



SIAB HOLDINGS BERHAD

Registration No.: 202001043548 (1399869-A)

Interim Financial Report
For The Second Quarter Ended
30 June 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2024⁽¹⁾

	Notes	3-MONTH ENDED		YEAR-TO-DATE	
		Unaudited 30.06.2024 RM'000	Unaudited 30.06.2023 RM'000	Unaudited 30.06.2024 RM'000	Unaudited 30.06.2023 RM'000
Revenue	A9	38,256	67,358	64,517	104,193
Cost of sales		(35,708)	(70,393)	(59,798)	(107,425)
Gross profit/(loss)		2,548	(3,035)	4,719	(3,232)
Other income		21	189	154	364
Administrative expenses		(1,885)	(1,630)	(3,581)	(3,223)
Fair value gain on investment in quoted shares		-	1,278	-	1,158
Other expenses		(127)	(120)	(264)	(238)
Profit/(Loss) from operations		557	(3,318)	1,028	(5,171)
Finance income		129	109	239	229
Finance costs		(578)	(683)	(1,050)	(1,258)
Profit/(Loss) before tax ("PBT/LBT")	B11	108	(3,892)	217	(6,200)
Taxation	B6	(1)	(23)	(1)	(46)
Profit/(Loss) after tax and other comprehensive income ("PAT/LAT")		107	(3,915)	216	(6,246)
Profit/(Loss) and other comprehensive income for the financial period attributable to:					
• Owners of the Company		107	(3,915)	216	(6,246)
• Non-controlling interests		-	-	-	-
		<u>107</u>	<u>(3,915)</u>	<u>216</u>	<u>(6,246)</u>
Profit/(Loss) per share attributable to owners of the Company					
• Basic (sen)	B10	0.02	(0.80)	0.03	(1.28)
• Diluted (sen)	B10	0.02	(0.80)	0.03	(1.28)

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements for financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024⁽¹⁾

	Unaudited As at 30.06.2024 RM'000	Unaudited As at 30.06.2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	47,910	11,796
Right-of-use assets	6,567	4,513
Investment properties	5,882	5,296
Other investments	-	791
Deferred tax assets	3,268	3,632
Goodwill	63,454	-
Total non-current assets	127,081	26,028
Current Assets		
Trade and other receivables	305,795	81,335
Contract assets	178,305	60,209
Current tax assets	3,910	1,369
Cash and cash equivalents	41,491	17,359
Total current assets	529,501	160,272
TOTAL ASSETS	656,582	186,300
EQUITY AND LIABILITIES		
Equity		
Share capital	199,259	72,336
Merger reserve	(35,723)	(35,723)
Non-controlling interest	524	-
(Accumulated Losses)/Retained earnings	(4,608)	11,580
Total equity attributable to owners of the Group	159,452	48,193
Liabilities		
Non-current liabilities		
Loans and borrowings	33,474	18,082
Lease liabilities	1,008	-
Deferred tax liabilities	2,310	281
Total non-current liabilities	36,792	18,363
Current liabilities		
Trade and other payables	291,971	92,163
Loans and borrowings	154,575	24,107
Lease liabilities	1,161	-
Contract liabilities	12,631	3,474
Total current liabilities	460,338	119,744
TOTAL LIABILITIES	497,130	138,107
TOTAL EQUITY AND LIABILITIES	656,582	186,300
Number of shares in issue ('000)⁽²⁾	1,556,158	489,634
NET ASSETS PER SHARE (RM)	0.10	0.10

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements for financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share as at 30 June 2024 and as at 30 June 2023 is calculated based on the share capital of 1,556,158,390 shares in issue as at 30 June 2024 and share capital of 489,634,083 shares in issue as at 30 June 2023.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2024⁽¹⁾

	Share Capital	Merger Reserve	Retained Earnings/ (Accumulated Losses)	Total attributable to owners	Non- Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2023 (Audited)	72,336	(35,723)	17,826	54,439	-	54,439
Loss and total comprehensive expense for the financial year	-	-	(22,650)	(22,650)	-	(22,650)
Transaction with owners:						
Issuance of shares pursuant to private placement	12,000	-	-	12,000	-	12,000
Share issuance expenses	(300)	-	-	(300)	-	(300)
As at 31 December 2023 / 1 January 2024 (Audited)	84,036	(35,723)	(4,824)	43,489	-	43,489
Profit and total comprehensive income for the financial year	-	-	216	216	-	216
Non-controlling interests arising from acquisition of a subsidiary	-	-	-	-	524	524
Transaction with owners:						
Issuance of shares	117,983	-	-	117,983	-	117,983
Share issuance expenses	(2,760)	-	-	(2,760)	-	(2,760)
As at 30 June 2024 (Unaudited)	199,259	(35,723)	(4,608)	158,928	524	159,452

Note:

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

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2024⁽¹⁾

	YEAR-TO-DATE	
	Unaudited 30.06.2024 RM'000	Unaudited 30.06.2023 RM'000
Cash Flows from operating activities		
Profit/(Loss) before tax	216	(6,200)
Adjustments for:		
Depreciation of property, plant and equipment	1,131	1,197
Depreciation of right-of-use assets	34	23
Depreciation of investment properties	55	55
Finance income	(239)	(229)
Finance costs	1,051	1,258
Fair value gain on investment in quoted shares	-	(1,158)
Gain on disposal of property, plant and equipment	-	(75)
Gain on disposal of investment in quoted shares	-	(42)
Change in fair value of other investments	-	(34)
Operating profit/(loss) before working capital changes	<u>2,248</u>	<u>(5,205)</u>
Change in working capital		
Change in trade and other receivables and prepayments	4,654	(232)
Change in trade and other payables	3,463	18,875
Change in contract assets	(11,462)	(18,566)
Change in contract liabilities	(61)	(3,397)
Cash used in operations	<u>(1,158)</u>	<u>(8,525)</u>
Income tax paid	(89)	(849)
Interest paid	(1,051)	(1,258)
Net cash used in operating activities	<u>(2,298)</u>	<u>(10,632)</u>
Cash Flows from investing activities		
Acquisition of property, plant and equipment	(56)	(836)
Acquisition of right-of-use assets	(16)	(4,504)
Interest income received	239	229
Proceeds from disposal of investment in quoted shares	-	3,596
Proceeds from disposal of property, plant and equipment	-	75
Net cash outflows for the acquisition of a subsidiary	(55,705)	-
Net cash from/(used in) investing activities	<u>(55,538)</u>	<u>(1,440)</u>
Cash Flows from financing activities		
Change in deposits pledged	(21,701)	1,140
Net repayments of loans and borrowings	(1,826)	(3,585)
Net cash (used in)/from financing activities	<u>(23,527)</u>	<u>(2,445)</u>
Net decrease in cash and cash equivalents	(81,363)	(14,517)
Cash and cash equivalents at the beginning of the financial period	7,050	10,284
Cash and cash equivalents at the end of the financial period	<u>(74,313)</u>	<u>(4,233)</u>

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2024⁽¹⁾ (CONT'D)

	YEAR-TO-DATE	
	Unaudited 30.06.2024 RM'000	Unaudited 30.06.2023 RM'000
Cash and cash equivalents at the end of the financial period comprises:		
Fixed deposits with licensed banks	32,362	13,533
Cash and bank balances	9,129	3,826
	41,491	17,359
Less: Pledged deposits	(32,362)	(10,467)
	9,129	6,892
Bank overdrafts	(83,442)	(11,125)
Cash and cash equivalents in the consolidated statement of cash flows	(74,313)	(4,233)

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements for financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

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NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report of Siab Holdings Berhad (“Siab”) and its subsidiaries (the “Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

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

A2. Summary of Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 31 December 2023.

A3. Auditors’ report on preceding annual financial statements

The audited financial statements of the Group for the financial year ended 31 December 2023 were not subject to any qualification.

A4. Seasonal or cyclical factors

The business operations of the Group were not materially affected by seasonal and cyclical factors.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

A6. Material changes in estimates

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

A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A7. Debt and equity securities

During the financial period ended 30 June 2024, the issued share capital of the Company increased from 589,634,083 ordinary shares to 1,556,158,390 ordinary shares pursuant to:

- (i) the issuance of 766,524,307 new ordinary shares on 25 June 2024 as rights issue (“Right Shares”) at an issue price of RM0.12 per Right Shares, together with 383,262,154 free detachable warrants on the basis of 13 Rights Shares for every 10 existing ordinary shares held on 23 May 2024, together with 1 warrant for every 2 Rights Shares subscribed; and
- (ii) the issuance of 200,000,000 new ordinary shares on 27 June 2024 as consideration shares for the acquisition of 2,000,000 ordinary shares representing 100.00% of the equity interest in Taghill Projects Sdn Bhd at an issue price of RM0.13 per share.

Other than the above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter and financial year-to-date.

A8. Dividends

There was no dividend declared or paid for the current financial quarter and financial year-to-date.

A9. Segmental information

No geographical segment information is presented as the Group’s revenue and profit or loss are confined within Malaysia. The Group’s product and services segment information for the current financial quarter and financial year-to-date is as follows:

Analysis of revenue by business segments

	3-MONTH ENDED		YEAR-TO-DATE	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM’000	RM’000	RM’000	RM’000
Construction and civil engineering	38,256	67,139	64,495	103,969
ICT solutions and services	-	219	22	224
Total	38,256	67,358	64,517	104,193

A10. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment during the current financial quarter and financial year-to-date.

A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A11. Material events subsequent to the end of the current financial quarter

Save as disclosed in Note B5, there were no material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

A12. Changes in the composition of the Group

On 28 June 2024, the Company has completed the acquisition of 2,000,000 ordinary shares representing 100.00% of the equity interest in Taghill Projects Sdn Bhd for a total purchase consideration of RM122,000,000 which was satisfied via a combination of cash payment of RM96.00 million and issuance of 200,000,000 consideration shares at an issue price of RM0.13 per share.

The details of the net identifiable net assets acquired and net cash outflows as follows:

	Acquisition Date RM'000
Property, Plant and Equipment	37,181
Right-of-use assets	2,122
Investment properties	696
Trade and other receivables	239,084
Contract assets	123,421
Current tax assets	2,229
Cash and cash equivalents	22,013
Trade and other payables	(202,506)
Loans and borrowings	(150,709)
Contract liabilities	(10,990)
Lease liabilities	(1,161)
Deferred tax liabilities	(2,310)
Total identifiable net assets	<u>59,070</u>
Less: Non-controlling interest	(524)
Total identifiable net assets acquired	58,546
Goodwill on consolidation	<u>63,454</u>
Total purchase consideration	122,000
Less: Cash and cash equivalents acquired	(22,013)
Less: Shares issued for the purchase	(115,223)
Add: Bank overdrafts	70,941
Net cash outflows for acquisition of a subsidiary	<u>55,705</u>

Other than the above, there were no material changes in the composition of the Group during the current financial quarter and financial year-to-date.

A13. Contingent assets and contingent liabilities

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

A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A14. Capital commitments

There were no material capital commitments incurred or known to be incurred as at the date of this interim report.

A15. Related party transactions

There were no material related party transactions during the current financial quarter and financial year-to-date.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Performance

Results for current financial quarter and financial year-to-date

For the current second financial quarter ended, the Group recorded a revenue of RM38.26 million, decreasing by of RM29.10 million as compared to preceding year's corresponding quarter's revenue of RM67.36 million. The decrease in revenue for the current financial quarter is mainly due to lesser ongoing projects as compared to preceding year's corresponding quarter.

The Group's revenue is mainly derived from the construction and civil engineering segment, with the Malaysian market being the sole contributor. Meanwhile, the ICT solutions and services segment recorded nil revenue for the current financial quarter as compared to RM219,000 recorded for the corresponding quarter of the preceding year, as the sole ongoing project has ended in the previous financial quarter.

In the current financial quarter under review, despite registering lower revenue, the Group recorded a gross profit of RM2.55 million as compared to a gross loss of RM3.04 million in the preceding year's corresponding quarter.

For the current financial year-to-date, the Group recorded a PBT and PAT of RM0.22 million, as compared to an LBT and LAT of RM6.20 million and RM6.25 million, respectively, in the preceding financial year-to-date.

The loss recorded in the corresponding quarter of the preceding year was mainly attributable to lower profitability from ongoing projects due to elevated construction material costs and higher defect rectification cost incurred for completed projects.

B2. Comparison with the immediate preceding quarter's results

In the first and second quarter of the financial year ending 2024, the Group recorded revenue of RM26.26 million and RM38.26 million respectively. The higher revenue recognised in current quarter of RM12.00 million, as compared to immediate preceding quarter was mainly attributable to higher level of construction activities from on-going projects in the second quarter.

In the immediate preceding quarter, the Group recorded a gross profit of RM2.17 million, followed by a PBT and PAT of RM0.11 million. As compared to current financial quarter, the Group recorded gross profit of RM2.55 million, an increasing gross profit of RM0.38 million. For the current second financial quarter, the Group recorded a PBT and PAT of RM0.11 million, which is similar as the PBT and PAT of RM0.11 million reported in the immediate preceding quarter.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B3. Prospects and outlook

The Malaysian economy is projected to grow between 4.0% to 5.0% in 2024. Growth in 2024 is expected to be driven by resilient domestic expenditure and improvement in external demand. On the external front, the International Monetary Fund is projecting a rebound in global trade growth from 0.4% in 2023 to 3.3% in 2024. On the domestic front, household spending will be supported by continued employment and wage growth.

The construction industry in Malaysia expanded by 6.3% from RM53.44 billion in 2022 to RM56.69 billion in 2023. For current financial year 2024, the construction industry in Malaysia is expected to expand by 6.8% to RM60.49 billion, supported by broad-based growth across all subsectors. As outlined in the Budget 2024 (“2nd Belanjawan MADANI”), the allocation for development expenditure stands at RM99.0 million which is the largest ever, is expected to drive growth in the local construction industry.

The Malaysian Government’s focus on home ownership remains evident in the 2nd Belanjawan MADANI with an allocation of RM2.47 billion allocated to implement housing projects in year 2024 which includes a special guarantee fund of RM1 billion to encourage reputable developers to revive identified abandoned projects, RM546 million to continue the implementation of 36 Program Perumahan Rakyat, including a new project in Kluang, Johor.

The allocation also includes RM358 million to continue 14 Program Rumah Mesra Rakyat programme, which involves the construction of 3,500 housing units of RM460 million to aid approximately 65,000 impoverished rural residents for the construction of new homes or the renovation of their existing dilapidated houses, and RM100 million for the maintenance of low- and medium-cost public and private strata housing projects nationwide.

Furthermore, the acquisition of Taghill Projects Sdn Bhd has boosted to the Group’s order book to RM1.48 billion, a record high of the Group. Additionally, Taghill Projects Sdn Bhd has given a profit guarantee that this wholly owned subsidiary company shall attain consolidated profit after tax of not less than RM24.00 million for the financial year ending 2024 and 2025 on a cumulative basis.

The Group is continuing to actively participate in tenders for real estate, infrastructure projects as well as institutional buildings. Management will continue to enhance current cost control strategies and manage operational efficiency.

B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B5. Status of corporate proposals

Proposed Special Issue, Proposed Rights Issue with Warrants and Proposed Acquisition (Collectively, the "Proposals")

On 18 July 2023, the Company had entered into a share sale agreement for the proposed acquisition of 2,000,000 ordinary shares, representing 100.00% equity interest in Taghill Projects Sdn Bhd ("Taghill") from Wong Yih Ming, Chu Yee Hong and Yap Kek Siung (collectively referred to as Vendors), for a total purchase consideration of RM122.00 million to be fully satisfied via a combination of cash payment of RM96.00 million and RM26.00 million via the issuance of new ordinary shares in Siab ("Consideration shares") ("Proposed Acquisition").

Proposed Special Issue, Proposed rights issue with warrants and Proposed acquisition (Continued)

In consideration of Siab acquiring shares of Taghill, the Vendors have jointly and severally provided profit guarantee of attaining profit after tax and minority interest of not less than RM24.00 million for financial year ending 31 December 2024 and 31 December 2025 on a cumulative basis.

The proposed rights issue with warrants entails the issuance of 919,512,111 rights shares together with 459,756,056 warrants on the basis of 4 rights shares for every 3 existing Siab shares with 1 warrant for every 2 rights shares subscribed.

The Company intends to raise RM110.34 million from the proposed rights issue with warrants whereby RM96.00 million will be utilised as cash payment for the Proposed Acquisition ("Proposed Rights Issue with Warrants").

On 17 August 2023, an application was made to Bursa Securities for the admission of the warrants to the Official List of Bursa Securities as well as the listing of and quotation for the consideration shares, rights shares, warrants, and new Siab shares to be issued from the exercise of the warrants ("Application"). Subsequently on 28 August 2023, the Company has applied to Bursa Securities to withdraw this Application with the intention to review the structure of the Proposals.

On 15 September 2023, the Company and Vendors had mutually agreed to vary certain terms relating to the mode of payment for the Proposed Acquisition. In relation to this, the Company and Vendors had entered into an amended and restated share sale agreement to amend, restate, specify and/or supplement the relevant provisions of the share sale agreement.

- (i) proposed special issue of 100,000,000 new ordinary shares in Siab ("Share(s)" or "Siab Share(s)") representing approximately 20.42% of Siab's existing issued shares to independent third party investor(s) to be identified at an issue price of RM0.12 per Share ("Proposed Special Issue");
- (ii) renounceable rights issue of 766,524,308 new Siab Shares ("Rights Shares") together with 383,262,154 free detachable warrants ("Warrant(s)") on the basis of 13 Rights Shares for every 10 existing Siab Shares held on an entitlement date to be determined later together with 1 Warrant for every 2 Rights Shares subscribed ("Proposed Rights Issue with Warrants"); and

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B5. Status of corporate proposals (Continued)

Proposed Special Issue, Proposed rights issue with warrants and Proposed acquisition (Continued)

- (iii) proposed acquisition of 2,000,000 Taghill Shares from Chu Yee Hong, Wong Yih Ming and Yap Kek Siung, representing 100.00% of the equity interest in Taghill, for a total Purchase Consideration of RM122,000,000 to be fully satisfied via a combination of cash payment of RM96.00 million and issuance of 200,000,000 Consideration Shares at an issue price of RM0.13 per Share (“Proposed Acquisition”).

A second application was made to Bursa Securities on 26 September 2023 in relation to the revised Proposals. On 5 October 2023, the Company has proposed to vary the details of the Proposed Special Issue and Proposed Rights Issue with Warrants, as summarised below:

	Proposals as announced on 15 September 2023	Variation
Issue price of the Placement Shares	Issue price of the Placement Shares was fixed upfront at RM0.12 per Share.	Issue price of the Placement Shares shall be determined and fixed by the Board at a later date after obtaining the relevant approvals.
Rounding down the number of Rights Shares and Warrants	Renounceable rights issue of 766,524,308 Rights Shares together with 383,262,154 free detachable Warrants on the basis of 13 Rights Shares for every 10 existing Siab Shares held on the Entitlement Date together with 1 Warrant for every 2 Rights Shares subscribed.	Renounceable rights issue of 766,524,307 Rights Shares together with 383,262,153 free detachable Warrants on the basis of 13 Rights Shares for every 10 existing Siab Shares held on the Entitlement Date together with 1 Warrant for every 2 Rights Shares subscribed.
Undertaking and underwriting arrangement	The Placees for the Proposed Private Placement are required to provide irrevocable written undertaking(s), to subscribe in full for their respective entitlements under the Proposed Rights Issue with Warrants of 130,000,000 Rights Shares (“Undertakings”), whilst the balance 636,524,308 Rights Shares will be underwritten.	The entire 766,524,307 Rights Shares will be fully underwritten. The Placees will no longer be required to provide Undertakings to subscribe for the Proposed Rights Issue with Warrants.

On 27 October 2023, Bursa Securities had conditionally approved the Proposals.

On 18 December 2023, announcement was made where the Group had resolve to fix the issue price for the Special Issue Shares at RM0.12 per share. The Private Placement was completed with the listing of 100,000,000 new ordinary shares in Siab on 28 December 2023 (“Private Placement”).

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B5. Status of corporate proposals (Continued)

On 8 March 2024, an application was submitted to Bursa Securities to seek an extension of time of up to 25 July 2024 to complete the implementation of the Rights Issue with Warrants and issuance of the Consideration Shares in relation to the Acquisition. Subsequently, on 19 March 2024, Bursa Securities approved the said application.

On 7 May 2024, in relation to the Rights Issue with Warrants, the Group entered into an underwriting agreement with M & A Securities and NewParadigm Securities Sdn Bhd (formerly known as PM Securities Sdn Bhd) ("Joint Underwriters"), whereby the Joint Underwriters underwrite the entire portion of 766,524,307 Rights Shares for an aggregate amount of RM91.98 million to achieve a full subscription basis. On the same date, the Board announced the important relevant dates in relation to the Rights Issue with Warrants.

On 8 May 2024, the Group has executed the Deed Poll constituting the Warrants and announced the notice of rights entitlement and on 23 May 2024, the abridged prospectus in relation to the Rights Issue with Warrants was duly registered by Bursa Securities and lodged with the Registrar of Companies.

On 25 June 2024, the Proposed Rights Issue with Warrants was completed. On 28 June 2024, the Conditions For Completion as set out in the restated share sale agreement have been fulfilled and thus, the Proposed Acquisition was completed.

Save as disclosed above, there are no corporate proposals announced but not completed as at the date of this interim report.

B6. Income tax expenses

	3-MONTH ENDED		YEAR-TO-DATE	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Current tax expense	1	23	1	46
Deferred tax expense	-	-	-	-
Total tax expense⁽²⁾	1	23	1	46
Effective tax rate (%) ⁽¹⁾	0.93	N/A	0.46	N/A
Statutory tax rate (%)	24.00	24.00	24.00	24.00

Notes:

- (1) The Group's effective tax rate for the preceding year's corresponding quarter and the preceding year's financial year to date of 30 June 2023 were not applicable due to loss before taxation.
- (2) Income tax expense is recognised based on management's best estimate.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B7. Status of utilisation of proceeds

Proceeds from the initial public offering (“IPO”)

On 28 January 2022, the Company issued its prospectus in relation to the public issue of 122,409,000 new ordinary shares at RM0.30 per share in conjunction with the IPO exercise. The listing exercise was completed on 28 February 2022.

Details of utilisation of proceeds	Proposed utilisation	Deviation⁽¹⁾	Variations⁽²⁾	Actual utilisation	Balance unutilised	Revised timeframe for utilisation⁽³⁾
	RM'000	RM'000	RM'000	RM'000	RM'000	
	(A)	(B)	(C)	(D)	(A+B+C+D) = (E)	
Purchase of land and construction of storage facility	6,098	-	-	(4,520)	1,578	Within 24 months
Purchase of machinery and equipment	13,125	-	(5,234)	(7,449)	442	Within 24 months
Purchase of BIM system software	3,066	-	(3,066)	-	-	Within 24 months
Upgrade software and systems	810	-	-	(810)	-	Within 18 months
Working capital	9,300	473	2,300	(12,073)	-	Within 12 months
Office expansion	300	(37)	-	(263)	-	Within 24 months
Estimated listing expenses	4,023	(436)	-	(3,587)	-	Within 3 months
Repayment of bank borrowings and suppliers	-	-	6,000	(6,000)	-	Within 3 months
Total	36,722	-	-	(34,702)	2,020	

Notes:

- (1) Following the completion of office expansion in December 2022, the actual office expansion expenses were lower than the estimated amount, hence the excess of RM0.037 million was re-allocated for working capital purposes. The actual listing expenses were lower than the estimated amount, hence the excess of RM0.44 million was re-allocated for working capital purposes.
- (2) The initial IPO Proceeds of RM3.07 million to purchase BIM system software and RM2.93 million to purchase 2 units of tower crane and 1 unit of truck-mounted concrete pump have been re-allocated for the repayment of bank borrowings and suppliers. The initial IPO Proceeds of RM2.30 million to purchase 3 units of concrete placing boom, scaffoldings and 2 units of truck crane have been re-allocated for working capital purpose.
- (3) The revised timeframe for utilisation is from 29 February 2024, the expiry date of the initial timeframe for the utilisation of IPO Proceeds.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B7. Status of utilisation of proceeds (Continued)

Proceeds from the IPO (Continued)

On 22 May 2023, the Board had decided to vary the intended utilisation of the proceeds raised from the IPO exercise. On 27 February 2024, the Board had further varied the intended utilisation of the proceeds raised from the IPO exercise of RM2.30 million and has extended the timeframe for the utilisation of IPO Proceeds for an additional 24 months from 29 February 2024 which is the expiry date of the initial timeframe of the utilisation of IPO Proceeds.

Proceeds from the Private Placement

As at 30 June 2024, the status of the utilisation of proceed raised from the Private Placement are as follows:

Details of the utilisation	Proceeds raised RM'000	Actual utilisation RM'000	Intended timeframe for utilisation
Cash consideration for the Proposed Acquisition	12,000	(12,000)	Within 24 months from date of receipt of proceed on 28 December 2023
Total	12,000	(12,000)	

B8. Bank borrowings

The Group's bank borrowings were as follows:

	Unaudited As at 30.06.2024 RM'000	Unaudited As at 30.06.2023 RM'000
Current:		
Hire purchase liabilities	8,904	1,209
Term loans	8,082	3,388
Bank overdrafts	83,442	11,125
Revolving credit	5,000	5,000
Recourse factoring	2,928	3,385
Bankers' acceptance	4,960	-
Contract financing	41,259	-
	154,575	24,107
Non-current:		
Hire purchase liabilities	5,186	1,930
Term loans	28,288	16,152
	33,474	18,082
Total bank borrowings	188,049	42,189

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

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B9. Dividend

There was no dividend declared or paid for the current quarter and financial year-to-date.

B10. Earnings per share

The basic and diluted profit/(loss) per share for the current financial quarter and financial year-to-date are computed as follows:

	3-MONTH ENDED		YEAR-TO-DATE	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Profit/(Loss) attributable to ordinary owners of the Company (RM'000)	107	(3,915)	216	(6,246)
Weighted average number of ordinary shares ('000)	648,965	489,634	619,300	489,634
Basic earnings/(loss) per share (sen) ⁽¹⁾	0.02	(0.80)	0.03	(1.28)
Weighted average number of diluted ordinary shares ('000)	674,235	489,634	631,935	489,634
Diluted earnings/(loss) per share (sen) ⁽¹⁾	0.02	(0.80)	0.03	(1.28)

Note:

- (1) The basic earnings per share is computed based on profit after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 30 June 2024. The diluted earnings per share is computed based on profit after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares plus the weighted average number of ordinary shares that would be issued on exercise of all warrants as at 30 June 2024.

The basic and diluted loss per share was computed based on loss after taxation attributable to the owners of the Company and divided by 489,634,083 ordinary shares in issue as at 30 June 2023. There were no dilutive instruments as at the preceding corresponding quarter and preceding year-to-date.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B11. Disclosure on selected expense/income items as required by the Listing Requirements

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

	3-MONTH ENDED		YEAR-TO-DATE	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	616	759	1,131	1,197
Depreciation of investment properties	28	28	55	55
Depreciation of right-of-use assets	17	17	34	23
Interest expense	578	683	1,051	1,258
Interest income	(129)	(109)	(239)	(229)
Rental income	-	(129)	-	(155)
Fair value gain on investment in quoted shares	-	(1,278)	-	(1,158)
Gain in fair value change of other investments	-	(18)	-	(34)
Gain on disposal of investment in quoted shares	-	(42)	-	(42)
Gain on disposal of property, plant and equipment	-	-	-	(75)

Save as disclosed above, the other disclosure items as required under Rule 16 of Appendix 9B of the Listing Requirements are not applicable.

BY ORDER OF THE BOARD

SIAB HOLDINGS BERHAD

26 August 2024