



**INTA BINA GROUP BERHAD**

Registration No. 201501009545 (1134880-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

**INTA BINA GROUP BERHAD**  
**[Registration No: 201501009545 (1134880-W)]**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED INTERIM FINANCIAL REPORT**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

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**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
		Current Quarter Ended 31/03/2023 RM'000	Comparative Quarter Ended 31/03/2022 RM'000	Current Period Ended 31/03/2023 RM'000	Comparative Period Ended 31/03/2022 RM'000
<b>Revenue</b>		<b>158,078</b>	111,369	<b>158,078</b>	111,369
Cost of sales		<b>(146,745)</b>	(103,401)	<b>(146,745)</b>	(103,401)
<b>Gross profit</b>		<b>11,333</b>	7,968	<b>11,333</b>	7,968
Other income		<b>374</b>	874	<b>374</b>	874
Administrative and other operating expenses		<b>(4,924)</b>	(4,392)	<b>(4,924)</b>	(4,392)
Operating profit		<b>6,783</b>	4,450	<b>6,783</b>	4,450
Finance costs		<b>(1,468)</b>	(652)	<b>(1,468)</b>	(652)
Share of results of joint venture		<b>269</b>	-	<b>269</b>	-
<b>Profit before tax</b>		<b>5,584</b>	3,798	<b>5,584</b>	3,798
Tax expense	<b>B5</b>	<b>(1,491)</b>	(1,020)	<b>(1,491)</b>	(1,020)
<b>Profit after tax</b>		<b>4,093</b>	2,778	<b>4,093</b>	2,778
Other comprehensive income		-	-	-	-
<b>Total comprehensive income</b>		<b>4,093</b>	2,778	<b>4,093</b>	2,778
<b>Profit Attributable to:</b>					
Owners of the Company		<b>4,051</b>	2,826	<b>4,051</b>	2,826
Non-controlling interest		<b>42</b>	(48)	<b>42</b>	(48)
		<b>4,093</b>	2,778	<b>4,093</b>	2,778
Earnings per share attributable to owners of the Company (sen):					
i) Basic	<b>B11</b>	<b>0.76</b>	0.53	<b>0.76</b>	0.53
ii) Diluted	<b>B11</b>	<b>0.75</b>	0.53	<b>0.75</b>	0.53

Note:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of Inta Bina Group Berhad ("the Company") for the financial year ended 31 December 2022 and the accompanying explanatory notes as attached to this interim financial report.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		(UNAUDITED) AS AT	(AUDITED) AS AT
		31/03/2023	31/12/2022
	Note	RM'000	RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		32,757	32,384
Investment properties		28,848	29,250
Joint venture company		997	728
Inventories		15,190	12,726
<b>Total non-current assets</b>		<b>77,792</b>	<b>75,088</b>
<b>Current assets</b>			
Trade receivables		171,898	191,748
Other receivable		22,423	19,583
Current tax assets		135	125
Contract assets		52,373	63,624
Amount due from a joint venture		2,379	1,379
Cash and short-term deposits		69,123	74,173
<b>Total current assets</b>		<b>318,331</b>	<b>350,632</b>
<b>TOTAL ASSETS</b>		<b>396,123</b>	<b>425,720</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		69,542	69,429
Other reserve		(33,575)	(33,549)
Retained earnings		120,237	116,186
<b>Equity attributable to owners of the Company</b>		<b>156,204</b>	<b>152,066</b>
Non-controlling interest		298	256
<b>Total Equity</b>		<b>156,502</b>	<b>152,322</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		1,466	1,466
Loans and borrowings	B7	6,827	8,182
<b>Total non-current liabilities</b>		<b>8,293</b>	<b>9,648</b>
<b>Current liabilities</b>			
Trade and other payables		132,140	179,350
Contract liabilities		17,224	4,882
Loans and borrowings	B7	80,548	78,592
Current tax liabilities		1,416	926
<b>Total current liabilities</b>		<b>231,328</b>	<b>263,750</b>
<b>TOTAL LIABILITIES</b>		<b>239,621</b>	<b>273,398</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>396,123</b>	<b>425,720</b>
<b>Net assets per share (RM)</b>		<b>0.292</b>	<b>0.284</b>

Note:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 December 2022 and the accompanying explanatory notes as attached to this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<----- Attributable to Equity Owners of the Company ----->						Non- Controlling Interest RM'000	Total Equity RM'000
	Non- distributable			Distributable		Total RM'000		
	Share Capital RM'000	Reorganisation Reserve RM'000	ESOS Reserve RM'000	Retained Earnings RM'000	Total RM'000			
At 01.01.2023	69,429	(34,621)	1,072	116,186	<b>152,066</b>	256	<b>152,322</b>	
Increase of investment in subsidiary	-	-	-	-	-	-	-	
ESOS exercised	113	-	(26)	-	<b>87</b>	-	<b>87</b>	
Total comprehensive income/(loss) for the financial year	-	-	-	4,051	<b>4,051</b>	42	<b>4,093</b>	
<b>At 31.03.2023</b>	<b>69,542</b>	<b>(34,621)</b>	<b>1,046</b>	<b>120,237</b>	<b>156,204</b>	<b>298</b>	<b>156,502</b>	
At 01.01.2022	69,429	(34,621)	-	111,991	<b>146,799</b>	132	<b>146,931</b>	
Newly incorporated subsidiary	-	-	-	-	-	113	<b>113</b>	
Total comprehensive income/(loss) for the financial year	-	-	-	2,826	<b>2,826</b>	(48)	<b>2,778</b>	
Dividends to owners of the Company	-	-	-	(2,676)	<b>(2,676)</b>	-	<b>(2,676)</b>	
<b>At 31.03.2022</b>	<b>69,429</b>	<b>(34,621)</b>	<b>-</b>	<b>112,141</b>	<b>146,949</b>	<b>197</b>	<b>147,146</b>	

Note:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 December 2022 and the accompanying explanatory notes as attached to this interim financial report.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	CUMULATIVE PERIOD	
	Current Period Ended 31/03/2023 RM'000	Comparative Period Ended 31/03/2022 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>Profit before tax</b>	<b>5,584</b>	3,798
Adjustments for:		
Non-cash items	<b>2,748</b>	2,776
Non-operating items	<b>983</b>	270
Operating profit before changes in working capital	<b>9,315</b>	6,844
Decrease in receivables	<b>16,009</b>	15,741
Decrease in payables	<b>(47,210)</b>	(37,772)
Contract assets/liabilities and others	<b>21,129</b>	3,975
<b>Cash flows used in operations</b>	<b>(757)</b>	(11,212)
Tax paid	<b>(1,010)</b>	(1,020)
<b>Net cash flows used in operating activities</b>	<b>(1,767)</b>	(12,232)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property, plant and equipment & investment properties	<b>(3,539)</b>	(906)
Proceeds from disposal of PPE & investment properties	<b>881</b>	228
Interest received	<b>154</b>	154
<b>Net cash flows used in investing activities</b>	<b>(2,504)</b>	(524)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Fixed deposit pledged	<b>(5,243)</b>	6,125
Interest paid	<b>(1,468)</b>	(652)
Increase in borrowings	<b>601</b>	15,833
Proceeds from ESOS	<b>88</b>	-
Proceeds from additional subscription of shares by non-controlling interest	-	113
Dividend paid	-	(2,676)
<b>Net cash flows (used in)/ from financing activities</b>	<b>(6,022)</b>	18,743
<b>Net (decrease) / increase in cash &amp; cash equivalent</b>	<b>(10,293)</b>	5,987
Cash & cash equivalent at beginning of the financial period	<b>30,745</b>	24,859
<b>Cash &amp; cash equivalent at end of the financial period</b>	<b>20,452</b>	30,846
<b>Cash &amp; cash equivalent consists of:</b>		
Short-term deposits placed with licensed banks	<b>48,671</b>	33,190
Less: Pledged deposits	<b>(48,671)</b>	(33,190)
	-	-
Cash and bank balances	<b>20,452</b>	30,846
	<b>20,452</b>	30,846

Note:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements of the Company for the financial year ended 31 December 2022 and the accompanying explanatory notes as attached to this interim financial report.

**A Explanatory Notes to the Unaudited Interim Financial Report for the First Quarter Ended 31 March 2023**

**A1 Basis of Preparation**

The unaudited interim financial report has been prepared in accordance with *MFRS 134 “Interim Financial Reporting”*, the *International Accounting Standards (“IAS”) 34 Interim Financial Reporting, Paragraph 9.22* of the *Main Market Listing Requirements of Bursa Malaysia Securities Berhad*.

The unaudited interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2022.

**A2 Significant Accounting Policies**

The significant accounting policies and presentations adopted by the Group are consistent with those adopted for the audited financial statements of the Group for the financial year ended 31 December 2022 except for the changes in accounting policies and presentation resulting from the adoption of relevant MFRSs, Amendment to MFRSs and IC Interpretations that are effective beginning on 1 January 2023.

The adoption of relevant MFRSs, Amendment to MFRSs and IC Interpretations do not have any significant financial impact on the financial statements of the Group.

**A3 Auditors’ Report**

There were no qualification on the audited financial statements of the Group for the financial year ended 31 December 2022.

**A4 Seasonal and Cyclical Factors**

The Group does not experience significant fluctuations in operations due to seasonal factors or cyclical factors during the current financial quarter under review and the financial period to date.

**A5 Items or Incidence of an Unusual Nature**

The Directors are not aware of any items or incidence of an unusual nature not otherwise dealt with in this report which may or has substantially affected the value of assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter under review and the financial period to date.

**A6 Effects of Changes in Estimates**

There were no material changes in estimates of amounts reported in the current financial quarter or changes in estimates of amounts reported in prior financial years that may have a material effect in the current financial quarter under review and the financial period to date.

**A Explanatory Notes to the Unaudited Interim Financial Report for the First Quarter Ended 31 March 2023 (Cont'd)****A7 Debt and Equity Securities**

There were no other issuances, cancellations, repurchases, resale and repayments of debts and equity securities for the current financial quarter under review and the financial period to date except for the following: -

Employees' Share Option Scheme ("ESOS")

During the current reporting quarter ended 31 March 2023, the Company has issued 420,000 ordinary shares through share options exercised under the ESOS.

**A8 Dividends**

On 11 April 2023, the Board of Directors paid second interim single tier dividend of 0.25 sen per ordinary share amounting to approximately RM1.34 million in respect of financial year ending 31 December 2022.

**A9 Segmental Reporting**

The Group is primarily involved in securing and carrying out construction contracts. As such, the Group's revenue for the current financial quarter under review and the financial period to date is derived primarily from its construction operations.

No geographical analysis has been prepared as the Group operates wholly in Malaysia.

**A10 Contingent Assets or Liabilities**

There were no contingent assets as at the date of this interim report. Contingent liabilities of the Group as at 31 March 2023 comprise of bank guarantees issued for contract works being carried out by the Group amounting to RM83.79 million.

**A11 Capital Commitments**

Save as disclosed below, there were no other material capital commitments as at the end of the current financial quarter and up to the date of this report.

	<u>RM'000</u>
Approved and contracted for:	
Plant and machineries	1,611
Investment properties	1,235
	<u>2,846</u>



**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023****A Explanatory Notes to the Unaudited Interim Financial Report for the First Quarter Ended 31 March 2023 (Cont'd)****A12 Significant Related Party Transactions**

	<b>Current Quarter Ended 31/03/2023 RM'000</b>	<b>Comparative Quarter Ended 31/03/2022 RM'000</b>	<b>Current Period Ended 31/03/2023 RM'000</b>	<b>Comparative Period Ended 31/03/2022 RM'000</b>
<b>Transactions with related party</b>				
Corporate shareholder of the Company- Apexjaya Industries Sdn Bhd (“Apexjaya”) Construction related cost charged by Apexjaya	<b>3,038</b>	2,566	<b>3,038</b>	2,566
Family member of Lim Ooi Joo Lim Yeong Kern Rental expenses charged by Lim Yeong Kern	<b>15</b>	15	<b>15</b>	15

**A13 Changes in Composition of the Group**

On 10 March 2023, the Company subscribed for 1 ordinary share of RM1 each in Seiring Setia Sdn. Bhd. representing 100% of the total equity of the company for a total cash consideration of RM1.

There were no other changes in the composition of the Group for the financial period ended 31 March 2022.

**A14 Significant Event Subsequent to the End of the Financial Year**

There were no material events subsequent to the end of the financial year.

**B Additional Information Required by the Listing Requirements**

**B1 Group Performance Review**

The Group recorded a higher revenue of RM158.08 million mainly from the construction of residential and commercial properties in the financial quarter under review. This is 41.9% higher than RM111.37 million reported in the previous corresponding quarter.

The Group profit before tax increased by 47.0% from RM3.80 million to RM5.59 million for the quarter while profit attributable to owners of the Company increased by 43.4% from RM2.83 million to RM4.05 million. Increase in the current quarter profit is mainly due to higher revenue achieved by the Group comparing to previous corresponding quarter with the gross profit margin at 7.2%.

**B2 Comparison with Immediate Preceding Quarter Results**

Group revenue has increased by 28.6% to RM158.08 million from RM122.94 million, while the profit before tax increased by 88.0% to RM5.58 million from RM2.97 million in the immediate preceding quarter. This was due mainly to improvement in gross profit margin for the current quarter arising from gradual stabilization of certain material and labour cost compared to the immediate preceding quarter.

**B3 Prospects and Outlook**

The global economic environment is expected to remain challenging and uncertain in the year 2023. Slower growth and tighter monetary policies in major economies, and subdued global trade activity are expected. Bank Negara Malaysia has maintained the country's growth forecast at 4% to 5% for 2023. Inflation is expected to moderate but tilted to the upside, with headline and core inflation projected to average between 2.8% and 3.8% in 2023.

Construction activity in Malaysia sustained its momentum in the first quarter of 2023 with the value of work done expanded by 9.4%. In 2022, the construction output expanded by 8.8%, rebounding from a 5% fall in 2021. Despite improvement in construction activity, the outlook of the construction sector in 2023 is expected to remain challenging, with heightened uncertainty due to high inflation, rising interest rates, geopolitical tensions, shortage of skilled workers as well as supply chain disruptions.

Nevertheless, the Board continues to stay mindful of challenging industry outlook by carrying out risk assessments and implementing various measures to manage consistent financial performance. The unbilled order book of approximately RM1.24 billion as of 31 March 2023 will sustain the Group's revenue and earnings over the next two to three years.

**B4 Profit Forecast**

The Company did not issue any profit forecast or guarantee during the current financial quarter under review and the financial period to date.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

**B Additional Information Required by the Listing Requirements (Cont'd)**

**B5 Tax expense**

	<b>Current Quarter Ended 31/03/2023 RM'000</b>	<b>Comparative Quarter Ended 31/03/2022 RM'000</b>	<b>Current Period Ended 31/03/2023 RM'000</b>	<b>Comparative Period Ended 31/03/2022 RM'000</b>
<b>Income Tax</b>				
-current period	<u>1,491</u>	<u>1,020</u>	<u>1,491</u>	<u>1,020</u>
	<u>1,491</u>	<u>1,020</u>	<u>1,491</u>	<u>1,020</u>

The effective tax rate is higher than the statutory tax rate mainly due to add-back of non-deductible expenses.

**B6 Corporate Proposal**

There are no corporate proposals announced by the Company but not completed as at the date of this report.

**B7 Group Borrowings**

The details of the borrowings of the Group are as follows:-

	<b>As at 31/03/2023 RM'000</b>	<b>As at 31/12/2022 RM'000</b>
<b>Non-current:</b>		
Term loans	1,720	1,793
Islamic term financing	2,330	2,348
Hire purchase payable	2,777	4,041
	<u>6,827</u>	<u>8,182</u>
<b>Current:</b>		
Term loans	293	306
Islamic term financing	71	75
Hire purchase payable	4,998	5,017
Bank overdraft	2,637	-
Bankers' acceptance	17,954	17,726
Revolving credit	10,500	10,500
Invoice financing	44,095	44,968
	<u>80,548</u>	<u>78,592</u>
<b>Total borrowings</b>	<u>87,375</u>	<u>86,774</u>

All the Group's borrowings are denominated in Ringgit Malaysia.

**B Additional Information Required by the Listing Requirements (Cont'd)**

**B8 Off Balance Sheet Financial Instruments**

Save for the contingent liabilities as disclosed in Note A10, there is no off-balance sheet financial instruments as at the date of this report.

**B9 Material Litigations**

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

**B10 Proposed Dividends**

No interim dividend has been declared for the current financial period to date.

**B11 Earnings Per Share**

The basic and diluted earnings per share for the current quarter and financial period are computed as follows:

	<b>Current Quarter Ended 31/03/2023</b>	<b>Comparative Quarter Ended 31/03/2022</b>	<b>Current Period Ended 31/03/2023</b>	<b>Comparative Period Ended 31/03/2022</b>
Profit attributable to owners of the Company (RM'000)	<b>4,051</b>	2,826	<b>4,051</b>	2,826
Weighted average number of shares in issue ('000)	<b>535,469</b>	535,259	<b>535,469</b>	535,259
Effect of dilution from ESOS in issue ('000)	<b>2,775</b>	-	<b>2,775</b>	-
	<b>538,244</b>	535,259	<b>538,244</b>	535,259
Basic earnings per share (sen) <sup>(1)</sup>	<b>0.76</b>	0.53	<b>0.76</b>	0.53
Diluted earnings per share (sen) <sup>(2)</sup>	<b>0.75</b>	0.53	<b>0.75</b>	0.53

Notes:

(1) The basic earnings per share is computed based on the profit attributable to the equity shareholders of the Company divided by the weighted average number of ordinary shares in issue for the financial year under review.

(2) The effects of potential ordinary shares arising from the exercise of Warrants does not have any potential dilutive effect and accordingly is excluded from the diluted earnings per share calculation.

**B Additional Information Required by the Listing Requirements (Cont'd)****B12 Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

Profit before tax is arrived at after (crediting)/charging:

	<b>Current Quarter Ended 31/03/2023 RM'000</b>	<b>Comparative Quarter Ended 31/03/2022 RM'000</b>	<b>Current Period Ended 31/03/2023 RM'000</b>	<b>Comparative Period Ended 31/03/2022 RM'000</b>
Interest income	<b>(154)</b>	(154)	<b>(154)</b>	(154)
Rental income	<b>(150)</b>	(169)	<b>(150)</b>	(169)
Interest expense	<b>1,468</b>	652	<b>1,468</b>	652
Loss on disposal of investment property	<b>35</b>	-	<b>35</b>	-
Gain on disposal of property, plant and equipment	<b>(96)</b>	(228)	<b>(96)</b>	(228)
Depreciation of property, plant and equipment	<b>2,590</b>	2,623	<b>2,590</b>	2,623
Depreciation of investment properties	<b>160</b>	153	<b>160</b>	153

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements are not applicable.

**B13 Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors of the Company in accordance with a resolution of the directors on 30 May 2023.

By Order of the Board  
**INTA BINA GROUP BERHAD**  
 Siew Suet Wei  
 Lim Yen Teng  
 Company Secretaries

Date: 30 May 2023