

META BRIGHT GROUP BERHAD ("MBRIGHT")

Registration No: 200001013359 (515965-A)

Incorporated in Malaysia

**INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS AT 30 SEPTEMBER 2023**

	As at 30.09.2023 RM Unaudited	As at 30.06.2023 RM Audited
ASSETS		
Non-Current Assets		
Property, plant and equipment	102,039,428	99,334,698
Investment properties	62,593,700	62,593,700
Inventories	701,605	500,000
Other investments	1,576,765	1,616,129
Total Non-Current Assets	166,911,498	164,044,527
Current Assets		
Inventories - Property development cost	50,483,930	48,902,472
Inventories - Completed properties and others	40,955,383	41,768,979
Trade and other receivables	23,309,407	7,507,283
Contract assets	1,984,270	2,155,718
Financing receivables	5,519,611	6,902,965
Tax assets	68,500	45,000
Deposits placed with licensed banks	10,600,785	10,600,785
Cash and bank balances	31,155,323	37,475,318
Total Current Assets	164,077,209	155,358,520
TOTAL ASSETS	330,988,707	319,403,047
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	187,872,865	184,111,556
Reserves	53,631,364	54,626,522
Total Equity	241,504,229	238,738,078
Non-Current Liabilities		
Lease payables	68,923	100,292
Hire purchase payables	411,891	94,160
Term loans	18,006,616	19,988,010
Trade payables	2,843,085	2,858,590
Deferred tax liabilities	8,157,363	8,157,363
Total Non-Current Liabilities	29,487,878	31,198,415
Current Liabilities		
Trade and other payables	26,332,482	18,837,603
Contract liabilities	20,877,287	21,698,198
Provisions for liabilities	1,812,000	1,812,000
Lease payables	171,260	174,235
Hire purchase payables	32,561	25,793
Term loans	2,000,004	1,982,987
Bank overdraft	8,771,006	4,935,738
Total Current Liabilities	59,996,600	49,466,554
Total Liabilities	89,484,478	80,664,969
TOTAL EQUITY AND LIABILITIES	330,988,707	319,403,047
Net asset per share (sen)	10	12

Notes:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

META BRIGHT GROUP BERHAD ("MBRIGHT")

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**INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2023**

	Individual Period		Cumulative Period	
	Current quarter 30.09.2023 Unaudited RM	Preceding year corresponding quarter 30.09.2022 Unaudited RM	3 months ended 30.09.2023 Unaudited RM	3 months ended 30.09.2022 Unaudited RM
<u>Continuing Operations</u>				
Revenue	10,431,055	8,668,806	10,431,055	8,668,806
Expenses excluding finance cost	(10,056,706)	(7,341,301)	(10,056,706)	(7,341,301)
Other operating income	<u>626,649</u>	<u>139,494</u>	<u>626,649</u>	<u>139,494</u>
Profit from operations	1,000,998	1,466,999	1,000,998	1,466,999
Finance cost	(516,888)	(391,556)	(516,888)	(391,556)
Profit before taxation	<u>484,110</u>	<u>1,075,443</u>	<u>484,110</u>	<u>1,075,443</u>
Income tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net profit for the period	<u>484,110</u>	<u>1,075,443</u>	<u>484,110</u>	<u>1,075,443</u>
Other comprehensive loss, net of tax	<u>(112,800)</u>	<u>(14,256)</u>	<u>(112,800)</u>	<u>(14,256)</u>
Total comprehensive profit for the period	<u><u>371,310</u></u>	<u><u>1,061,187</u></u>	<u><u>371,310</u></u>	<u><u>1,061,187</u></u>
Earnings per ordinary share attributable to equity holders of the Company (sen)				
Basic profit per share	<u><u>0.02</u></u>	<u><u>0.06</u></u>	<u><u>0.02</u></u>	<u><u>0.06</u></u>
Diluted	<u><u>0.02</u></u>	<u><u>0.06</u></u>	<u><u>0.02</u></u>	<u><u>0.06</u></u>

Notes:

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

META BRIGHT GROUP BERHAD ("MBRIGHT")

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**INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2023**

	← Attributable to Owners of the Company →							Total RM
	Share Capital RM	Capital Reserve RM	Warrants Reserve RM	Revaluation Reserve RM	Fair Value Reserve of Financial Assets at FVOCI RM	Foreign Currency Reserve RM	Retained Profits/ (Accumulated Losses) RM	
At 1 July 2022	181,667,731	110,238,037	37,970,746	540,183	1,167,250	-	(170,002,763)	161,581,184
Issue of ordinary share	68,615,290	-	-	-	-	-	-	68,615,290
Share issuance expenses	(320,391)	-	-	-	-	-	-	(320,391)
Exercise of warrants	262,888	-	(95,506)	-	-	-	-	167,382
Capital reduction	(66,113,962)	(110,238,037)	-	-	-	-	176,351,999	-
Total comprehensive profit	-	-	-	-	-	-	8,709,081	8,709,081
Other comprehensive loss	-	-	-	-	(12,806)	(1,662)	-	(14,468)
At 30 June 2023	184,111,556	-	37,875,240	540,183	1,154,444	(1,662)	15,058,317	238,738,078
Exercise of warrants	3,761,309	-	(1,366,468)	-	-	-	-	2,394,841
Total comprehensive profit	-	-	-	-	-	-	484,110	484,110
Other comprehensive loss	-	-	-	-	(37,589)	(75,211)	-	(112,800)
At 30 September 2023	187,872,865	-	36,508,772	540,183	1,116,855	(76,873)	15,542,427	241,504,229

Notes:

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

META BRIGHT GROUP BERHAD ("MBRIGHT")

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**INTERIM REPORT - UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

	Current period to date ended 30.09.2023 RM	Current period to date ended 30.09.2022 RM
	Unaudited	Unaudited
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit before income tax expense for the period	484,110	1,075,443
Adjustments for:		
Finance income	(266,048)	(100,232)
Finance cost	516,888	391,556
Depreciation of property, plant and equipment	1,169,748	767,566
Operating profit before working capital changes	1,904,698	2,134,333
(Increase)/decrease in:		
Financing receivables	1,383,354	(679,744)
Inventories - Property development cost	(1,581,458)	(589,920)
Inventories - Completed properties and others	813,596	(24,114,316)
Trade and other receivables	(15,877,335)	(207,804)
Trade and other payables	7,479,375	(728,574)
Contract assets	171,448	27,282
Contract liabilities	(820,911)	(1,146,026)
Net cash flows (used in) operation	(6,527,233)	(25,304,769)
Income tax paid	(23,500)	-
Interest paid	(516,888)	(18,588)
Net cash flows (used in) operating activities	(7,067,621)	(25,323,357)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,557,678)	(1,702,304)
Proceed from disposal of other investment	1,775	-
Land premium on inventories	(201,605)	-
Interest received	266,048	100,232
Change in pledged deposits	-	(4,349,681)
Net cash flows (used In) investing activities	(3,491,460)	(5,951,753)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	2,394,841	-
Increase in share capital	-	24,800,000
Repayment of term loans	(1,964,378)	(74,969)
Repayment of hire purchase payables	7,699	-
Repayment of lease liabilities	(34,344)	(37,925)
Net cash flows generated from financing activities	403,818	24,687,106
NET DECREASE IN CASH AND CASH EQUIVALENTS	(10,155,263)	(6,588,004)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	33,554,675	26,416,561
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	23,399,412	19,828,557
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD COMPRISE THE FOLLOWING:		
Cash and bank balances	30,905,260	20,357,496
Housing Development Account	250,063	250,063
Deposits placed with licensed banks	10,600,785	9,522,979
Bank overdrafts	(8,771,006)	(779,002)
	32,985,102	29,351,536
Less : Deposits pledged with licensed bank	(9,585,690)	(9,522,979)
	23,399,412	19,828,557

Notes:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**META BRIGHT GROUP BERHAD (“MBRIGHT”)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

EXPLANATORY NOTES

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s annual audited financial statements for the financial year ended 30 June 2023, which have been prepared in accordance with the MFRS and the Companies Act 2016.

These explanatory notes provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2023. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2023.

A2 Audit qualifications

The auditors’ report on the audited annual financial statements for the financial year ended 30 June 2023 was not subject to any qualification.

Key Audit Matters (“KAM”) highlighted by the auditors were investment properties; property, plant and equipment; inventories, revenue and corresponding costs recognition for property development activities and investment in subsidiaries. Details of the KAM are provided in the audited financial statements for the financial year ended 30 June 2023.

A3 Seasonality or cyclicity of operation

For the financial period under review, the operations of the Group are not subject to material seasonal or cyclical fluctuations except for the Hospitality segment.

A4 Changes in the composition of the Group

For the financial period under review, there were no material changes in the composition of the Group.

A5 Unusual items

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

A6 Changes in estimates

There were no material changes in estimates in the current quarter results.

A7 Debt and equity securities

There were no issuance, repurchase and repayment of debt and equity securities for the financial period under review except for the following:-

During the financial period to-date, there was an issuance of 28,174,600 new ordinary shares pursuant to the conversion of Warrants 2022/2032 at an exercise price of RM0.085 per ordinary share for a total cash consideration of RM2,394,841.

A8 Dividends paid

There was no dividend paid for the financial period under review.

A9 Segmental reporting

The Group's segmental report for the financial year to date is as follows:

	Investment properties RM'000	Leasing & financing RM'000	Hospitality RM'000	Investment holding RM'000	Property development RM'000	Energy related RM'000	Others RM'000	Total RM'000
Revenue	715	316	6,320	-	2,854	226	-	10,431
Results								
Segment profit/(loss)	(180)	252	747	(1,292)	1,125	83	-	735
Interest income	-	-	1	204	61	-	-	266
Finance cost	-	-	(1)	(3)	(513)	-	-	(517)
Profit before taxation								484
Income tax expense								-
Profit for the period								484
Other comprehensive loss, net of tax								(113)
Total comprehensive profit for the period								371

A10 Carrying amount of revalued assets

The carrying value of land and building is based on the valuation incorporated in the audited financial statements for the financial period ended 30 June 2023.

A11 Subsequent material event

There were no material events subsequent to the end of the period that have not been reflected in the financial statements for the period, other than the Multiple Proposals as disclosed in section (b) of note B5.

A12 Changes in contingent liabilities and contingent assets

There were no known material contingent liabilities and contingent assets of the Group since the 2023 annual report.

A13 Capital Commitments

For the financial year to-date, the Group had approved and contracted for the following capital commitments.

Property, Plant and Equipment	RM'000
Approved and contracted for :	<u>19,131</u>
Approved and not contracted for :	<u>402</u>

ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance

Financial review for current quarter compared to preceding year's corresponding quarter and current period and preceding year corresponding period :

	Individual Period		Changes (%)	Cumulative Period		Changes (%)
	Current Quarter	Preceding Year Corresponding Quarter		Current Year To-Date	Preceding Year Corresponding Period	
	30 Sep 2023 (RM '000)	30 Sep 2022 (RM '000)		30 Sep 2023 (RM '000)	30 Sep 2022 (RM '000)	
Revenue	10,431	8,669	20	10,431	8,669	20
Operating Profit	1,001	1,467	(32)	1,001	1,467	(32)
Profit Before Interest and Tax	1,001	1,467	(32)	1,001	1,467	(32)
Profit Before Tax	484	1,075	(55)	484	1,075	(55)
Profit After Tax	484	1,075	(55)	484	1,075	(55)
Other Comprehensive Loss, Net of Tax	(113)	(14)	(707)	(113)	(14)	(707)
Profit Attributable to Ordinary Equity Holders of the Company	371	1,061	(65)	371	1,061	(65)

The Group recorded a revenue of RM10.43 million for the current quarter, an increase of RM1.76 million compared to the revenue of RM8.67 million in the previous year's corresponding quarter. The increase was mainly attributed to :

- The increase in revenue of RM1.50 million from the Property Development segment, which was mainly attributed to the disposal of 2 shoplots in Bandar Tun Razak and accrued project revenue from the Damai Suites Project;
- interest income from Leasing & Financing segment; and
- revenue from renewable energy and energy efficiency projects.

B2 Comparison with preceding quarter result

Financial review for the current quarter compared with the immediate preceding quarter:

	Individual Period		Changes (%)
	Current Quarter	Immediate Preceding Quarter	
	30 Sep 2023 (RM '000)	30 Jun 2023 (RM '000)	
Revenue	10,431	8,871	18
Operating Profit	1,001	8,674	(88)
Profit Before Interest and Tax	1,001	8,674	(88)
Profit Before Tax	484	8,155	(94)
Profit After Tax	484	5,900	(92)
Other Comprehensive Loss, Net of Tax	(113)	(4)	(2,725)
Profit Attributable to Ordinary Equity Holders of the Company	371	5,896	(94)

The Group recorded profit before tax of RM0.48 million and RM8.16 million for the current and previous quarter respectively. The higher profit in the previous quarter is mainly attributed to the reversal of impairment loss of The Grand Renai Hotel amounting to RM7.4 million pursuant to revaluation performed on 30 June 2023.

B3 Group prospects

For the current financial year, the Board is committed to further improve the Hotel building and facilities to remain competitive. On property development segment, the Board has been continuously identifying new opportunities for development projects to provide the Group with new income streams. The Board will continue to adopt a cautious approach for the Group's property development projects and will evaluate all options available to the Group at the material time before launching any particular projects.

While the Group will remain focused on its core business, it will continue to seek and explore non-property related business opportunities that would contribute positively towards the Group's financial performance. For the financial year to date, the Group has diversified its core businesses to include the Energy Related and Leasing Businesses. Barring any unforeseen circumstances and premised on the outlook of the Energy Related and Equipment Leasing Businesses as disclosed in the respective circulars to shareholders, the Group is optimistic that the growth prospect of these industries will contribute positively to the profit of the Group. Nevertheless, the Group will remain cautious when looking out for business opportunities in the face of current challenging business environment.

B4 Variance of profit forecast and profit guarantee

Not applicable.

B5 Corporate proposal

(a) Shares Issuance

The Company successfully completed the following fund raising exercise on:

9 February 2023 - 20% share issuance of 389,469,246 new ordinary shares at issue price of RM0.1125 per share which raised RM43,815,290.18. The utilisation of the proceeds raised is as follows: -

Details of Utilisation	Proposed utilisation of proceeds RM'000	Actual utilisation as at 09.11.2023 RM'000	Balance to be utilised RM'000	Estimated timeframe for the utilisation ("Initial Estimated Timeframe")	Revised timeframe for the utilisation
Business development for Energy Related Business	18,600	4,893	13,707	Within 12 months	Additional 18 months from the Initial Estimated Timeframe
Refurbishment of The Grand Renai Hotel	10,000	8,331	1,669	Within 12 months	Additional 9 months from the Initial Estimated Timeframe
Other business opportunities	10,000	6,207	3,793	Within 12 months	No Change
General working capital	4,815	3,665	1,150	Within 12 months	No Change
Estimated expenses for the Proposed Shares Issuance	400	400	-	Within 2 months	No Change
	43,815	23,496	20,319		

(b) Multiple Proposals

The company had made announcements on 3 November 2023 to Bursa Malaysia Securities Berhad for multiple proposals as below:

- (i) Proposed subscription and acquisition of 2,520,000 ordinary shares in Expogaya Sdn. Bhd. ("EXPO") ("EXPO Shares"), representing 70.0% of the enlarged issued shares of EXPO, via the following:

(a) subscription of 500,000 EXPO Shares ("Subscription Shares"), representing approximately 13.9% of the enlarged issued shares of EXPO, pursuant to the conditional subscription agreement entered into between MBGB (as the Subscriber), EXPO and Chang Ket Keong ("CKK") (as the Promoter) on

27 October 2023 (“Subscription Agreement”), for a cash consideration of RM5,000,000 (“Subscription Consideration”), subject to the terms and conditions of the Subscription Agreement;

(b) acquisition of 2,020,000 EXPO Shares (“Sale Shares”), representing approximately 56.1% of the enlarged issued shares of EXPO, pursuant to the conditional shares sale agreement entered into between MBGB (as the Purchaser), CKK, Beton Chemical Technology Sdn Bhd (“BCTSB”), Fung Chun Fatt (“FCF”) and Chin Swee Yen (“CSY”) (CKK, BCTSB, FCF and CSY collectively, referred to as the “Vendors”) (“CSSA”), for a total purchase consideration of RM23,040,000 (“Purchase Consideration”) which shall be satisfied via the issuance of 98,461,536 new ordinary shares in MBGB (“MBGB Shares” or “Shares”) at an issue price of RM0.234 each (“Consideration Shares”), subject to the terms and conditions of the CSSA;

- (ii) Proposed diversification of the existing business of MBGB and its subsidiaries to include manufacturing, trading and supply of building materials including cement, ready-mixed concrete and its related products as well as provision of related services including transportation services and equipment rental, in conjunction with the Proposed Acquisition (“Proposed Diversification”).

B6 Taxation

	3 months Quarter ended		Cumulative to date	
	30-Sep-23 RM'000	30-Sep-22 RM'000	30-Sep-23 RM'000	30-Sep-22 RM'000
Tax expense				
Income tax	-	-	-	-
Deferred tax	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

B7 Group borrowings and debts securities

The Group borrowings, all denominated in Ringgit Malaysia, as at 30 September 2023 are as follows: -

	30/9/2023		30/6/2023	
	Current RM'000	Non-current RM'000	Current RM'000	Non-current RM'000
Secured				
Bank overdraft	8,771	-	4,936	-
Hire purchase payables	33	412	26	94
Lease liabilities	171	69	174	100
Term Loan	<u>2,000</u>	<u>18,006</u>	<u>1,983</u>	<u>19,988</u>
	<u>10,975</u>	<u>18,487</u>	<u>7,119</u>	<u>20,182</u>

B8 Changes in material litigation

There were no material litigations for the financial period under review.

B9 Dividend

There was no dividend paid for the financial period under review.

B10 Earnings per share

	3 months ended		Cumulative to date	
	30-Sep-23 RM'000	30-Sep-22 RM'000	30-Sep-23 RM'000	30-Sep-22 RM'000
Net profit attributable to equity holders of the Company				
- from continuing operation	<u>484</u>	<u>1,075</u>	<u>484</u>	<u>1,075</u>
	<u><u>484</u></u>	<u><u>1,075</u></u>	<u><u>484</u></u>	<u><u>1,075</u></u>
Number of ordinary share in issue ('000)	2,366,959	1,947,346	2,366,959	1,947,346
Weighted average number of ordinary share in issue ("000)	2,350,005	1,785,607	2,350,005	1,785,607
Profit per share (sen)				
Basic, profit from - continuing operations	<u>0.02</u>	<u>0.06</u>	<u>0.02</u>	<u>0.06</u>
Basic, profit for the period	<u><u>0.02</u></u>	<u><u>0.06</u></u>	<u><u>0.02</u></u>	<u><u>0.06</u></u>
Diluted	<u><u>0.02</u></u>	<u><u>0.06</u></u>	<u><u>0.02</u></u>	<u><u>0.06</u></u>

B11 Profit for the period

	Current Quarter RM'000	Cumulative to date RM'000
This is arrived at after (charging)/crediting:		
Interest income	266	266
Interest expense	(517)	(517)
Depreciation and amortization	<u>(1,170)</u>	<u>(1,170)</u>

Other disclosure items pursuant to Appendix 9B, Part A(16) of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.