cash and bank balances             | 1,004  | 25,788  |
| Bank overdraft                     | (15,060)   | (4,994)   |
|                                    | <u>33,402</u>  | <u>109,529</u>  |
| Less: Fixed deposits pledged       | (7,912)  | (7,692)   |
|                                    | <u><b>25,490</b></u>                                       | <u><b>101,837</b></u>                                       |

**Note:**

- (1) The basis of preparation of the unaudited condensed consolidated Statement of Cash Flows are detailed in Note A1 and should be read in conjunction with the audited financial statements of Company for the 6-month financial period ended 30 June 2023, as well as the accompanying explanatory notes attached to this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING**

**A1. Basis of Preparation**

This interim financial report is unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The accounting policies, estimates and judgements adopted in these interim financial statements are consistent with those adopted in the audited financial statements of the Group for the 6-month financial period ended 30 June 2023. This interim financial report should be read in conjunction with the audited financial statements of the Company for the 6-month financial period ended 30 June 2023.

The accompanying explanatory notes attached to this interim financial report provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group for the period ended 31 March 2024.

**A2. Significant Accounting Policies**

**A2.1 Adoption of Amendments/Improvements to MFRSs**

At the beginning of the financial period, the Group adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2023.

Initial application of the new standards/amendments/improvements to the standards did not have material impact to the financial statements.

**A2.2 Standards Issued But Not Yet Effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group’s financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective in the respective financial period.

*Amendments to MFRSs effective from annual periods beginning on or after 1 January 2024:-*

|                                     |   |
|-------------------------------------|---|
| Amendments to MFRS 16*              | Leases: Leases Liability in a Sales and Leaseback   |
| Amendments to MFRS 101*             | Presentation of Financial Statements: Non-current Liabilities with Covenants                  |
| Amendments to MFRS 101              | Presentation of Financial Statements: Classification of Liabilities as Current or Non-current |
| Amendments to MFRS 107* and MFRS 7* | Statement of Cash Flows: Supplier Finance Arrangements  |

*Amendments to MFRSs effective from annual periods beginning on or after 1 January 2025:-*

|                         |   |
|-------------------------|---|
| Amendments to MFRS 121* | The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability |
|-------------------------|---|

*Amendments to MFRSs effective for a date yet to be confirmed:-*

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

\* Not applicable to the Group’s operations.

The initial application of the above standards, amendments and interpretations are not expected to have any financial impact to the financial statements of the Group upon its first adoption.



**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

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**A3 Auditor's Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements of the Group for the 6-month financial period ended 30 June 2023 was not subject to any qualification.

**A4 Seasonal or Cyclical Factors**

The operations of the Group were not subject to any seasonal or cyclical changes during the current financial quarter and current financial year-to-date.

**A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

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

**A6 Material Changes in Estimates**

There were no material changes in the estimates that may have material effect on the results for the current financial quarter and current financial year-to-date.

**A7 Debts and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter and current financial year-to-date.

**A8 Dividends Paid**

No dividends were paid by the Company in the current financial quarter and current financial year-to-date.

**A9 Segmental Reporting**

Information on operating segment has not been reported as the Group's revenue, profit or loss, assets and liabilities are mainly contained to a single operating segment, namely construction. Information about geographical area has also not been reported as the Group's primary market is only Malaysia.

**A10 Carrying Amount of Revalued Asset**

The Group does not have a revaluation of property, plant and equipment policy.

**A11 Material Events Subsequent to the End of the Interim Period**

There were no material events subsequent to the current period ended 31 March 2024.

**A12 Changes in the Group Composition**

There were no changes to the composition of the Group in the current quarter under review and financial year-to-date including business combinations, acquisition or disposal of subsidiaries and long-term investment, restructuring and discontinued operation.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

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**A13 Contingent Liabilities and Contingent Assets**

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

**A14 Capital Commitment**

There were no capital commitments as at the end of the current financial quarter.

**A15 Significant Related Party Transactions**

|  | Individual Quarter<br>3-month ended                |  | Cumulative Quarter<br>9-month ended                 |   |
|--|--|--|---|---|
|  | Current<br>Year<br>Quarter<br>31.03.2024<br>RM'000 | Preceding Year<br>Corresponding<br>Quarter<br>31.03.2023<br>RM'000 | Current<br>Year To-<br>Date<br>31.03.2024<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>31.03.2023<br>RM'000 |
| Progress billing and retention sum issued to companies in which certain directors have interests               | 13,496   | 48,641   | 13,496  | 78,433  |
| Progress billing and retention sum issued to companies in which persons connected to a Director have interests | 847  | 11,480   | 8,492   | 60,686  |
| Accounting software expenses billed by a company in which certain directors have interest                      | -  | -  | -   | 69  |
| Payment made on behalf by a company in which certain directors have interest                                   | -  | -  | -   | 13  |
| Event space renting and refreshment expenses paid to a company in which certain directors have interests       | -  | 11   | 5   | 11  |

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 Review of Financial Performance**

|                               | Individual Quarter   |                |                                      |                | Cumulative Quarter   |                |                                     |                |
|-------------------------------|----------------------|----------------|--------------------------------------|----------------|----------------------|----------------|-------------------------------------|----------------|
|                               | 3-month ended        |                |                                      |                | 9-month ended        |                |                                     |                |
|                               | Current Year Quarter |                | Preceding Year Corresponding Quarter |                | Current Year To-Date |                | Preceding Year Corresponding Period |                |
|                               | 31.03.2024           |                | 31.03.2023                           |                | 31.03.2024           |                | 31.03.2023                          |                |
|                               | RM'000               | %              | RM'000                               | %              | RM'000               | %              | RM'000                              | %              |
| Turnkey construction services | 37,919               | 96.36%         | 57,976                               | 86.15%         | 97,149               | 90.68%         | 86,989                              | 48.93%         |
| Main construction services    | 1,433                | 3.64%          | 9,321                                | 13.85%         | 9,984                | 9.32%          | 90,781                              | 51.07%         |
| <b>Total revenue</b>          | <b>39,352</b>        | <b>100.00%</b> | <b>67,297</b>                        | <b>100.00%</b> | <b>107,133</b>       | <b>100.00%</b> | <b>177,770</b>                      | <b>100.00%</b> |

The Group recorded a total revenue of RM39.35 million for the current financial quarter which was RM27.95 million or 41.53% lower than the revenue of RM67.30 million recorded for the preceding year's corresponding quarter. The decrease in revenue for the current financial quarter compared to the preceding year's corresponding quarter was mainly due to lower revenue generated from its main construction services segment which was attributable to the completion of the Group's Vista Sentul Residences project in October 2023. In addition, revenue from the Group's turnkey construction services segment for the current financial quarter was lower mainly due to absence of a milestone billing for sub structure works of PV 22 Residences project which was incurred during the preceding year's corresponding quarter.

For the current financial year-to-date, the Group recorded a total revenue of RM107.13 million which is RM70.64 million or 39.74% lower than the revenue of RM177.77 million for the preceding year's corresponding period. The decrease in current financial year-to-date revenue is mainly due to lower revenue from its main construction services segment following the completion of the Group's Vista Wirajaya 1 @ PV9 Residences, Platinum Arena Residences and Vista Sentul Residences projects in November 2022, December 2022 and October 2023 respectively. The decrease in revenue contributed by the aforementioned projects were partially offset by the increase in revenue from the Group's turnkey construction services segment as more construction works were completed for the Group's on-going Vista Harmoni Sentul Residences and Berlian Setapak 2 Residences projects as well as securing the award for the main building works of PV 22 Residences project in February 2024.

In line with decrease in revenue, the Group recorded a profit before tax of RM9.70 million for the current financial quarter which was RM6.43 million or 39.86% lower than profit before tax of RM16.13 million recorded in the preceding year's corresponding quarter.

For the current financial year-to-date, despite the Group's revenue having decreased by 39.74% as compared to the preceding year's corresponding period, the Group only recorded a marginal decrease in its profit before tax, i.e. RM1.19 million or 4.65% lower than the profit before tax of RM25.59 million during the same period. The marginal decrease in profit before tax was mainly due to the absence of a one-off reverse acquisition expense of RM14.63 million which was incurred during the preceding year's corresponding period.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

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**B2 Comparison with Immediate Preceding Quarter's Results**

|                   | Individual Quarter |                   | Changes |       |
|-------------------|--------------------|-------------------|---------|-------|
|                   | Current Quarter    | Preceding Quarter | RM'000  | %     |
|                   | 31.03.2024         | 31.12.2023        |         |       |
|                   | RM'000             | RM'000            |         |       |
| Revenue           | 39,352             | 39,171            | 181     | 0.46  |
| Profit before tax | 9,696              | 8,645             | 1,051   | 12.16 |

The Group's revenue increased marginally by RM0.18 million or 0.46% from RM39.17 million in the immediate preceding quarter to RM39.35 million in the current financial quarter due to commencement of main building works for PV 22 Residences project in March 2024.

The Group's profit before tax increased by RM1.05 million or 12.16% from RM8.65 million in the immediate preceding quarter to RM9.70 million in the current financial quarter due to lower cost of sales as a result of cost adjustment for Vista Harmoni Sentul Residences project.

**B3 Prospects**

The Group remains optimistic about its future prospects, as the Company continues to actively participate in project tendering across both the public and private sectors. In the latest Quarterly Construction Statistics for Malaysia's First Quarter of 2024, a report unveiled by the Department of Statistics Malaysia on 13 May 2024, the value of construction work in the first quarter of 2024 recorded a notable surge of 14.2% on a year-on-year basis (in comparison to 6.8% in the fourth quarter of 2023) to RM36.8 billion (in comparison to RM34.1 billion in the fourth quarter of 2023).

On 28 February 2024, the Board announced that Southern Score Sdn Bhd, a wholly-owned subsidiary of the Company had accepted a letter of award to undertake the main building works of PV 22 Residences project for a contract sum of RM 618,248,000.00. The said project is expected to contribute positively to the Group's earnings until the completion of the project which is expected in year 2028.

On 7 May 2024, the Group had obtained shareholders' approval in an Extraordinary General Meeting ("EGM") to reallocate the proceeds earmarked for the injection of funds to TCS SS Precast Construction Sdn Bhd ("TSPC") amounting to RM21.80 million to venture into prospective businesses and/or assets to be acquired, particularly in the mechanical and electrical construction business and/or assets, which is in line with the Group's growth strategy to expand its construction services. The acquisition, if materialised, is expected to provide additional revenue stream as well as create new business synergies to the existing business of the Group.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

**B4 Profit Forecast**

On 9 July 2021, as part of its regularisation plan, the Company announced that it had entered into a profit guarantee agreement with Super Advantage Property Sdn Bhd (“Vendor”) whereby the Vendor had provided a profit guarantee to the Company as follows:

- (i) the Southern Score Sdn Bhd group shall achieve a minimum profit after tax of RM10 million for the financial year ending 31 December 2022 (“**FYE 2022**”);
- (ii) the Southern Score Sdn Bhd group shall achieve a minimum profit after tax of RM20 million for the financial year ending 31 December 2023 (“**FYE 2023**”); and
- (iii) the Southern Score Sdn Bhd group shall achieve a minimum profit after tax of any shortfall of the profit guarantee for the financial year ending 31 December 2024 (“**FYE 2024**”), which shall be equivalent to RM80 million on a cumulative basis for the period of FYE 2022 to FYE 2024 (“**Profit Guarantee Period**”)

Based on the audited results of the Southern Score Sdn Bhd group for financial year ended 31 December 2022 and financial period ended 30 June 2023, Southern Score Sdn Bhd group recorded a profit after tax of RM 32.02 million and RM 22.42 million respectively, therefore achieving the minimum profit after tax of RM10 million for the FYE 2022 and RM20 million for the FYE 2023 under the profit guarantee agreement.

Taking into consideration the Group’s prospects as set out in Note B3, the Directors of the Company are optimistic that the Southern Score Sdn Bhd group is likely to achieve the targeted profit over the Profit Guarantee Period.

**B5 Taxation**

Tax expense comprises the following:

|                    | 3-month ended           |  | 9-month ended           |   |
|--------------------|-------------------------|--|-------------------------|---|
|                    | Current Year<br>Quarter | Preceding Year<br>Corresponding<br>Quarter | Current Year<br>To-Date | Preceding Year<br>Corresponding<br>Period |
|                    | 31.03.2024              | 31.03.2023                                 | 31.03.2024              | 31.03.2023                                |
|                    | RM'000                  | RM'000                                     | RM'000                  | RM'000                                    |
| Income Tax         | 2,510                   | 3,337                                      | 5,842                   | 8,977                                     |
| Deferred tax       | -                       | -  | -                       | -   |
|                    | <u>2,510</u>            | <u>3,337</u>                               | <u>5,842</u>            | <u>8,977</u>                              |
| Effective tax rate | 25.9%                   | 20.7%                                      | 23.9%                   | 22.3% <sup>(1)</sup>                      |

Malaysian income tax is calculated at the statutory rate of 24% of the estimated assessable profits for the financial period. The effective tax rate was lower than the statutory tax rate mainly due to non-taxable capital gains and tax exempted interest income earned from money market fund placement, except for current financial quarter which recorded a under provision of previous year income tax during the current financial quarter.

**Note:**

- (1) The effective tax rate for the preceding year corresponding period; i.e. 31 March 2023 was calculated after excluding the reverse acquisition expenses of RM14.63 million.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

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**B6 Status of Corporate Proposals Announced but Not Completed**

On 13 May 2024, on behalf of the Board of Directors, Kenanga Investment Bank Berhad announced that the Company had entered into the following agreements:

(i) a conditional shares sale and purchase agreement with Ngo Hea Bing (“**NHB**”) for the proposed acquisition by the Company of 1,275,000 ordinary shares in SJEE Engineering Sdn Bhd (“**SJEE**”), representing 51% equity interest in SJEE for a total cash consideration of RM22,950,000 (“**Proposed Acquisition**”); and

(ii) a conditional shareholders’ agreement with NHB to regulate the relationship as well as the respective rights and obligations of shareholders of SJEE and to govern the conduct of the business and affairs of SJEE upon completion of the Proposed Acquisition.

The Proposed Acquisition is not conditional upon any other corporate exercises undertaken or to be undertaken by the Company.

The completion of the Proposed Acquisition is conditional upon the fulfilment or waiver (as case may be) of the conditions precedent as set out in the SSA.

Save for the above, there are no other corporate proposals announced by the Company but not completed as at the date of this interim financial report.

**B7 Group Borrowings**

The details of the Group’s borrowings are as follow:

|                              | <b>Unaudited</b>  | <b>Audited</b>    |
|------------------------------|-------------------|-------------------|
|                              | <b>As at</b>      | <b>As at</b>      |
|                              | <b>31.03.2024</b> | <b>30.06.2023</b> |
|                              | <b>RM'000</b>     | <b>RM'000</b>     |
| <b>Short Term Borrowings</b> |                   |                   |
| - Finance lease liabilities  | 156               | 151               |
| - Bank overdraft             | 15,060            | 4,995             |
|                              | <u>15,216</u>     | <u>5,146</u>      |
| <b>Long Term Borrowings</b>  |                   |                   |
| - Finance lease liabilities  | 148               | 266               |
|                              | <u>15,364</u>     | <u>5,412</u>      |

The Group’s borrowings above are all secured and denominated in Ringgit Malaysia.

**B8 Material Litigations**

There are no material litigations pending as at the date of this interim financial report.

**B9 Dividends**

No dividend has been declared or recommended by the Board of Directors during the current financial quarter and current financial year-to-date.

On 3 April 2024, the Board of Directors declared an interim dividend of 1.0 sen per ordinary share in respect of the financial year ending 30 June 2024 amounting to RM22.73 million to all holders of ordinary shares whose names appear in the Record of Depositors of the Company as at the close of business on 22 April 2024. The said dividends were subsequently paid on 30 April 2024.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024**

**B10 Earnings Per Share**

The basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of shares in issue during the period as follows:

|  | <b>Current Year<br/>Quarter<br/>31.03.2024</b> | <b>Preceding Year<br/>Corresponding<br/>Quarter<br/>31.03.2023</b> | <b>Current Year<br/>To-Date<br/>31.03.2024</b> | <b>Preceding Year<br/>Corresponding<br/>Period<br/>31.03.2023</b> |
|--|--|--|--|---|
| Profit attributable to owners of the Company (RM'000)              | 7,186  | 12,797   | 18,555   | 16,616  |
| Weighted average number of ordinary shares in issue ('000)         | 2,272,590                                      | 2,061,530  | 2,272,590                                      | 2,061,530   |
| <b>Basic/Diluted earnings/(loss) per share (sen)<sup>(1)</sup></b> | <b>0.32</b>                                    | <b>0.62</b>  | <b>0.82</b>                                    | <b>0.81</b>   |

**Note:**

- (1) The basic earnings per share and diluted earnings per share are the same as the Company did not have any potential dilutive securities during the period.

**B11 Notes to the Statement of Profit or Loss and Other Comprehensive Income**

Profit before taxation is arrived at after crediting / (charging) the following:

|   | <b>Individual Quarter<br/>3-month ended</b> |                              | <b>Cumulative Quarter<br/>9-months ended</b> |                              |
|---|---|------------------------------|--|------------------------------|
|   | <b>31.03.2024<br/>RM'000</b>                | <b>31.03.2023<br/>RM'000</b> | <b>31.03.2024<br/>RM'000</b>                 | <b>31.03.2023<br/>RM'000</b> |
| Interest income                                   | 134   | 188                          | 507  | 390                          |
| Depreciation                                      | (68)  | (66)                         | (204)  | (154)                        |
| Waiver of debt                                    | -   | 1,794                        | -  | 2,155                        |
| Finance costs                                     | (271)                                       | (65)                         | (482)  | (68)                         |
| Share of loss of an associate                     | -   | -                            | (3)  | (2)                          |
| Reverse acquisition expenses                      | -   | -                            | -  | (14,626)                     |
| Gain on disposal of property, plant and equipment | 3   | -                            | 3  | -                            |

Save as disclosed above, the other disclosure items as required under paragraph 16 of Appendix 9B of the ACE Market Listing Requirements of Bursa Securities are not applicable.

**SOUTHERN SCORE BUILDERS BERHAD**

(Registration No. 200301019817 (622237-D))

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2024****B12 Status of utilisation of proceeds raised from corporate proposal**

On 9 November 2022, the Company completed its regularisation plan which includes a private placement exercise following the listing and quotation of 543,047,900 Placement Shares at an issue price of RM0.20 per share on even date. As at 31 March 2024, the total proceeds generated from the private placement exercise of RM108.61 million ("Private Placement Proceeds") have been utilised as follows:

| No.          | Details of utilisation                                    | Original proposed utilisation | Actual Utilisation | Balance Unutilised <sup>(1)</sup> | Proposed Variation <sup>(1)</sup> | Original timeframe for the utilisation (from the Completion Date on 9 Nov 2022) | Revised timeframe for the utilisation (from the date of EGM on 7 May 2024 for the Proposed Variation) |
|--------------|---|-------------------------------|--------------------|-----------------------------------|-----------------------------------|---|---|
|              |   | RM'000                        | RM'000             | RM'000                            | RM'000                            |   |   |
| 1            | Injection of funds to TSPC                                | 21,800                        | -                  | 21,800                            | (21,800)                          | Within 18 months  | -   |
| 2            | Purchase of building materials                            | 25,000                        | (25,000)           | -                                 | 5,000                             | Within 18 months  | Within 18 months  |
| 3            | Repayment of contractors                                  | 25,000                        | (25,000)           | -                                 | 15,000                            | Within 18 months  | Within 18 months  |
| 4            | Acquiring/ rent of construction assets                    | 18,000                        | (2,700)            | 15,300                            | (15,000)                          | Within 18 months  | Within 12 months  |
| 5            | Acquiring of office                                       | 5,000                         | -                  | 5,000                             | (5,000)                           | Within 18 months  | -   |
| 6            | Working capital   | 9,410                         | (5,510)            | 3,900                             | -                                 | Within 24 months  | Within 12 months  |
| 7            | Estimated expenses in relation to the regularisation plan | 4,400                         | (4,400)            | -                                 | -                                 | Within 1 month  | -   |
| 8            | Business and/or assets to be acquired                     | -                             | -                  | -                                 | 21,800                            | -   | Within 24 months  |
| <b>Total</b> |   | <b>108,610</b>                | <b>(62,610)</b>    | <b>46,000</b>                     | <b>-</b>                          |   |   |

**Note:**

- (1) On 7 May 2024, the Company had obtained its shareholders' approval in an EGM to vary and extend the timeframe for the utilisation of the Private Placement Proceeds ("Proposed Variation"), details of which are set out in Section 2 of the circular to shareholders of the Company in relation to the Proposed Variation dated 22 April 2024.