



Harvest Miracle Capital Berhad

HARVEST MIRACLE CAPITAL BERHAD

**Company No. 199601010679 (383028-D)
(Incorporated in Malaysia)**

Year 2024

**Quarterly Announcement
For The Quarter Ended 31 December 2023**

HARVEST MIRACLE CAPITAL BERHAD
Company No. 199601010679 (383028-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2023

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31 December 2023 (Unaudited) RM'000	Preceding Year Corresponding Quarter 31 December 2022 (Unaudited) RM'000	Current Year To-date 31 December 2023 (Unaudited) RM'000	Preceding Year Corresponding Period 31 December 2022 (Unaudited) RM'000
Revenue	20,787	35,281	65,604	107,270
Cost of sales	(17,786)	(31,932)	(56,335)	(96,067)
Gross profit	3,001	3,349	9,269	11,203
Other income	20,947	7,162	21,468	7,344
	23,948	10,511	30,737	18,547
Operating expenses	(2,525)	(4,600)	(24,180)	(14,148)
Finance costs	(153)	(48)	(985)	(177)
Profit before taxation	21,270	5,863	5,572	4,222
Tax expense	(279)	75	(664)	7
Profit after taxation/ Total comprehensive income	20,991	5,938	4,908	4,229
Profit/(Loss) after taxation attributable to:-				
Owners of the Company	21,092	5,944	5,009	4,237
Non-controlling interests	(101)	(6)	(101)	(8)
	20,991	5,938	4,908	4,229
Total comprehensive income/(expenses) attributable to:-				
Owners of the Company	21,092	5,944	5,009	4,237
Non-controlling interests	(101)	(6)	(101)	(8)
	20,991	5,938	4,908	4,229
Earnings per share "EPS" (in sen)				
Basic EPS	1.66	0.54	0.40	0.39
Diluted EPS	1.66	0.54	0.40	0.39

(The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.)

HARVEST MIRACLE CAPITAL BERHAD
Company No. 199601010679 (383028-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
FOR THE QUARTER ENDED 31 DECEMBER 2023

	(UNAUDITED)	(AUDITED)
	As at	As at
	31 December 2023	31 March 2023
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property and equipment	36,877	4,746
Investment properties	154,728	93,592
Right-of-use assets	35,193	36,974
Other investment	-	284
Goodwill on consolidation	113	10
	226,911	135,606
Current Assets		
Inventories	12,086	16,117
Property development costs	-	175,547
Trade and other receivables	49,620	18,281
Current tax assets	2,642	3,069
Short-term investments	35,271	31,155
Cash and bank balances	11,523	32,249
	111,142	276,418
TOTAL ASSETS	338,053	412,024
EQUITY AND LIABILITIES		
EQUITY		
Share capital	285,613	285,291
Reserves	16,385	1,129
Equity attributable to owners of the Company	301,998	286,420
Non-controlling interests	13,228	503
TOTAL EQUITY	315,226	286,923
Non-Current Liabilities		
Lease liabilities	5,131	6,308
Term loan	2,000	-
Deferred tax liabilities	135	5,078
	7,266	11,386
Current Liabilities		
Trade and other payables	13,989	102,753
Lease liabilities	1,572	1,704
Contract liability	-	8,790
Current tax liabilities	-	468
	15,561	113,715
TOTAL LIABILITIES	22,827	125,101
TOTAL EQUITY AND LIABILITIES	338,053	412,024
Net assets per share (sen)	24.65	23.39

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.)

HARVEST MIRACLE CAPITAL BERHAD
Company No. 199601010679 (383028-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE (9) MONTHS ENDED 31 DECEMBER 2023

	Share Capital	Irredeemable Convertible Preference Shares ("ICPS")	Non-Distributable Warrants Reserve	Distributable Accumulated Losses	Attributable To Owners of the Company	Non- Controlling Interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 April 2022	261,958	3,413	26,182	(15,069)	276,484	529	277,013
Contribution by owners of the Company:							
- Conversion of ICPS	523	(523)	-	-	-	-	-
- Exercise of Warrants C	11,233	-	(4,575)	-	6,658	-	6,658
Total transaction with owners	11,756	(523)	(4,575)	-	6,658	-	6,658
Profit for the period	-	-	-	4,237	4,237	(8)	4,229
Balance as at 31 December 2022	273,714	2,890	21,607	(10,832)	287,379	521	287,900
Balance as at 1 April 2023	285,291	2,890	21,607	(23,368)	286,420	503	286,923
Contributions by owners of the Company:							
- Conversion of ICPS	322	(322)	-	-	-	-	-
Total transactions with owners	322	(322)	-	-	-	-	-
Changes in subsidiary interest that do not result in loss of control	-	-	-	10,569	10,569	3,431	14,000
Acquisition of subsidiaries	-	-	-	-	-	9,914	9,914
Changes in ownership interest	-	-	-	-	-	(519)	(519)
Profit for the period	-	-	-	5,009	5,009	(101)	4,908
Balance as at 31 December 2023	285,613	2,568	21,607	(7,790)	301,998	13,228	315,226

(The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.)

HARVEST MIRACLE CAPITAL BERHAD
Company No. 199601010679 (383028-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE NINE (9) MONTHS ENDED 31 DECEMBER 2023

	(UNAUDITED) CURRENT PERIOD-TO-DATE 9 MONTHS ENDED 31 December 2023 RM'000	(UNAUDITED) CORRESPONDING PERIOD-TO-DATE 9 MONTHS ENDED 31 December 2022 RM'000
CASH FLOW FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	5,572	4,222
Adjustments for:		
Depreciation of property and equipment	416	549
Depreciation of right-of-use assets	1,781	1,884
Depreciation of investment properties	41	128
Interest expense on lease liabilities	485	177
Interest expense	500	-
Loss on disposal of other investment	184	-
Gain on disposal of property and equipment	-	(1,003)
Gain on disposal of investment property	-	(52)
Loss/(Gain) on disposal of subsidiary	15,043	(5,933)
Bargain purchase on acquisition of subsidiaries	(12,237)	-
Reversal of impairment of impairment loss of a trade receivable	(8,497)	-
Property and Equipment written off	13	-
Interest income	(1,206)	(498)
Realisation of fair value arising from the acquisition of a subsidiary	-	309
Operating profit before changes in working capital	2,095	(217)
Net change in inventories	6,146	2,753
Net change in trade & other receivables	(15,959)	(33,802)
Net change in contract liability	(903)	8,865
Net change in trade & other payables	64,675	1,800
Cash flow from/(for) operations	56,054	(20,601)
Net income tax paid	(631)	(1,296)
Interest received	1,079	474
Net cash from/(for) operating activities	56,502	(21,423)
CASH FLOW (FOR)/FROM INVESTING ACTIVITIES		
Interest income received	127	24
Disposal of a subsidiary, net of cash and cash equivalent disposed of	789	-
Acquisition of a subsidiary, net of cash and cash equivalent acquired	(9,143)	-
Purchase of equipment	(999)	(333)
Development costs paid	(5,757)	(18,586)
Acquisition of investment property	(71,413)	-
Proceeds from disposal of other investment	100	-
Proceeds from disposal of investment property	-	2,220
Proceeds from disposal of property and equipment	2	4,300
Proceeds from disposal of subsidiary that does not involve loss of control	14,000	-
Proceeds from disposal of subsidiary	1,500	17,000
Net cash (for)/from investing activities	(70,794)	4,625
CASH FLOW (FOR)/FROM FINANCING ACTIVITIES		
Proceeds from exercise of Warrants C	-	6,658
Interest paid	(985)	-
Net repayment of lease liabilities	(1,333)	(1,801)
Net cash (for)/from financing activities	(2,318)	4,857
NET CHANGE IN CASH AND CASH EQUIVALENTS	(16,610)	(11,941)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	63,404	62,433
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	1 <u>46,794</u>	50,492
Note 1		31 December 2023
Cash and Cash Equivalents at End of the Financial Period comprised:		RM'000
Short-term investments		35,271
Cash and bank balances		11,523
		<u>46,794</u>

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

HARVEST MIRACLE CAPITAL BERHAD (“HMCB” or “the Company”)

Company No. 199601010679 (383028-D)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2023

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting

A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”), IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board and Paragraph 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Company and its subsidiaries (“the Group”) for the financial year ended 31 March 2023. The explanatory notes attached to the 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 the Group since the financial year ended 31 March 2023.

A2. Changes in Accounting Policies

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 March 2023 except for the adoption of the following:-

MFRSs and/or IC Interpretations (Including the Consequential Amendments):-

- MFRS 17, Insurance contracts and Amendments to MFRS 17, Insurance contracts
- Amendment to MFRS 17, Initial Application of MFRS 17 and MFRS 9—Comparative Information
- Amendments to MFRS 101, Disclosure of Accounting Policies
- Amendments to MFRS 108, Definition of Accounting Policies
- Amendments to MFRS 112, Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform – Pillar Two Model Rules

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting (Cont’d)

A2. Changes in Accounting Policies (Cont’d)

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by MASB but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including the Consequential Amendments):-

- Amendments to MFRS 10: Consolidated Financial Statements and MFRS 128: Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 16: Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101: Presentation of Financial Statements -Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
- Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

A3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the audited financial statements for the financial year ended 31 March 2023 was not qualified.

A4. Seasonality or Cyclicity of Operations

The Group’s operations are not materially affected by any seasonal or cyclical factors.

A5. Unusual Items

There are no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial period under review that were unusual because of their nature, size or incidence.

A6. Material Changes in Estimates

There were no material changes in estimates during the current financial period under review.

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting (Cont’d)

A7. Issuances, Repurchases, and Repayments of Debt and Equity Securities

Pursuant to the rights issue of 60,988,578 new ordinary shares on the basis of 1 new ordinary share for every 5 existing shares held on the entitlement date, together with 60,988,578 free detachable Warrants B (“Warrant(s) B”) on the basis of 1 Warrant B for every 1 new ordinary share subscribed for (“Rights Issue of Shares with Warrants B”), the Company has issued 60,988,578 new ordinary shares together with 60,988,578 Warrants B. The new ordinary shares and Warrants B have been listed on the ACE Market of Bursa Securities on 15 May 2019.

Pursuant to the rights issue of 914,828,754 new irredeemable convertible preference shares (“ICPS”) on the basis of 3 ICPS for every 1 existing share held on the entitlement date (“Rights Issue of ICPS”), the Company has issued 914,828,754 ICPS. The ICPS have been listed on the ACE Market of Bursa Securities on 15 May 2019.

Following the consolidation of every 4 existing ordinary shares in HMCB (“HMCB Shares”) into 1 HMCB Share which was completed on 4 February 2021, the numbers of ICPS and Warrants B as at the entitlement date of 68,251,151 and 59,053,778, respectively, have been adjusted to 17,062,777 and 14,763,424, respectively, effective from 4 February 2021.

Pursuant to the rights issue of 332,657,376 new HMCB Shares on the basis of 1 new HMCB Share for every 1 existing HMCB Share held on the entitlement date, together with 266,121,872 free detachable Warrants C (“Warrant(s) C”) on the basis of 4 Warrants C for every 5 new HMCB Shares subscribed for (“Rights Issue of Shares with Warrants C”), the Company has issued 332,657,376 new HMCB Shares together with 266,121,872 Warrants C. The new HMCB Shares and Warrants C have been listed on the ACE Market of Bursa Securities on 28 April 2021.

Additional ICPS of 4,238,295 and additional Warrants B of 3,667,077 which were adjusted following the Rights Issue of Shares with Warrants C were listed on the ACE Market of Bursa Securities on 28 April 2021.

During the quarter under review, the following shares have been issued and listed on the ACE Market of Bursa Securities on the following dates as a result of conversion of ICPS. No Warrant B and Warrant C were exercised during the quarter under review.

	No. of shares issued resulting from
Listing Date	Conversion of ICPS
12 October 2023	251,800
26 October 2023	100,000
1 November 2023	80,000
Total	431,800

As at 31 December 2023, the ICPS, Warrants B and Warrants C of the Company was 16,019,230, 18,430,501 and 125,946,372 respectively. The Company does not have any other existing convertible securities.

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period under review.

A8. Dividends Paid

There were no dividends paid during the current financial period under review.

A9. Operating Segments Information

The Group business segments comprise the following:-

- (i) Information Technology (“IT”) and Information Communication Technology (“ICT”) division - involved in trading in IT and ICT related products (hardware, software and accessories) (“IT and ICT Division”);
- (ii) Investment properties (“Property Investment Division”);
- (iii) Moneylending business (“Moneylending Business Division”);
- (iv) Plantation business, (“Plantation Business Division”);
- (v) Manufacturing and trading of clay bricks (“Manufacturing Division”); and
- (vi) Investment holding (“Investment Holding Division”).

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting (Cont’d)

A9. Operating Segment Information (Cont’d)

Segmental information is provided based on business segments, as follows:

	IT and ICT Division RM'000	Property Investment Division RM'000	Moneylending Business Division RM'000	Plantation Division RM'000	Manufacturing Division RM'000	Investment Holding Division RM'000	Other Division RM'000	The Group RM'000
Current quarter ended 31 December 2023								
Revenue								
External revenue	19,415	10	406	836	-	120	-	20,787
	<u>19,415</u>	<u>10</u>	<u>406</u>	<u>836</u>	<u>-</u>	<u>120</u>	<u>-</u>	<u>20,787</u>
Consolidation adjustment								-
Consolidated revenue								<u>20,787</u>
Results								
Segment profit/(loss)	405	2	208	424	-	290	(5)	1,324
Interest income	95	-	15	-	-	-	-	110
Equipment written off	-	-	-	-	-	(13)	-	(13)
Interest expense - Lease liabilities	(152)	-	(1)	-	-	-	-	(153)
Depreciation of property and equipment	(48)	(2)	(70)	(9)	-	(4)	-	(133)
Depreciation of property and equipment - ROU	(470)	-	(5)	(110)	-	-	-	(585)
Depreciation of investment properties	-	(14)	-	-	-	-	-	(14)
Bargain purchase gain on acquisition of a subsidiary	-	-	-	-	-	12,237	-	12,237
Reversal of impairment of a trade receivable	-	-	8,497	-	-	-	-	8,497
	<u>(170)</u>	<u>(14)</u>	<u>8,644</u>	<u>305</u>	<u>-</u>	<u>12,510</u>	<u>(5)</u>	<u>21,270</u>
Consolidated (loss)/profit before taxation	(170)	(14)	8,644	305	-	12,510	(5)	21,270
Tax expense	(94)	1	(71)	(96)	-	(19)	-	(279)
	<u>(264)</u>	<u>(13)</u>	<u>8,573</u>	<u>209</u>	<u>-</u>	<u>12,491</u>	<u>(5)</u>	<u>20,991</u>
Consolidated (loss)/profit after taxation	(264)	(13)	8,573	209	-	12,491	(5)	20,991
Assets								
Segment assets/Consolidated total assets	24,607	155,155	50,006	34,163	37,362	36,751	9	<u>338,053</u>
Liabilities								
Segment liabilities/Consolidated total liabilities	17,900	43	159	311	4,210	196	8	<u>22,827</u>

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting (Cont’d)

A9. Operating Segment Information (Cont’d)

	IT and ICT Division RM'000	Property Investment Division RM'000	Moneylending Business Division RM'000	Plantation Division RM'000	Investment Holding Division RM'000	Other Division RM'000	The Group RM'000
Current quarter ended							
31 December 2022							
Revenue							
External revenue	32,158	70	344	842	152	1,715	35,281
Consolidated revenue							<u>35,281</u>
Results							
Segment results	314	32	(179)	450	(216)	(514)	(113)
Interest income	4	-	-	-	-	1	5
Gain on disposal of property and equipment	1,003	-	-	-	-	-	1,003
Gain on disposal of investment property	-	52	-	-	-	-	52
Gain on disposal of subsidiary	-	-	-	-	5,933	-	5,933
Depreciation of property and equipment	(41)	(2)	(69)	(9)	(15)	(6)	(142)
Depreciation of right-of-use assets	(510)	-	-	(110)	-	-	(620)
Depreciation of investment properties	-	(47)	-	-	-	-	(47)
Interest expense on lease liabilities	(48)	-	-	-	-	-	(48)
Net realisation of fair value adjustments from the acquisition of a subsidiary	-	-	-	-	-	(160)	(160)
Consolidated profit/(loss) before taxation	722	35	(248)	331	5,702	(679)	5,863
Tax expense	(21)	(2)	53	-	-	45	75
Consolidated profit/(loss) after taxation	<u>701</u>	<u>33</u>	<u>(195)</u>	<u>331</u>	<u>5,702</u>	<u>(634)</u>	<u>5,938</u>
Assets							
Segment assets/Consolidated total assets	40,661	82,464	19,545	33,902	43,652	171,501	<u>391,725</u>
Liabilities							
Segment liabilities/Consolidated total liabilities	24,838	84	31	1	979	77,892	<u>103,825</u>

The Group operates principally in Malaysia.

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting (Cont’d)

A10. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the current quarter up to 16 February 2024, being the latest practicable date not earlier than seven (7) days from the date of the issue of this report that are expected to have an operational or financial impact on the Group.

A11. Changes in the Composition of the Group

Save as disclosed below, there were no other changes in the composition of the Group during current financial period under review.

On 11 October 2023, the Group had completed the disposal of 40% issued and paid-up capital of Viewnet Computer System Sdn. Bhd. (“VCS”). VCS had subsequently become direct 60% owned subsidiary of the Company.

On 29 December 2023, the Company had completed the acquisition of the following companies:

- a. 70% issued and paid-up share capital of Claybricks & Tiles Sdn. Bhd. (“CTSB”);
- b. 70% issued and paid-up share capital of Qualibricks & Tiles Sdn. Bhd. (“QTSB”); and
- c. 70% issued and paid-up share capital of Mandong Transport & Trading Sdn. Bhd. (“MTTSB”).

CTSB, QTSB, and MTTSB is a direct 70% owned subsidiary of the Company.

A12. Changes in Contingent Liabilities and Contingent Assets since the Last Annual Balance Sheet Date

Since the last annual balance sheet date, there were no material changes in contingent liabilities and contingent assets for the Group as at 16 February 2024 (the latest practicable date not earlier than seven (7) days from the date of issue of this report).

A13. Capital Commitments

There were no capital commitments as at 16 February 2024 (the latest practicable date not earlier than seven (7) days from the date of issue of this report) except as follows:

	RM’000
Approved and contracted for:	
- Investment properties under construction	73,509
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Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting (Cont’d)

A14. Related Party Transactions

The Group’s related party transactions are as follows:

	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To-date	Corresponding Period
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Professional services charged by a related party	3	11	22	33
Key management personnel:-				
- salaries and allowances	136	280	451	1,085
- defined contribution plans	16	33	53	129
- others	1	1	2	3
- fee	59	81	196	242

A15. Changes in Fair Value of Financial Assets and Financial Liabilities, Transfers and Classifications

There have been no significant changes in the business or economic circumstances that affect the fair value of the Group’s financial assets and financial liabilities in the current financial period under review.

Part B

Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements

B1. Detailed Analysis of Overall Performance

	Individual Quarter			Cumulative Period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year To-date	Preceding Year Corresponding Quarter	Changes
	31.12.2023 RM'000	31.12.2022 RM'000	%	31.12.2023 RM'000	31.12.2022 RM'000	%
Revenue by Division:-						
IT and ICT	19,415	32,158	(39.6)	61,100	100,085	(39.0)
Property Investment	10	70	(85.7)	57	210	(72.9)
Moneylending Business	406	344	18.0	1,115	1,560	(28.5)
Plantation	836	842	(0.7)	2,115	2,547	(17.0)
Investment Holding	120	152	(21.1)	1,078	474	127.4
Others	-	1,715	(100.0)	139	2,394	(94.2)
	20,787	35,281	(41.1)	65,604	107,270	(38.8)
Profit/(Loss) before taxation ("PBT"/"LBT") by Division:-						
IT and ICT	(170)	722	(123.5)	(575)	(293)	(96.2)
Property Investment	(14)	35	(140.0)	181	(55)	429.1
Moneylending Business	8,644	(248)	3,585.5	8,742	(98)	9,020.4
Plantation	305	331	(7.9)	545	1,184	(54.0)
Investment Holding	12,510	5,702	119.4	(2,609)	4,732	(155.1)
Others	(5)	(679)	99.3	(712)	(1,248)	42.9
	21,270	5,863	262.8	5,572	4,222	32.0

Overall Performance

The Group's revenue for the current quarter as compared to the preceding year's corresponding quarter has decreased by RM12.7 million (39.6%). The main contributor of the unpleasant result is from IT and ICT Division with significant drop in revenue from Do-It-Yourself ("DIY") products.

The Group achieved the exceptional good result due to reversal of impairment loss of a trade receivable amounting to RM8.5 million and RM12.2 million from bargain purchase gain on acquisition of subsidiaries. One off transaction reported in preceding year corresponding quarter at RM5.9 million. Result for both quarter under review after normalised the one-off transaction is comparable at breakeven level.

IT and ICT Division

Decline of revenue is mainly due to soft market demand in DIY product.

Preceding year corresponding quarter include RM1.0 million gain on disposal of property and equipment. The normalised result was LBT of RM0.3 million. Current quarter result of LBT RM0.1 million despite the drop in revenue was due to efficiency in cost control by the management.

Part B

Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

B1. Detailed Analysis of Overall Performance (Cont'd)

Moneylending Business Division

Revenue for both quarter under review is comparable.

PBT of RM8.6 million include reversal of impairment loss on a trade receivable amounting to RM8.5 million. The normalised PBT for current quarter under review is improved compared to preceding year corresponding quarter due to efficiency of cost control by management.

Plantation Division

Principal activities of the division is engaged in trading of Fresh Fruit Bunch ("FFB"). Revenue and PBT for both quarter under review are comparable.

Investment Holding Division

Revenue is comparable for both quarter under review.

PBT of RM12.5 million include bargain purchase gain on acquisition of subsidiaries under current quarter, while preceding year corresponding quarter PBT of RM5.7 million include gain on disposal of subsidiary of RM5.9 million.

Part B**Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)****B2. Comments on Material Changes in the Loss Before Taxation for the Quarter Reported as Compared with the Immediate Preceding Quarter**

	Current Quarter 31.12.2023 RM'000	Immediate Preceding Quarter 30.9.2023 RM'000	Changes %
Revenue by Division:-			
IT and ICT	19,415	20,019	(3.0)
Property Investment	10	19	(47.4)
Moneylending Business	406	383	6.0
Plantation	836	592	41.2
Investment Holding	120	542	(77.9)
Others	-	-	0.0
	20,787	21,555	(3.6)
PBT/(LBT) by Division:-			
IT and ICT	(170)	(378)	55.0
Property Investment	(14)	193	(107.3)
Moneylending Business	8,644	98	8,720.4
Plantation	305	142	114.8
Investment Holding	12,510	237	5,178.5
Others	(5)	(2)	(150.0)
	21,270	290	7,234.5

Overall Performance

Revenue for both quarter under review are comparable.

Improvement of PBT by RM 21.0 million is due to reversal of impairment loss of a trade receivable amounting to RM8.5 million and RM12.2 million from bargain purchase gain on acquisition of subsidiaries during the quarter under review.

IT and ICT Division

Revenue for both quarter under review is comparable.

Lower LBT for the quarter under review mainly due to rental rebate by the landlord during the quarter under review.

Part B

Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

B2. Comments on Material Changes in the Loss Before Taxation for the Quarter Reported as Compared with the Immediate Preceding Quarter (Cont'd)

Moneylending Business Division

Organic growth on revenue was due to increase in number of loan given out which generating higher interest income.

Improvement on bottom line was due to reversal of impairment loss of a trade receivable amounting to RM8.5 million.

Plantation Division

Revenue fluctuation was due to higher FFB output by 354 metric ton.

The bottom line was directly impacted by the fluctuation of revenue.

Investment Holding Division

Revenue reduced due to lower average short-term investment and bank balances during the reporting quarter which resulted in lower interest income.

The improvement of bottom line was due to bargain purchase gain on acquisition of subsidiaries amounting to RM12.2 million.

B3. Commentary on Prospects

In view of the uncertain domestic economic conditions, the Group is anticipating a challenging year ahead.

The Board will take a cautious risk-adjusted approach towards the deployment of funds to existing portfolios while continuing to seek more opportunities and assessing all factors and angles before deciding to undertake any such possibilities.

B4. Variance between Actual Profit and Forecast Profit or Profit Guarantee

There were no profit forecast or profit guarantee made public for the current financial period under review.

Part B

Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

B5. Tax Expense

The tax expense is as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2023 RM'000	Preceding Corresponding Quarter 31.12.2022 RM'000	Current Year To-date 31.12.2023 RM'000	Preceding Year Corresponding Period 31.12.2022 RM'000
Current tax expense:				
- For the current financial period	(261)	40	(646)	(49)
- underprovision in the previous financial year	(18)	(10)	(18)	(10)
	<u>(279)</u>	<u>30</u>	<u>(664)</u>	<u>(59)</u>
Deferred tax expense:				
- For the current financial period	-	45	-	66
	<u>-</u>	<u>45</u>	<u>-</u>	<u>66</u>
	<u>(279)</u>	<u>75</u>	<u>(664)</u>	<u>7</u>

B6. Status of Corporate Proposals

There were no corporate proposals as at 16 February 2024 (the latest practicable date not earlier than seven (7) days from the date of issue of this report).

B7. Details of Group Borrowings and Debt Securities

The Group's interest-bearing borrowings as at the end of the reporting period are as follows:

	As at 31.12.2023 RM'000	As at 31.12.2022 RM'000
Current		
Lease Liabilities	<u>1,572</u>	<u>1,791</u>
	1,572	1,791
Non-Current		
Lease Liabilities	5,131	103
Term loan	<u>2,000</u>	<u>-</u>
	7,131	103
Total	<u>8,703</u>	<u>1,894</u>

B8. Gains and Losses arising from Fair Value Changes of Financial Liabilities

No gains or losses were recognised for changes in fair values of financial liabilities during the quarter under review.

Part B

Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

B9. Changes in Material Litigation

The Directors were not aware of any material litigation, which, if enforced, may have a material impact on the profit or net asset value of the Group.

B10. Dividends

No interim dividend has been declared or proposed for the current financial period under review.

B11. Earnings per Share

The basic loss per share was calculated by dividing the loss after taxation attributable to the owners of the Company by the weighted average number of ordinary shares in issue in the respective period as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2023	Preceding Year Corresponding Quarter 31.12.2022	Current Year To-date 31.12.2023	Preceding Year Corresponding Period 31.12.2022
Profit after taxation attributable to the owners of the Company (RM'000)	21,092	5,944	5,009	4,237
Weighted average number of ordinary shares in issue	1,224,946,213	1,111,823,623	1,224,585,850	1,099,246,044
Basic earnings per share (sen)	1.66	0.54	0.40	0.39
Diluted earnings per share (sen)	1.66	0.54	0.40	0.39

Part B**Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)****B12. Notes to the Statement of Profit or Loss and Other Comprehensive Income**

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2023 RM'000	Preceding Year Corresponding Quarter 31.12.2022 RM'000	Current Year To-date 31.12.2023 RM'000	Preceding Year Corresponding Period 31.12.2022 RM'000
Interest income	230	156	1,206	498
Interest expense	-	-	500	-
Interest expense on lease liabilities	153	48	485	177
Gain on disposal of investment properties	-	52	-	52
Gain on disposal of subsidiary	-	5,933	-	5,933
Loss on disposal of subsidiary	-	-	15,043	-
Gain on disposal of property and equipment	-	1,003	-	1,003
Depreciation on property and equipment	133	140	416	549
Depreciation on right-of-use assets	585	620	1,781	1,884
Depreciation on investment properties	14	47	41	128
Plant and equipment written off	13	-	13	-
Net realisation of fair value arising from the acquisition of a subsidiary	-	160	-	309
Reversal on impairment loss on a trade receivable	8,497	-	8,497	-
Bargain purchase gain on acquisition of subsidiaries	12,237	-	12,237	-

B13. Authorisation for issue

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the directors dated 23 February 2024.