



LIM SEONG HAI CAPITAL BERHAD

Registration No.: 202001036664 (1392985-A)

(Incorporated in Malaysia under the Companies Act 2016)

**UNAUDITED FINANCIAL STATEMENTS
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD
("BURSA SECURITIES")**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY LIM SEONG HAI CAPITAL BERHAD ("LSH CAPITAL" OR THE "COMPANY"). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

LIM SEONG HAI CAPITAL BERHAD
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**UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024⁽¹⁾**

	Unaudited as at 30 September 2024 RM'000	Audited as at 30 September 2023 RM'000
ASSETS		
NON-CURRENT ASSETS		
Investment in an associate	1,274	1,382
Plant and equipment	31,591	29,996
Investment properties	3,671	3,692
Rights-of-use assets	1,936	3,664
Intangible assets	303	455
Deferred tax assets	2,172	1,924
Goodwill	148,967	148,967
TOTAL NON-CURRENT ASSETS	189,914	190,080
CURRENT ASSETS		
Inventories	171,734	167,577
Trade receivables	99,181	115,022
Other receivables, deposits and prepayments	8,467	18,037
Contract assets	123,849	69,410
Current tax assets	-	851
Fixed deposits with a licensed bank	8,595	14,823
Cash and bank balances	40,143	13,874
TOTAL CURRENT ASSETS	451,969	399,594
TOTAL ASSETS	641,883	589,674

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**UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024 ⁽¹⁾**

	Unaudited as at 30 September 2024 RM'000	Audited as at 30 September 2023 RM'000
EQUITY		
Share capital	334,768	334,768
Merger reserve	(29,619)	(29,619)
Retained profits	170,160	115,678
EQUITY ATTRIBUTABLE TO EQUITY OWNERS OF THE COMPANY	475,309	420,827
Non-controlling interests	9	56
TOTAL EQUITY	475,318	420,883
LIABILITIES		
NON-CURRENT LIABILITIES		
Lease liabilities	432	2,124
Hire purchase payables	1,185	520
Term loan	8,729	7,380
Deferred tax liabilities	1,908	1,732
TOTAL NON-CURRENT LIABILITIES	12,254	11,756
CURRENT LIABILITIES		
Trade payables	64,158	84,690
Other payables and accruals	16,767	38,520
Contract liabilities	33,504	22,133
Term loan	17,469	1,984
Bankers' acceptance	12,099	3,230
Bank overdraft	-	-
Hire purchase payables	504	928
Lease liabilities	1,789	2,037
Current tax liabilities	8,021	3,513
TOTAL CURRENT LIABILITIES	154,311	157,035
TOTAL LIABILITIES	166,565	168,791
TOTAL EQUITY AND LIABILITIES	641,883	589,674
Number of shares ('000)	706,360	706,360
Net assets per ordinary share (Sen)	67.29	59.58

Note:

(1) The basis of the preparation of the Unaudited Condensed Consolidated Statement of Financial Position is disclosed in note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30 September 2023 and the accompanying explanatory notes attached to this interim financial report.

LIM SEONG HAI CAPITAL BERHAD
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**UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024 ⁽¹⁾**

	Unaudited		Unaudited	Audited
	Individual 6 months ended		Cumulative 12 months ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	146,309	236,349	361,405	357,755
Cost of sales	(80,080)	(170,752)	(233,218)	(254,283)
Gross profit	66,229	65,597	128,187	103,472
Other income	355	881	934	1,296
Selling and marketing expenses	(531)	(1,987)	(3,579)	(2,306)
Administrative expenses	(11,654)	(9,361)	(26,464)	(17,595)
Other expenses	(1,686)	(2,464)	(3,353)	(3,427)
Finance costs	(1,262)	(1,009)	(2,335)	(1,102)
Reversal/(loss) allowance on financial assets and contract assets	4,943	(2,135)	4,362	(4,605)
Share of loss of equity accounted associate	*	(9)	(8)	(9)
Profit before tax	56,394	49,513	97,744	75,724
Income tax expense	(13,179)	(9,827)	(23,460)	(16,841)
Profit for the financial period / year	43,215	39,686	74,284	58,883
Profit attributable to:				
- Owners of the Company	43,238	39,691	74,331	58,888
- Non-controlling interests	(23)	(5)	(47)	(5)
	43,215	39,686	74,284	58,883
Earnings per share:				
- Basic earnings per share (Sen) ⁽²⁾	6.12	7.71	10.52	11.45
- Diluted earnings per share (Sen) ⁽³⁾	6.12	7.71	10.52	11.45

Notes:

*- represents amount below RM1,000.

- (1) The basis of the preparation of the Unaudited Condensed Consolidated Statement of Comprehensive Income is disclosed in note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30 September 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic earnings per share for the financial year ended ("FYE") 30 September 2024 is calculated based on the profit attributable to owners of the Company divided by 706,360,208 weighted average number of ordinary shares. For the FYE 30 September 2023 was calculated based on the profit attributable to owners of the Company divided by 514,406,830 weighted average number of ordinary shares.
- (3) The Group has not issued any dilutive potential ordinary shares in the period under review, hence the diluted earnings per shares is equal to the basic earnings per share.

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**UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024 ⁽¹⁾**

<-----Audited----->

	Share capital	Merger reserve	Retained profits	Attributable to equity owners of the Company	Non- controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 October 2022	37,000	(29,619)	72,119	79,500	-	79,500
Contribution by and distribution to owners of the Company						
- Issuance of new ordinary shares pursuant to the acquisition of subsidiaries and settlement of directors advances	297,768	-	-	297,768	-	297,768
- Dividend paid	-	-	(15,329)	(15,329)	-	(15,329)
Profit and total comprehensive income for the financial year	-	-	58,888	58,888	(5)	58,883
Acquisition of subsidiaries	-	-	-	-	61	61
Balance as at 30 September 2023	334,768	(29,619)	115,678	420,827	56	420,883

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**UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024 ⁽¹⁾**

<-----Unaudited----->

	Share capital	Merger reserve	Retained profits	Attributable to equity owners of the Company	Non- controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 October 2023	334,768	(29,619)	115,678	420,827	56	420,883
Contribution by and distribution to owners of the Company						
- Issuance of shares	-	-	-	-	-	-
- Dividend paid	-	-	(19,849)	(19,849)	-	(19,849)
Profit and total comprehensive income for the financial year	-	-	74,331	74,331	(47)	74,284
Balance as at 30 September 2024	334,768	(29,619)	170,160	475,309	9	475,318

Note:
(1) The basis of the preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30 September 2023 and the accompanying explanatory notes attached to this interim financial report.

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**UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024⁽¹⁾**

	Unaudited 12 months ended 30 September 2024 RM'000	Audited 12 months ended 30 September 2023 RM'000
Cash flows for operating activities		
Profit before tax	97,744	75,724
Adjustments for:		
Amortisation of intangible assets	152	303
Depreciation of property, plant and equipment	4,263	3,584
Depreciation of investment properties	21	9
Depreciation of right-of-use assets	1,705	1,795
Inventory written down	1	406
Interest expense	2,350	1,108
Loss allowance on trade receivables	354	2,878
Reversal of loss allowance on trade receivables	(5,214)	-
Loss allowance on other receivables	(677)	-
Loss allowance on contract assets	411	1,727
Reversal of loss allowance on contract assets	(590)	-
Plant & equipment written off	-	1
Gain on disposal of property, plant and equipment	(38)	(94)
Loss on reassessment of lease liabilities	(24)	(1)
Interest income	(276)	(459)
Reversal of inventories previously written off	(58)	(81)
Share of net loss of equity accounted associates	8	-
Operating profit before working capital changes	100,132	86,900
Increase in inventories	(4,100)	(3,211)
Decrease in project-in-progress	-	16
Decrease/(increase) in receivables	30,949	(53,562)
Increase in contract assets	(54,260)	(13,384)
(Decrease)/increase in payables	(42,286)	36,686
Increase in contract liabilities	11,370	4,212
Cash generated for operations	41,805	57,657
Income tax paid	(18,184)	(19,072)
Income tax refunded	11	-
Interest paid	(416)	(231)
Net cash generated from operating activities	23,216	38,354
Cash flows for investing activities		
Interest income	276	459
Proceeds from disposal of plant and equipment	38	222
Purchase of plant and equipment	(4,540)	(11,445)
Acquisition of subsidiary, net cash	-	(8,682)
Dividend received	100	-
Withdrawal of fixed deposit with tenure more than three (3) months	-	2,000
Net cash used in investing activities	(4,126)	(17,446)
Cash flows for financing activities		
Dividend paid	(19,849)	(15,328)
Interest paid	(1,674)	(877)
Drawdown of banker's acceptances	30,454	3,230
Drawdown of term loans	49,768	10,166
Repayment of banker's acceptances	(21,585)	(2,224)
Repayments of lease principal	(1,894)	(1,541)
Repayment of term loans	(33,192)	(26,495)
Repayment of hire purchase obligations	(1,077)	(1,358)
Increase in pledged fixed deposits with licensed banks	(347)	4,149

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STATEMENT OF CASH FLOWS
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024⁽¹⁾**

	Unaudited 12 months ended 30 September 2024 RM'000	Audited 12 months ended 30 September 2023 RM'000
Net cash generated from/(used in) financing activities	604	(30,278)
Net changes in cash and cash equivalents	19,694	(9,370)
Cash and cash equivalents at beginning of the financial year	20,599	29,969
Cash and cash equivalents as at financial year end	40,293	20,599
Represented by:		
- Cash and bank balances	40,143	13,874
- Fixed deposits with a licensed bank	8,595	14,823
	48,738	28,697
Less: Fixed deposit pledged with a licensed bank	(8,445)	(8,098)
	40,293	20,599

Note:

- (1) *The basis of the preparation of the Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30 September 2023 and the accompanying explanatory notes attached to this interim financial report.*

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024**

A. NOTES TO THE FINANCIAL REPORT

A1. Basis of preparation

The unaudited condensed consolidated financial statements of Lim Seong Hai Capital Berhad and its subsidiaries (“**Group**”) has been prepared in accordance with Malaysian Financial Reporting Standards (“**MFRS**”) 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“**MASB**”) and Rule 6.12 and Appendix 6A of the LEAP Markets Listing Requirements.

The unaudited condensed consolidated financial statements should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30 September 2023 and the accompanying explanatory notes attached to this interim financial report. The explanatory notes contained herein 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.

A2. Significant accounting policies

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

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendment to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101: Non-current liabilities with covenants	1 January 2024
Amendments to MFRS 121: Lack of exchangeability	1 January 2025

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. Seasonality or cyclical factors

The business operations of our Group is not subjected to any cyclical or seasonal trend.

A4. Unusual items

There were no unusual items that had a material effect on the value of assets, liabilities, equity, net income or cash flows of the Group for the current financial year.

A5. Material changes in estimates

There were no material changes in estimates of amounts that have a material impact in the current financial year.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024**

A6. Debts and equity securities

Saved for the drawdown of the borrowings (term loan, hire purchase and bankers' acceptance) and repayment of the borrowings (term loan, hire purchase, bankers' acceptance and bank overdraft) as disclosed in this interim report, there was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current financial year ended 30 September 2024.

A7. Segmental information

LSH Capital is an investment holding company. The principal activities of our subsidiaries and associate are as follows:

Name	Effective equity interest	Principal activities
Lim Seong Hai Lighting Sdn Bhd ("LSH Lighting")	100.00%	Provision of building materials as well as lighting products and related M&E products and services
Knight Auto Sdn Bhd ("Knight Auto")	100.00%	Provision of hardware and tools and rental of machinery
LSH BEST Builders Sdn Bhd ("LSHBB")	100.00%	Construction and provision of construction and business related services and solutions
Astana Setia Sdn Bhd ("ASSB")	100.00%	Building construction contractor, property development and investment holdings
Lim Seong Hai Ventures Sdn Bhd ("LSH Ventures")	100.00%	Investment holding company
Astana Setia & Euro Saga Sdn Bhd ("ASES")	93.75%	Property development
LSH Service Master Sdn Bhd ("LSH Service Master")	70.00%	Business activities of building and industrial cleaning, tour operator and real estate activities with own or leased properties.
Lim Seong Hai Development Sdn Bhd ("LSH Development")	100.00%	Dormant ⁽¹⁾
LSH Infra Sdn Bhd ("LSH Infra")	100.00%	Dormant ⁽¹⁾
Kran World Sdn Bhd ("Kran World")	50.00%	Dormant ⁽²⁾

Notes:

(1) Dormant since incorporation.

(2) Kran World commenced its business operations in July 2015 as a provider of rental service for crane, machinery and equipment, as well as a construction contractor. Subsequently in September 2020, Kran World ceased its business operations. Kran World filed for winding-up on 15 October 2024, with the process anticipated to be completed in the first half of year 2025. The winding-up of Kran World is not expected to have a material impact to the financial position of the Group.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024**

Analysis of revenue by business segments

	Unaudited		Unaudited	Audited
	Individual 6 months ended		Cumulative 12 months ended	
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
1) Construction segment:				
• Construction works	82,223	180,358	205,211	258,485
• Construction-related services and solution	2,898	6,387	6,866	9,921
• Construction products:				
- Segment A	21,652	21,028	43,047	47,942
- Segment B	20,119	14,645	33,927	27,476
	126,892	222,418	289,051	343,824
2) Property development	19,417	13,931	72,354	13,931
Total	146,309	236,349	361,405	357,755

Notes:

Segment A: distribution and/ or retail of building materials, lighting and M&E products

Segment B: wholesale and retail of hardware and tools, and rental of machinery

All of our Group's revenue are generated from Malaysia.

A8. Changes in the composition of the Group

During the current financial year ended 30 September 2024, LSHBB jointly formed LSH Service Master Sdn Bhd ("LSH Service Master") with Service Master (M) Sdn Bhd, holding 70% equity interest in LSH Service Master on 28 June 2024.

A9. Capital commitments

Capital commitments of the Group in respect of the property, plant and equipment not provided for as at the end of the financial year are as follows:

	Unaudited 30.09.2024 RM'000	Audited 30.09.2023 RM'000
Approved and contracted for	1,602	1,390
Approved but not contracted for	-	-
	1,602	1,390

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024**

A10. Interest bearing bank borrowings

	As at 30 September 2024 RM'000
Non-current bank borrowing	
Term loan	8,729
Hire purchases	1,185
	9,914
Current bank borrowings	
Term loan	17,469
Bankers' acceptance	12,099
Hire purchases	504
	30,072
Total interest -bearing bank borrowings	39,986

A11. Changes in contingent assets and contingent liabilities

As at 30 September 2024, save as disclosed below, the Board confirmed that there are no other contingent liabilities incurred or known to be incurred by the Group which, upon becoming due or enforceable, may have a material impact on the financial results or position of the Group: -

Contingent liabilities	Amount RM'000
<i>Corporate guarantee / bank guarantee extended: -</i>	
- <i>to Infinity Crane & Engineering Sdn. Bhd. ("Infinity Crane") by ASSB in relation to the hire purchase facilities granted by AmBank Islamic Berhad to Infinity Crane to purchase cranes with specific technical requirement that is required to complete the projects that have been secured by ASSB</i>	2,060
- <i>to LSH Lighting by ASSB in relation to the tradeline facilities granted by Public Bank Berhad to LSH Lighting to facilitate the ordinary course of business operations of LSH Lighting</i>	9,000
- <i>to ASSB by LSH Capital in relation to the Islamic financing facility granted by MBSB Bank Berhad to ASSB for working capital requirements and to part finance the development cost of LSH Segar Project</i>	88,000
- <i>to Knight Auto by LSH Ventures in relation to the trade facilities granted by Public Bank Berhad to Knight Auto to facilitate the ordinary course of business operations of Knight Auto</i>	1,000
- <i>to a third party for construction contracts secured, tender bids and advertisement permit and developer's license</i>	28,170

In addition to the above, there is also a legal land charge created over one of the investment properties owned by LSH Ventures in favour of Public Bank Berhad as security for the grant of trade facilities to Knight Auto as working capital for its business operations.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024**

Subsequent to the financial year ended 30 September 2024, the corporate guarantee provided by ASSB to AmBank Islamic Berhad for credit facilities granted to ICESB has been fully discharged on 15 October 2024.

A12. Material events subsequent to the end of the financial year

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

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024**

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. Review of Performance

The Group recorded revenue of RM361.41 million and gross profit of RM128.19 million, which contributed to a gross profit margin of 35.47% for the FYE 30 September 2024. The revenue of the Group is mainly attributable to the construction segment, which had contributed approximately 79.98% of the total revenue of the Group. The Group recorded a profit before tax (“PBT”) of RM97.74 million and a profit after tax (“PAT”) of RM74.28 million for the FYE 30 September 2024.

2nd half-year ended 30 September 2024 vs 2nd half-year ended 30 September 2023

The Group recorded revenue of RM146.31 million for the 2nd half-year ended 30 September 2024, as compared to RM236.35 million recorded in the correspondence preceding period, representing a decrease of approximately RM90.04 million or 38.10%. The decrease is primary due to the successful obtained a Certificate of Completion and Compliance “CCC” of LSH33 project. Therefore, the revenue from the construction segment stood at RM126.89 million for the 2nd half-year ended 30 September 2024, driven by ongoing construction projects.

Besides that, the property development segment demonstrated exceptional growth, with revenue increased by 39.41% or RM5.49 million from RM13.93 million for the 2nd half-year ended 30 September 2023 to RM19.51 million for the 2nd half-year ended 30 September 2024. The increase is primarily attributable to the progress made in LSH Segar project. This segment continues to provide a robust growth platform and complements the cyclical nature of the construction business.

The Group recorded a PBT of RM56.39 million for the 2nd half-year ended 30 September 2024 as compared to RM49.51 million in the correspondence preceding period, representing an increase of RM6.88 million or 13.90%. Despite a reduction in revenue, the notable improvement in PBT showcasing the Group’s robust operational strategies. The increase is primarily attributable to a reversal of loss allowance on financial assets and contract assets of RM4.94 million for the 2nd half-year ended 30 September 2024 as compared to net loss allowance of RM2.14 million in the correspondence preceding period. This reversal is due to improved recovery of receivables management, which had a direct positive impact on PBT.

B2. Prospects

Our Group was principally involved in the construction products segment upon our listing on the LEAP Market on 30 July 2021, i.e. distribution and/or retail of building materials, lighting products and related M&E products and services which are carried out by LSH Lighting, and wholesale and retail of hardware and tools as well as rental of machinery for the construction industry which are carried out by Knight Auto. To-date, our Group has 10 physical retail stores across the central region in Klang Valley and has also established our online presence vide our own online store and third-party e-commerce platforms.

Following our listing on the LEAP Market, our Group completed the acquisition of 100% equity interest in LSHBB from the Promoters on 15 October 2021, after which our shareholders had subsequently on 9 September 2022, approved the diversification of our then principal activities to include businesses in construction and provision of construction-related services and solutions. Subsequent to the approval of our shareholders on 28 March 2023 for us to further diversify our then principal activities to include property development activities, our Group also completed the acquisitions of 100% equity interest in ASSB and LSH Ventures from our related parties (i.e. including some of the Promoters) on 19 April 2023.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE 2nd HALF-YEAR ENDED 30 SEPTEMBER 2024**

The completion of the various corporate proposals since our listing on the LEAP Market have transformed our Group into a full-fledged construction and construction-related services and solutions provider, as well as a property developer. This has allowed our Group to unlock value-enhancing synergies with increased efficiency, improved innovation, enhanced solutions and larger orderbook, resulting in a stronger and more effective entity that is expected to propel the growth and profitability of our Group moving forward.

In addition, the acquisitions of LSHBB and ASSB have allowed our Group to expand our construction capabilities by fully integrating digital technologies to optimise our operations, enhance our range of services and solutions as well as deliver value to our clients. On 9 September 2022, LSHBB had entered into a collaboration agreement with Gamuda Industrial Building System Sdn Bhd (“Gamuda IBS”) to record the parties’ intention and understanding to promote the use of digital Industrial Building System through identification of potential projects for joint operation and strategic ventures. This collaboration agreement has a term of three (3) years from 9 September 2022, unless the parties mutually agree to terminate or extend the collaboration period. Through this collaboration, LSHBB and Gamuda IBS aim to support the industry’s transition towards the Fourth Industrial Revolution (IR4.0) via digitalisation of work processes and automation of construction works. This wide-scale digital ecosystem manufacturing is expected to result in less construction wastage, increased productivity, shorter construction period and reduced reliance on foreign labour.

On 7 June 2024, LSH Best Builders Sdn Bhd and Service Master (M) Sdn Bhd Joint Venture (“LSHBB-SMMSB JV) had received a letter from the Public Partnership Unit, Prime Minister’s Department (UKAS) informing that the Government of Malaysia (“Government”) had agreed in principle for LSHBB-SMMSB JV to undertake the operation and maintenance management of Kuala Lumpur Tower (“KL Tower”). On 28 June 2024, our Group had incorporated LSH Service Master with 70% equity interest holding by LSHBB and 30% equity interest holding by Service Master (M) Sdn Bhd to undertake the operation and maintenance management of KL Tower.

As at 30 September 2024, our Group have RM1.57 billion outstanding construction work orderbook of which RM626.65 million is from external clients. In addition, our Group also provides construction-related services and solutions under our collaboration framework known as the BEST Collaboration Framework for construction projects secured and property development projects undertaken by our Group’s clients, in which our Group will be entitled to fees based on its client’s construction and property projects value. As at 30 September 2024, the total construction and property projects value of our clients stood at approximately RM2.70 billion of which approximately RM1.16 billion are from external clients. Furthermore, our Group also undertakes property development activities, with projects carrying a total estimated GDV of around RM1.55 billion as at 30 September 2024. Our Group’s property development activities are also expected to benefit other divisions under our Group.

Our Group will continue to focus in growing its construction and construction-related services and solutions segment and to complete the constructions projects that have been secured. Our Group will continue to look for opportunities to secure more construction projects and construction-related services and solutions under its BEST Collaboration Framework as well as to identify landbank with development potential. This will provide a platform for our Group to grow further and enhance our reputation in the construction and property development industries. The size to which our Group has grown since our Group’s listing on the LEAP Market on 30 July 2021 and the notable construction projects completed to-date have elevated and reinforced our Group’s prominence in the construction and property development industries, and are also expected to provide confidence to future clients and the Malaysian Government that our Group is able to be entrusted with larger projects in the future.

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In light of the above and premised on the positive outlook for the Malaysian economy, the construction industry and property market, in particular the affordable housing segment, our Group is optimistic on the prospects.

B3. Variance of Actual Profit from Profit Forecast and Profit Guarantee

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

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C. OTHER INFORMATION

C1. Status of Corporate Proposals

Save as disclosed below, there were no corporate proposals announced but pending completion as at the date of this interim financial report:

On 26 September 2023, the Board of Directors of LSH Capital (“**Board**”) had announced that the Company had on the same date received a letter from its major shareholders, namely Lim Seong Hai Holdings Sdn Bhd, Lim Seong Hai Resources Sdn Bhd, Tan Sri Datuk Seri Lim Keng Cheng (“**Tan Sri KC Lim**”), Datuk Lim Keng Guan (“**DLKG**”), Lim Pak Lian (“**LPL**”) and Lim Keng Hun (“**LKH**”) (collective, the “**Promoters**”) (“**Proposal Letter**”), requesting the Company to consider undertaking a transfer of listing and quotation of the entire issued share capital of LSH Capital from the LEAP Market of Bursa Securities to the ACE Market of Bursa Securities (“**Proposed Transfer of Listing**”). The Proposed Transfer of Listing will entail the following:

- (i) proposed voluntary withdrawal of the listing and quotation of the entire issued share capital of LSH Capital from the LEAP Market pursuant to Rules 8.06 and 8.08 of the LEAP Market Listing Requirements of Bursa Securities (“**Proposed Withdrawal of LEAP Listing**”); and
- (ii) proposed listing and quotation of the entire issued share capital of LSH Capital on the ACE Market pursuant to Rules 3A.02(1) and 3A.02(2) of the ACE Market Listing Requirements of Bursa Securities (“**Proposed ACE Listing**”).

On 12 October 2023, AmInvestment Bank Berhad and Astramina Advisory Sdn Bhd on behalf of the Board, announced that the Board (save for Tan Sri KC Lim, DLKG, LPL and LKH who are the proposing directors for the Proposed Transfer of Listing) has deliberated on the content of the Proposal Letter and has resolved to proceed with the Proposed Transfer of Listing based on the terms of the Proposal Letter and procure the relevant approvals for the Proposed Transfer of Listing.

On 19 April 2024, the Company announced that all the resolution set forth in the Notice of Extraordinary General Meeting in relation to the Proposed Transfer of Listing were duly passed by way of poll at the extraordinary general meeting of the Company held on the same day.

On 30 September 2024, AmInvestment Bank Berhad on behalf of the Board, announced that the Company submitted the applications to Bursa Securities for the Proposed Transfer of Listing comprising the application for the Proposed ACE Listing and application for the Proposed Withdrawal of LEAP Listing.

C2. Material Litigation

Save as disclosed above, the Group is not engaged in any governmental, legal or arbitration proceedings, which may have or have had, material or significant effects on our financial position or profitability during the current financial year ended 30 September 2024:

- (i) Kuala Lumpur High Court Judicial Review Application (WA-25-140-04/2024) brought by Chin Tong Lim & Ors (“**Applicants**”) against Datuk Bandar Kuala Lumpur (“**First Respondent**”) and ASES (“**Second Respondent**”) (collectively, “**Respondents**”)

The Applicants have been granted leave by the High Court of Kuala Lumpur to commence judicial proceedings against the Respondents for:

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- (a) An Order of Certiorari to quash the Development Order dated 15 November 2023 (“**Impugned Development Order**”) that was granted by the First Respondent to the Second Respondent for the Lake Side Homes Project.
- (b) An Order of Certiorari to quash the approval given by the First Respondent for the Second Respondent to commence construction works for a bridge across Tasik Lake Fields to the Lake Side Homes Project pursuant to a letter dated 11 January 2024 (“**Impugned Bridge Approval**”) and/or any similar decision to build a bridge across Task Lake Fields.
- (c) An Order of Certiorari to quash the adoption of the Alteration 3 (Part 2) of the Kuala Lumpur Local Plan (2020) (“**Alteration 3 (Part 2)**”) proposed and adopted on 17 July 2020 and 3 August 2021 respectively by the First Respondent in so far as it relates to Tasik Lake Fields and or Lot 103675 (the site of the Lake Side Homes Project).
- (d) An Order of Certiorari to quash the decision of the First Respondent to allow the Second Respondent to use the walkway or any part of the public open space surrounding Tasik Lake Fields for access for construction works for the Impugned Bridge Approval and/or Impugned Development Order, or otherwise, which decision was communicated to the Applicants by the Second Respondent’s letter dated 21 February 2024.
- (e) A declaration that Alteration 3 (Part 2) by the First Respondent is illegal and ultra vires of the Federal Territory Planning Act 1982 and therefore legally unenforceable, null and void.

(collectively, the “**Judicial Review Application**”)

In the Judicial Review Application, the Applicants applied for an order to stay the Impugned Development Order and Impugned Bridge Approval (including all works and process relating to the same) until the full and final disposal of the Judicial Review Application (“**Stay Application**”).

On 17 April 2024, The High Court of Kuala Lumpur granted an interim stay of the Impugned Development Order and Impugned Bridge Approval (including all other process relating to the same) until 8 May 2024. The Applicant’s application for a stay of the Impugned Development Order and Impugned Bridge Approval pending the disposal of the judicial review application above was then fixed for hearing on 8 May 2024.

On 8 May 2024, the Court ordered that the interim stay order granted on 17 April 2024 be extended until 22 July 2024 pending the disposal of the Stay Application, with the following conditions imposed: -

- (i) That no construction or other work related to the Impugned Development Order and Impugned Bridge Approval and all other process can take place until 22 July 2024;
- (ii) The First Respondent and/or Second Respondent is permitted to conduct any works unrelated to the Impugned Development Order and Impugned Bridge Approval including mosquito spraying, clearing of drainage outlet and maintenance of the lake (or pond); and
- (iii) All residents of Lake Fields and members of the public can access Tasik Lake

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Fields and its surrounding areas, including the walkway surrounding the lake until 22 July 2024.

The hearing of the Stay Application took place on 22 July 2024, and the High Court subsequently fixed the decision of the Stay Application on 21 August 2024. During the same hearing, the High Court also directed for the substantive merits of the Judicial Review Application to be heard on 10 March 2025. Parties were also directed to file the remaining cause papers for the Judicial Review Application.

On 21 August 2024, the High Court dismissed the Stay Application and lifted the interim stay order with costs awarded to the Respondents. On 22 August 2024, the Applicants filed an appeal against the High Court’s dismissal of the Stay Application (“**Stay Appeal**”). The Stay Appeal is fixed for Hearing on 03 March 2025.

On 23 August 2024, the Applicants filed an application in the High Court seeking for another interim stay of the Impugned Development Order and Impugned Bridge Approval pending the disposal of the Stay Appeal in the Court of Appeal (“**Second Interim Stay Order**”). The Hearing for the Second Interim Stay Order is now fixed on 09 January 2025.

On 6 September 2024, the Applicants filed a motion in the Court of Appeal to seek for an interim preservation order to stay the Impugned Development Order and Impugned Bridge Approval pending the Hearing of the Stay Appeal by the Court of Appeal (“**Section 44 Motion**”). On 13 September 2024, the Court of Appeal dismissed the Section 44 Motion with costs awarded to the Respondents.

Subject to the courts’ further and future decision on the Judicial Review Application, the Stay Appeal, the Second Interim Stay Order and/or other direction from the courts, ASES is permitted to resume and continue works on the Lake Side Homes Project pursuant to the Impugned Development Order and Impugned Bridge Approval from 21 August 2024 onwards.

Nevertheless, ASES’ solicitors are of the view that ASES has a fair chance of success in the Judicial Review Application

C3. Utilisation of Proceeds

- (a) Pursuant to the fund raised from the pre-listing investors based on the listing reference price of RM0.13 per share in conjunction with the listing of the Company on the LEAP Market of Bursa Securities, the total proceeds that had been raised which amounted to approximately RM4.66 million had accrued entirely to our Group and the status of utilization of the proceeds are as follows:

Purpose	Proposed Utilisation	Actual Utilisation ⁽¹⁾	Balance Unutilised
	RM	RM	RM
Setting up new retail stores	3,662,000	3,662,000	-
Listing costs	1,000,000	1,000,000	-
Total	4,662,000	4,662,000	-

Note:

(1) Utilisation as at 30 September 2024

The utilization of proceeds as disclosed above should be read in conjunction with the Information Memorandum of the Company dated 18 June 2021.

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C4. Dividend

In line with the dividend policy stated in the Information Memorandum dated 18 June 2021 of the Company the dividend declared/ paid are as follow:

- 1) On 29 November 2021, the Board of Directors had declared a final single tier dividend of RM0.0066 per share amounting to approximately RM2.34 million in respect of the financial year ended 30 September 2021. The entitlement date for the final single tier dividend was 6 April 2022. The said final single tier dividend was paid on 15 April 2022.
- 2) On 24 May 2022, the Board of Directors had declared an interim single tier dividend of RM0.0105 per share amounting to approximately RM3.73 million in respect of the financial year ending 30 September 2022. The entitlement date for the interim single tier dividend was 13 June 2022. The said interim single tier dividend was paid on 28 June 2022.
- 3) On 28 November 2022, the Board of Directors had declared an interim single tier dividend of RM0.0235 per share amounting to approximately RM8.37 million in respect of the financial year ended 30 September 2022. The entitlement date for the interim single tier dividend was 12 December 2022. The said interim single tier dividend was paid on 28 December 2022.
- 4) On 10 January 2023, the Board of Directors had declared a final single tier dividend of RM0.0013 per share amounting to approximately RM0.463 million respect of the financial year ended 30 September 2022. The entitlement date for the final single tier dividend was 6 April 2023. The said final single tier dividend was paid on 17 April 2023.
- 5) On 25 May 2023, the Board of Directors had declared an interim single tier dividend of RM0.0092 per share amounting to approximately RM6.50 million in respect of the financial year ended 30 September 2023. The entitlement date for the interim single tier dividend was 6 June 2023. The said interim single tier dividend was paid on 16 June 2023.
- 6) On 29 November 2023, the Board of Directors had declared an interim single tier dividend of RM0.0159 per share amounting to approximately RM11.23 million in respect of the financial year ended 30 September 2023. The entitlement date for the interim single tier dividend was 6 December 2023. The said interim single tier dividend was paid on 20 December 2023.
- 7) On 29 May 2024, the Board of Directors had declared an interim single tier dividend of RM0.0122 per share amounting to approximately RM8.62 million in respect of the financial year ended 30 September 2024. The entitlement date for the interim single tier dividend was 28 June 2024. The said interim single tier dividend was paid on 12 July 2024.

The Board of Directors has declared an interim single tier dividend of RM0.0194 per share amounting to approximately RM13.70 million in respect of the financial year ended 30 September 2024 at the entitlement date 03 December 2024 and the payment date at 13 December 2024.