



MENANG CORPORATION (M) BERHAD

[Registration No. : 196401000240 (5383-K)]

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2024

| | Unaudited 30 JUNE 2024 RM'000 | Audited 30 JUNE 2023 RM'000 |
|----------------------------------|-------------------------------------|-----------------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 886 | 1,006 |
| Investment properties | 51,156 | 51,319 |
| Inventories | 161,680 | 159,342 |
| Operating financial assets | 570,825 | 618,186 |
| Investment in associates | 12,000 | * |
| Total non-current assets | 796,547 | 829,853 |
| Current assets | | |
| Inventories | 41,518 | 32,384 |
| Operating financial assets | 47,361 | 45,453 |
| Trade and other receivables | 20,615 | 19,608 |
| Tax assets | 2,061 | 5,500 |
| Deposits, cash and bank balances | 122,628 | 58,117 |
| Total current assets | 234,183 | 161,062 |
| TOTAL ASSETS | 1,030,730 | 990,915 |

* Amount less than RM1,000



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2024 (continued)

| | Unaudited 30 JUNE 2024 RM'000 | Audited 30 JUNE 2023 RM'000 |
|---|-------------------------------------|-----------------------------------|
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the Company | | |
| Share capital | 284,673 | 255,663 |
| Treasury shares | (2,983) | - |
| Retained earnings | 149,930 | 123,855 |
| | 431,620 | 379,518 |
| Non-controlling interests | 116,266 | 106,180 |
| Total equity | 547,886 | 485,698 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Deferred tax liabilities | 88,399 | 86,522 |
| Loan and borrowings | 203,896 | 276,000 |
| Total non-current liabilities | 292,295 | 362,522 |
| Current liabilities | | |
| Trade and other payables | 80,604 | 37,523 |
| Contract liability | 28,310 | 25,243 |
| Tax payable | 885 | - |
| Loan and borrowings | 80,750 | 79,929 |
| Total current liabilities | 190,549 | 142,695 |
| Total liabilities | 482,844 | 505,217 |
| TOTAL EQUITY AND LIABILITIES | 1,030,730 | 990,915 |
| Net assets per share (RM) | 0.76 | 0.74 |

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and of the Company for the year ended 30 June 2023.



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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2024

| | Current Quarter Ended 30 JUN 2024 RM'000 | Corresponding Quarter Ended 30 JUN 2023 RM'000 | Current Year-to-Date 30 JUN 2024 RM'000 | Corresponding Year-to-Date 30 JUN 2023 RM'000 |
|---|---|---|--|--|
| Revenue | 21,453 | 22,566 | 95,710 | 88,520 |
| Cost of Sales | (6,284) | (6,500) | (33,311) | (24,936) |
| Gross Profit | 15,169 | 16,066 | 62,399 | 63,584 |
| Other income | 5,895 | 104 | 12,968 | 432 |
| Administrative expenses | (2,025) | (1,257) | (8,476) | (6,519) |
| Net reversal on impairment of financial assets | - | 56 | 30 | 105 |
| Profit from operations | 19,039 | 14,969 | 66,921 | 57,602 |
| Finance costs | (5,037) | (6,054) | (22,235) | (24,786) |
| Profit before tax | 14,002 | 8,915 | 44,686 | 32,816 |
| Taxation | (2,221) | 1,626 | (8,525) | (4,665) |
| Profit for the quarter / year / Total comprehensive income | 11,781 | 10,541 | 36,161 | 28,151 |
| <i>Profit / Total comprehensive income attributable to:</i> | | | | |
| Owners of the Company | 9,135 | 6,997 | 26,075 | 17,277 |
| Non-controlling interests | 2,646 | 3,544 | 10,086 | 10,874 |
| | 11,781 | 10,541 | 36,161 | 28,151 |
| Basic earnings per share (sen) | 1.73 | 1.37 | 5.02 | 3.40 |

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and of the Company for the year ended 30 June 2023.



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2024

| | <Attributable to Owners of the Company> | | | Sub total RM'000 | Non - controlling interests RM'000 | Total equity RM'000 |
|--|---|------------------------------|--------------------------------|---------------------|---|---------------------------|
| | Share capital RM'000 | Treasury shares RM'000 | Retained earnings RM'000 | | | |
| As at 1 July 2023 | 255,663 | - | 123,855 | 379,518 | 106,180 | 485,698 |
| Total comprehensive income for the financial year | | | | | | |
| Profit for the financial year, representing total comprehensive income | - | - | 26,075 | 26,075 | 10,086 | 36,161 |
| Transaction with owners | | | | | | |
| Issuance of ordinary shares pursuant to exercise of warrants | 29,010 | - | - | 29,010 | - | 29,010 |
| Purchase of treasury shares | - | (2,983) | - | (2,983) | - | (2,983) |
| Issuance of subsidiary's shares to non-controlling interest | - | - | - | - | * | * |
| As at 30 June 2024 | 284,673 | (2,983) | 149,930 | 431,620 | 116,266 | 547,886 |

* Amount less than RM1,000

| | <Attributable to Owners of the Company> | | | Sub total RM'000 | Non - controlling interests RM'000 | Total equity RM'000 |
|---|---|------------------------------|--------------------------------|---------------------|---|---------------------------|
| | Share capital RM'000 | Treasury shares RM'000 | Retained earnings RM'000 | | | |
| As at 1 July 2022 | 253,127 | - | 106,578 | 359,705 | 95,306 | 455,011 |
| Total comprehensive income for the financial year | | | | | | |
| Profit for the financial year, representing total comprehensive income for the financial year | - | - | 17,277 | 17,277 | 10,874 | 28,151 |
| Transactions with owners | | | | | | |
| Issuance of ordinary shares pursuant to exercise of warrants | 2,536 | - | - | 2,536 | - | 2,536 |
| As at 30 June 2023 | 255,663 | - | 123,855 | 379,518 | 106,180 | 485,698 |

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and of the Company for the year ended 30 June 2023.



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2024

| | Unaudited 30 JUNE 2024 RM'000 | Audited 30 JUNE 2023 RM'000 |
|--|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 44,686 | 32,816 |
| Adjustments for: | | |
| Depreciation of investment properties | 163 | 162 |
| Depreciation of property, plant and equipment | 288 | 296 |
| Interest expense | 22,235 | 24,786 |
| Dividend income | (64) | - |
| Gain on disposal of property, plant and equipment | (11) | - |
| Gain on disposal of a subsidiary | - | (99) |
| Interest income | (541) | (307) |
| Interest income on operating financial assets | (26,595) | (28,426) |
| Reversal of impairment losses on trade and other receivables | (30) | (105) |
| Operating profit before working capital changes | 40,131 | 29,123 |
| Changes in working capital: | | |
| Operating financial assets | 72,048 | 72,047 |
| Inventories | (11,472) | 796 |
| Trade and other receivables | (913) | (376) |
| Trade and other payables | 43,081 | (3,709) |
| Contract liability | 3,067 | 2,764 |
| Cash from operations | 145,942 | 100,645 |
| Interest paid | - | (24) |
| Interest received | 154 | 36 |
| Tax paid | (2,874) | (5,417) |
| Tax refunded | 550 | - |
| Net cash from operating activities | 143,772 | 95,240 |



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2024 (continued)

| | Unaudited 30 JUNE 2024 RM'000 | Audited 30 JUNE 2023 RM'000 |
|--|--|--|
| CASH FLOWS FOR INVESTING ACTIVITIES | | |
| Interest received | 387 | 271 |
| Investment in an associate | (12,000) | - |
| Net cash inflow from disposal of a subsidiary | - | 100 |
| Proceeds from disposal of property, plant and equipment | 11 | - |
| Purchase of property, plant and equipment | (168) | (57) |
| Placement of deposits with licensed banks | (314) | (200) |
| Net cash (used in)/from investing activities | (12,084) | 114 |
| CASH FLOWS FOR FINANCING ACTIVITIES | | |
| Interest paid | (22,235) | (24,762) |
| Payment of lease liability: - office rental | - | (16) |
| Proceeds from issuance of share capital from exercise of warrants | 29,010 | 2,536 |
| Purchase of treasury shares | (2,983) | - |
| Repayment of term loans | (70,195) | (61,842) |
| Net cash used in financing activities | (66,403) | (84,084) |
| Net increase in cash and cash equivalents | 65,285 | 11,270 |
| Cash and cash equivalents at beginning of financial year | 43,813 | 32,543 |
| Cash and cash equivalents at the end of financial year | 109,098 | 43,813 |
| Deposits, cash and bank balances at the end of financial year as reported in consolidated statement of financial position | | |
| | 122,628 | 58,117 |
| Less: Bank overdraft | - | (1,088) |
| | 122,628 | 57,029 |
| Less: Deposits pledged with licensed banks | (13,530) | (13,216) |
| Cash and cash equivalents at the end of financial year as reported in consolidated statement of cash flows | 109,098 | 43,813 |
| Less: Balance held as Maintenance Reserve Fund | (27,860) | (25,018) |
| Less: Balance held under Designated Accounts and pledged as securities for term loans | (12,806) | (15,551) |
| Net balance | 68,432 | 3,244 |

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and of the Company for the year ended 30 June 2023.



PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

- (a) The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board, paragraph 9.22 of the Listing Requirements as well as Guidance on Disclosure in Notes to Quarterly Report (ICN 1/2017) of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Group's audited financial statements for the year ended 30 June 2023. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes to the financial position and performance of the Group since the financial year ended 30 June 2023.

- (b) The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the financial statements for the financial year ended 30 June 2023.

A2. Audit Report for the Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 30 June 2023 was not qualified.

A3. Seasonal or Cyclical Factors

The Group's business operations were not significantly affected by any seasonal and cyclical factors for the quarter under review.

A4. Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows That Are Unusual Because of Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter under review.

A5. Changes in Estimates

There were no material changes in estimates for the quarter under review.



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PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)

A6. Issuances, Repayment and Cancellations of Debt and Equity Securities

There were no debt and equity securities issued, cancelled, repurchased, resold or repaid during the quarter under review, except for the following:

(a) Ordinary shares

| | Quarter Ended 30 JUNE 2024 | | Financial Year Ended 30 JUNE 2024 | |
|--|--|--------|--------------------------------------|--------|
| | No. of shares '000 | RM'000 | No. of shares '000 | RM'000 |
| | Issuance of ordinary shares pursuant to exercise of warrants | 47,172 | 23,586 | 58,020 |

(b) Treasury shares

| | Quarter Ended 30 JUNE 2024 | | Financial Year Ended 30 JUNE 2024 | |
|--|-------------------------------|--------|--------------------------------------|--------|
| | No. of shares '000 | RM'000 | No. of shares '000 | RM'000 |
| | Purchase of treasury shares | 3,689 | 2,983 | 3,689 |

A7. Dividends

No dividend has been paid during the quarter under review.

A8. Segmental Reporting

| Business Segments | As at 30 June 2024 | | | | | |
|-------------------|-------------------------------|--------------------------------|-----------------------------------|------------------------------------|------------------------|-------------------------|
| | Investment Holdings RM'000 | Property Development RM'000 | Concession Arrangements RM'000 | Other Operating Segments RM'000 | Eliminations RM'000 | Consolidation RM'000 |
| Total assets | 525,568 | 354,137 | 721,404 | - | (570,379) | 1,030,730 |
| Total liabilities | 106,053 | 105,622 | 409,847 | 4,191 | (142,869) | 482,844 |



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PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)

A8. Segmental Reporting (Cont'd)

| Business Segments | 3 months ended 30 June 2024 | | | | | |
|--|-------------------------------|--------------------------------|-----------------------------------|------------------------------------|------------------------|-------------------------|
| | Investment Holdings RM'000 | Property Development RM'000 | Concession Arrangements RM'000 | Other Operating Segments RM'000 | Eliminations RM'000 | Consolidation RM'000 |
| Revenue from external customers | 24 | - | 21,429 | - | - | 21,453 |
| Inter-segment revenue | 570 | - | - | - | (570) | - |
| Total revenue | 594 | - | 21,429 | - | (570) | 21,453 |
| Segment results | 33,419 | 4,660 | 14,160 | (2) | (33,198) | 19,039 |
| Finance cost | - | (128) | (4,909) | - | - | (5,037) |
| Profit/(Loss) before tax | 33,419 | 4,532 | 9,251 | (2) | (33,198) | 14,002 |
| Taxation | - | - | (2,221) | - | - | (2,221) |
| Profit/(Loss) for the financial period | 33,419 | 4,532 | 7,030 | (2) | (33,198) | 11,781 |

| Business Segments | 12 months ended 30 June 2024 | | | | | |
|--------------------------------------|-------------------------------|--------------------------------|-----------------------------------|------------------------------------|------------------------|-------------------------|
| | Investment Holdings RM'000 | Property Development RM'000 | Concession Arrangements RM'000 | Other Operating Segments RM'000 | Eliminations RM'000 | Consolidation RM'000 |
| Revenue from external customers | 96 | 11,113 | 84,501 | - | - | 95,710 |
| Inter-segment revenue | 2,280 | - | - | - | (2,280) | - |
| Total revenue | 2,376 | 11,113 | 84,501 | - | (2,280) | 95,710 |
| Segment results | 161,915 | 7,163 | 57,264 | (10) | (159,411) | 66,921 |
| Finance cost | - | (593) | (21,667) | - | 25 | (22,235) |
| Profit/(Loss) before tax | 161,915 | 6,570 | 35,597 | (10) | (159,386) | 44,686 |
| Taxation | - | - | (8,525) | - | - | (8,525) |
| Profit/(Loss) for the financial year | 161,915 | 6,570 | 27,072 | (10) | (159,386) | 36,161 |



PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)

A9. Material Events Subsequent to the End of the Period Reported

There is no material event subsequent to the end of period reported except for the following:

- (a) On 13 August 2024, the Company subscribed for the 2,000,000 ordinary shares in Alpro Menang Ventures Sdn. Bhd. (“AMV”) for a total consideration of RM2,000,000 to retain its 20% equity interest.
- (b) On 13 August 2024, the Company subscribed for 10,000,000 Non-Convertible Redeemable Preference Shares in AMV for a total consideration of RM10,000,000.

A10. Changes in the Composition of the Group

There were no changes in the composition of the Group for the quarter under review except for the following:

- (c) The wholly owned subsidiary, Menang Plantations (M) Sdn. Bhd. has been struck off from the register and dissolved, following the publication of the notice of striking off gazetted on 3 May 2024.
- (d) The wholly owned subsidiary, Menang Equities (M) Sdn. Bhd. has been struck off from the register and dissolved, following the publication of the notice of striking off gazetted on 4 June 2024.

A11. Disclosure on Financial Instruments

Category of financial instruments

| | Unaudited | Audited |
|---|---------------------|---------------------|
| | 30 JUNE 2024 | 30 JUNE 2023 |
| | RM’000 | RM’000 |
| Financial assets: | | |
| - measured at amortised cost | | |
| • Operating financial assets | 618,186 | 663,639 |
| • Deposits, cash and bank balances | 122,628 | 58,117 |
| • Trade and other receivables, net of prepayments | 20,251 | 19,281 |
| | <u>761,065</u> | <u>741,037</u> |
| Financial liabilities: | | |
| - measured at amortised cost | | |
| • Loans and borrowings | 284,646 | 355,929 |
| • Trade and other payables, net of SST payable | 80,284 | 37,283 |
| | <u>364,930</u> | <u>393,212</u> |

A12. Entities Becoming, or Ceasing to be, Investment Entities

No entity is becoming or ceasing to be an Investment Entity during the quarter under review.



A13. Disaggregation of Revenue

Revenue of the Group can be disaggregated and categorised as follows:

| | Quarter Ended 30 JUNE 2024 RM'000 | Financial Year Ended 30 JUNE 2024 RM'000 |
|---|--|---|
| Management fees | 24 | 96 |
| Sales of properties | - | 11,113 |
| Interest income on operating financial assets | 6,473 | 26,595 |
| Maintenance income | 6,899 | 25,681 |
| Fair value of supplementary services | 8,057 | 32,225 |
| | 21,453 | 95,710 |

A14. Material Events and Transactions

- (a) *Write-down of inventories to net realisable value and the reversal of such a write-down*

There were no material inventories written down or reversed during the quarter under review.

- (b) *Recognition of a loss from the impairment of financial assets, property, plant and equipment, intangible assets, assets arising from contracts with customers, or other assets, and the reversal of such an impairment loss*

There were no material impairments or reversal of impairments charged or credited during the quarter under review.

- (c) *Reversal of any provisions for the costs of restructuring*

There were no material restructuring costs incurred during the quarter under review.

- (d) *Acquisitions and disposals of items of property, plant and equipment*

There were no material acquisitions and disposals of property, plant and equipment during the quarter under review.

- (e) *Commitments for the purchase of property, plant and equipment*

There were no material commitments to purchase any property, plant and equipment during the quarter under review.

- (f) *Litigation settlements*

There were no material litigations settled during the quarter.



A14. Material Events and Transactions (continued)

(g) *Corrections of prior period errors*

There were no material corrections of prior period error during the quarter under review.

(h) *Changes in the business or economic circumstances that affect the fair value of the entity's financial assets and financial liabilities, whether those assets or liabilities are recognised at fair value or amortised cost*

There were no material changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities during the quarter under review.

(i) *Loan default or breach of a loan agreement that has not been remedied on or before the end of the reporting period*

There were no material loan default or breach of a loan agreement during the quarter under review.

(j) *Related party transactions*

There were no material related party transactions during the quarter under review.

(k) *Transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments*

There were no material financial instrument transferred between levels of the fair value hierarchy during the quarter under review.

(l) *Changes in the classification of financial assets as a result of a change in the purpose or use of those assets*

There were no material change in the classification of financial assets during the quarter under review.

(m) *Changes in contingent liabilities or contingent assets*

There were no material contingent liability or contingent asset during the quarter under review.

A15. Material Litigation

There were no material litigation during the quarter under review.



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE BURSA SECURITIES LISTING REQUIREMENTS AND GUIDANCE ON DISCLOSURES IN NOTES TO QUARTERLY REPORT (ICN 1/2017)

B1. Review of Performance

(a) Current Quarter Compared to Preceding Year's Corresponding Quarter's Results

| | Current quarter RM'000 | Preceding year's corresponding quarter RM'000 | Change Amount RM'000 | Change Percentage % |
|---|---------------------------------------|--|-------------------------------------|------------------------------------|
| Revenue | 21,453 | 22,566 | (1,113) | (4.93) |
| Gross Profit | 15,169 | 16,066 | (897) | (5.58) |
| Profit from operations | 19,039 | 14,969 | 4,070 | 27.19 |
| Profit before tax | 14,002 | 8,915 | 5,087 | 57.06 |
| Profit after tax | 11,781 | 10,541 | 1,240 | 11.76 |
| Profit attributable to ordinary equity holders of the parent | 9,135 | 6,997 | 2,138 | 30.56 |

The Group recorded a lower revenue and gross profit by RM1.11 million and RM0.90 million respectively as compared to preceding year's corresponding quarter. This decrease primarily attributed to a decline in revenue (RM1.50 million) and gross profit (RM0.47 million) from sales of properties and lower interest income (RM0.47 million) derived from operating financial assets.

However, the Group recorded a higher profit from operations, profit before tax and profit after tax by RM4.07 million, RM5.09 million and RM1.24 million mainly due to the following factors:-

- (i) Adjustment made in the current quarter to reverse the over-accrued liability amounting to RM5.65 million; and
- (ii) Reduction in finance costs of RM1.02 million in the current quarter, resulting from scheduled loan repayments for the Group's existing loans.

These positive impacts were partially offset by:-

- (i) Higher staff costs by (RM0.31 million) in the current quarter resulting from the annual salary adjustment;
- (ii) One-off adjustment made in preceding year's corresponding quarter to reverse the provision (RM0.68 million), following the full and final settlement of a material litigation; and
- (iii) Increase in taxation by RM3.85 million mainly due to a one-off tax credit of RM3.71 million recognised in the preceding year's corresponding quarter following the resolution of a tax issue.



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE BURSA SECURITIES LISTING REQUIREMENTS AND GUIDANCE ON DISCLOSURES IN NOTES TO QUARTERLY REPORT (ICN 1/2017)(continued)

B1. Review of Performance (Continued)

(b) Financial Review for Current Year Compared to Preceding Year

| | Current year RM'000 | Preceding year RM'000 | Change Amount RM'000 | Change Percentage % |
|---|------------------------------------|--------------------------------------|-------------------------------------|------------------------------------|
| Revenue | 95,710 | 88,520 | 7,190 | 8.12 |
| Gross Profit | 62,399 | 63,584 | (1,185) | (1.86) |
| Profit from operations | 66,921 | 57,602 | 9,319 | 16.18 |
| Profit before tax | 44,686 | 32,816 | 11,870 | 36.17 |
| Profit after tax | 36,161 | 28,151 | 8,010 | 28.45 |
| Profit attributable to ordinary equity holders of the parent | 26,075 | 17,277 | 8,798 | 50.92 |

The Group achieved higher revenue by RM7.19 million in the current year mainly due to higher revenue (RM9.61 million) being recognised from sales of properties. The increase was offset by the lower revenue (RM0.59 million) from maintenance works and lower interest income (RM1.83 million) from operating financial assets in the current year.

Despite the increase in revenue, the gross profit has reduced by RM1.19 million mainly due to the decline in interest income from operating financial assets (RM1.83 million) which outweighed the increased gross profit from sales of properties (RM0.64 million).

Overall, the Group's profit from operation, profit before tax and profit after tax have increased by RM9.32 million, RM11.87 million and RM8.01 million respectively. These improvements were driven by following factors:

- (i) Recognition of an income (RM2.01 million) from Jabatan Kastam Diraja Malaysia ("JKDM"). The amount was overcharged by JKDM during the GST audit in Year 2020 and the Group has claimed back the amount from JKDM in current year;
- (ii) Adjustment made (RM10.22 million) to reverse the over accrued liability in current year; and
- (iii) Reduction in finance costs (RM2.55 million), following scheduled loan repayments for the Group's existing loans.

However, these positive impacts were partially offset by an increase in taxation of RM3.86 million, due to a one-off tax credit of RM3.71 million recognised in the preceding year after the resolution of a tax issue.



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE BURSA SECURITIES LISTING REQUIREMENTS AND GUIDANCE ON DISCLOSURES IN NOTES TO QUARTERLY REPORT (ICN 1/2017)(continued)

B2. Financial Review for Current Quarter Compared with Immediate Preceding Quarter

| | Current quarter RM'000 | Preceding quarter RM'000 | Change Amount RM'000 | Change Percentage % |
|---|---------------------------------------|---|-------------------------------------|------------------------------------|
| Revenue | 21,453 | 21,034 | 419 | 1.99 |
| Gross Profit | 15,169 | 15,261 | (92) | (0.60) |
| Profit from operations | 19,039 | 17,346 | 1,693 | 9.76 |
| Profit before tax | 14,002 | 12,015 | 1,987 | 16.54 |
| Profit after tax | 11,781 | 9,849 | 1,932 | 19.62 |
| Profit attributable to ordinary equity holders of the parent | 9,135 | 7,318 | 1,817 | 24.83 |

The Group recorded higher revenue of RM0.42 million in the current quarter driven by an additional RM0.54 million from maintenance works. However, the impact from lower interest income (RM0.12 million) from operating financial assets has outweighed the positive impact from the increased revenue from maintenance works, leading to the overall decline in gross profit.

The profit from operations, profit before tax and profit after tax have increased by RM1.69 million, RM1.99 million and RM1.93 million respectively primarily attributed to the following factors:

- (i) Adjustment by RM1.08 million made to reverse over-accrued liability amounting to RM4.57 million; and
- (ii) One off adjustment of RM0.42 million made in preceding quarter on under provision of bonus.
- (iii) Reduction in finance costs by RM0.29 million, following scheduled loan repayments for the Group's existing loans.



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B3. Group’s Prospects

Malaysia’s path to recovery will still be confronted with multitude of challenges and uncertainties, therefore the Board remains vigilant of the complex market landscape and the need to be adaptive in the Group’s business direction.

Looking ahead, the Group will be actively pursuing transformative opportunities while concurrently strengthening its financial position through the expansion of its capital base and the reduction of borrowings. Further, the Group will continue to explore the development opportunities on our existing land bank situated around Seremban 3, Klang, Port Dickson, Rantau, and Ulu Bernam, with the aim of maximizing the potential value to our shareholders.

The Group will be prepared to navigate foreseeable challenges ahead and stand ready to seize any potential opportunities that may arise from time to time and continue to align the Group’s business strategies with sustainable growth.

The Group’s existing concession projects continue to contribute favourable financial results to the Group while the management team has also successfully resolved several tax and operational issues, resulting in a significant increase in the Group’s profit over last three years.

As announced on 17 April 2024 and 15 May 2024, the Group’s collaboration with Alpro Alliance Sdn. Bhd. will be more encompassing and expected to widen and strengthen the Group’s business activities.

B4. Profit forecast or profit guarantee

Not applicable as no profit forecast or profit guarantee was published or provided.

B5. Taxation

| | Quarter Ended 30 JUNE 2024 RM’000 | Financial Year Ended 30 JUNE 2024 RM’000 |
|--------------|--|---|
| Income tax | (1,821) | (6,648) |
| Deferred tax | (400) | (1,877) |
| Total | <u>(2,221)</u> | <u>(8,525)</u> |



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B6. Status of Corporate Proposals and Utilisation of Proceeds

Proposed Bonus Issue of Warrants on the basis of one (1) warrant for every two (2) ordinary shares in the Company has been completed following the listing and quotation for 240,399,627 Warrants on the Main Market of Bursa Securities on 23 December 2021.

Status of the utilisation of proceeds as at 30 June 2024 are as below:

| | RM'000 |
|--|-----------------|
| Proceeds Received | |
| Alloted | 44,273 |
| Pending Allotment | 47,536 |
| | 91,809 |
| Amount Utilised | |
| (1) Property development business | - |
| (2) Working capital | |
| (2)(a) Payment to trade and other payables (including scheduled repayment of interest and/or principal amount to financial institutions) | (27,158) |
| (2)(b) Staff related costs | (6,879) |
| (2)(c) General administrative/ operating expenses | (4,756) |
| Total Utilisation | (38,793) |
| Balance Unutilised | 53,016 |

B7. Borrowings and debt securities

| | As at 30 June 2024 | | | | | |
|---------|-----------------------------|-------------------------------|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| | Long term | | Short term | | Total borrowings | |
| | Foreign denomination | RM denomination RM'000 | Foreign denomination | RM denomination RM'000 | Foreign denomination | RM denomination RM'000 |
| Secured | - | 203,896 | - | 80,750 | - | 284,646 |
| | As at 30 June 2023 | | | | | |
| | Long term | | Short term | | Total borrowings | |
| | Foreign denomination | RM denomination RM'000 | Foreign denomination | RM denomination RM'000 | Foreign denomination | RM denomination RM'000 |
| Secured | - | 276,000 | - | 79,929 | - | 355,929 |



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B7. Borrowings and debt securities (Cont'd)

(a) Detailed explanation on the material changes in borrowings

There were no new material borrowings obtained by the Group during the quarter under review.

(b) Details of significant increase or reduction in borrowings

The decrease in total borrowings for financial year ended 30 June 2024 compared to the financial year ended 30 June 2023 was due to scheduled repayments made to banks.

(c) Weighted average interest rate of borrowings and proportion of debt that is based on the fixed interest rate and floating interest rate

The weighted average interest rate of borrowings is 6.74%. The Group's borrowings are subjected to floating interest rates.

(d) Borrowings that denominated in foreign currencies

There are no borrowings denominated in foreign currencies.

B8. Changes in Material Litigation

There were no other updates on material litigation during the quarter under review.

B9. Dividends

(a) No dividend has been proposed or declared during the current quarter under review.

(b) The total dividend per share for the current financial year is 6 sen.



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE BURSA SECURITIES LISTING REQUIREMENTS AND GUIDANCE ON DISCLOSURES IN NOTES TO QUARTERLY REPORT (ICN 1/2017)(continued)

B10. Earnings per share

(a) Earnings per share

| | Current Quarter Ended 30 JUN 2024 | Corresponding Quarter Ended 30 JUN 2023 | Current Year-to-Date 30 JUN 2024 | Corresponding Year-to-Date 30 JUN 2023 |
|--|--|--|---|---|
| Profit attributable to owners of the Company | <u>9,135</u> | <u>6,997</u> | <u>26,075</u> | <u>17,277</u> |
| Weighted average number of ordinary shares in issue ('000) | <u>528,950</u> | <u>509,678</u> | <u>519,300</u> | <u>508,279</u> |
| Basic earnings per ordinary shares (sen) | <u>1.73</u> | <u>1.37</u> | <u>5.02</u> | <u>3.40</u> |

(b) Diluted earnings per share

| | Current Quarter Ended 30 JUN 2024 | Corresponding Quarter Ended 30 JUN 2023 | Current Year-to-Date 30 JUN 2024 | Corresponding Year-to-Date 30 JUN 2023 |
|--|--|--|---|---|
| Profit attributable to owners of the Company | <u>9,135</u> | <u>6,997</u> | <u>26,075</u> | <u>17,277</u> |
| Weighted average number of ordinary shares in issue ('000) | 528,950 | 509,678 | 519,300 | 508,279 |
| Effect of warrants | <u>45,321</u> | <u>84,615</u> | <u>46,624</u> | <u>29,670</u> |
| Weighted average number of ordinary shares in issue (diluted) ('000) | <u>574,271</u> | <u>594,293</u> | <u>565,924</u> | <u>537,949</u> |
| Diluted earnings per ordinary shares (sen) | <u>1.59</u> | <u>1.18</u> | <u>4.61</u> | <u>3.21</u> |



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B11. Audit Report from the Group’s Annual Report 2023

The audit report from the Group’s Annual Report 2023 was unqualified.

B12. Profit before tax is arrived at after charging / (crediting):

| | Quarter Ended 30 JUNE 2024 RM’000 | Financial Year Ended 30 JUNE 2024 RM’000 |
|---|--|---|
| Auditors' remuneration | 37 | 131 |
| Depreciation of investment properties | 41 | 163 |
| Depreciation of property, plant and equipment | 76 | 288 |
| Employee benefits expense | 1,299 | 5,226 |
| Fair value of supplementary services | (8,057) | (32,225) |
| Finance costs | 5,037 | 22,235 |
| Dividend income | (64) | (64) |
| Gain on disposal of property, plant and equipment | (11) | (11) |
| Interest income | (199) | (541) |
| Interest income on operating financial assets | (6,473) | (26,595) |
| Reversal of impairment losses on trade and other receivables | - | (30) |

By Order of the Board

MENANG CORPORATION (M) BERHAD

Chin Wai Yi
COMPANY SECRETARY
26 August 2024