

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2023**

	Note	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		Individual Quarter		Cumulative Quarter	
		Current Quarter 30 Jun 2023 RM'000	Preceding Year Quarter 30 Jun 2022 RM'000	Current Year To Date 30 Jun 2023 RM'000	Preceding Year To Date 30 Jun 2022 RM'000
Revenue	11	41,851	20,233	86,309	38,478
Cost of sales		(18,692)	(7,139)	(34,720)	(13,768)
Gross profit		23,159	13,094	51,589	24,710
Other income		2,940	1,598	4,791	2,808
Other expenses		(20,370)	(10,585)	(44,699)	(19,612)
Finance costs		(3,808)	(3,256)	(7,597)	(6,153)
Share of results of associates		404	892	5	1,663
Profit before taxation	21	2,325	1,743	4,089	3,416
Taxation	16	(481)	(204)	(1,547)	(421)
Profit/Total comprehensive income for the financial period		1,844	1,539	2,542	2,995
Profit/Total comprehensive income attributable to:					
Owners of the Company		1,818	1,518	2,493	2,953
Non-controlling interests		26	21	49	42
		1,844	1,539	2,542	2,995
Earnings per share ("EPS")					
attributable to owners of the Company		sen	sen	sen	sen
Basic	20	0.10	0.13	0.13	0.26
Fully diluted	20	0.10	0.08	0.13	0.16

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	Note	(Unaudited) As at 30 Jun 2023 RM'000	(Audited) As at 31 Dec 2022 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		265,931	270,480
Investment properties		571,904	571,726
Associates		238,536	238,531
Intangible assets		62	79
Deferred tax assets		10,932	9,204
		<u>1,087,365</u>	<u>1,090,020</u>
Current assets			
Inventories		740,100	749,117
Trade and other receivables		44,700	36,881
Current tax assets		4,535	6,373
Short-term deposits with licensed financial institution		11	11
Cash and bank balances		28,303	19,435
Assets classified as held-for-sale		-	17,566
		<u>817,649</u>	<u>829,383</u>
TOTAL ASSETS	11	<u>1,905,014</u>	<u>1,919,403</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		768,687	768,687
Reserves		388,268	385,775
RCULS - Equity component		14,547	14,547
		<u>1,171,502</u>	<u>1,169,009</u>
Non-controlling interests		388	339
TOTAL EQUITY		<u>1,171,890</u>	<u>1,169,348</u>
Non-current liabilities			
Deferred tax liabilities		3,017	3,017
RCULS - Liability component		185,053	183,021
Trade and other payables		50,636	50,636
Lease liabilities		949	1,794
Bank borrowings		73,682	79,025
		<u>313,337</u>	<u>317,493</u>
Current liabilities			
RCULS - Liability component		6,030	6,030
Trade and other payables		370,952	384,553
Current tax liabilities		351	559
Lease liabilities		1,917	1,797
Bank borrowings		40,537	39,623
		<u>419,787</u>	<u>432,562</u>
TOTAL LIABILITIES	11	<u>733,124</u>	<u>750,055</u>
TOTAL EQUITY AND LIABILITIES		<u>1,905,014</u>	<u>1,919,403</u>
Net assets per share attributable to owners of the Company (RM)		<u>0.63</u>	<u>0.63</u>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 JUNE 2023**

	<u>Non-distributable reserves</u>			<u>Distributable reserve</u>	Total	Non-controlling interests	Total equity
	Share capital	RCULS - Equity component	RCCPS - Equity component	Retained earnings			
(Unaudited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2022	646,686	14,547	122,001	358,560	1,141,794	249	1,142,043
Total comprehensive income for the financial period	-	-	-	2,953	2,953	42	2,995
Balance as at 30 June 2022	646,686	14,547	122,001	361,513	1,144,747	291	1,145,038
(Unaudited)							
Balance as at 1 January 2023	768,687	14,547	-	385,775	1,169,009	339	1,169,348
Total comprehensive income for the financial period	-	-	-	2,493	2,493	49	2,542
Balance as at 30 June 2023	768,687	14,547	-	388,268	1,171,502	388	1,171,890

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes.

I-Berhad Company No. 196701000055 (7029-H)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2023

	(Unaudited) Period ended 30 Jun 2023 RM'000	(Unaudited) Period ended 30 Jun 2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,089	3,416
Adjustments for:		
Non-cash/operating items	13,406	663
Operating profit before working capital changes	17,495	4,079
Net changes in current assets	1,198	16,075
Net changes in current liabilities	(13,694)	(15,631)
Cash generated from operations	4,999	4,523
Tax paid	(1,081)	(2,218)
Tax refunded	3	2
Net cash generated from operating activities	3,921	2,307
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,806)	(18,799)
Purchase of intangible assets	(6)	(32)
Development of investment properties under construction	(8,911)	(7,718)
Withdrawal from short-term deposits with licensed financial institutions	39	1,922
Interest received	240	219
Net proceeds from disposal of assets held-for-sale	16,725	-
Net cash from/(used in) investing activities	6,281	(24,408)
CASH FLOWS FROM FINANCING ACTIVITIES		
Coupon payment for RCULS	(3,056)	(5,094)
Repayment of lease liabilities	(1,037)	-
Interest payment on hire purchase liability	-	(40)
Advances from holding company	10,000	32,000
Proceeds from bank borrowing	-	4,509
Repayment of bank borrowings	(4,464)	(3,125)
Interest payment on bank borrowings	(2,738)	(2,030)
Net cash used in financing activities	(1,295)	26,220
Net increase in cash and cash equivalents	8,907	4,119
Cash and cash equivalents at beginning of financial period	19,396	9,347
Cash and cash equivalents at end of financial period	28,303	13,466
Cash and cash equivalents comprise:		
Cash and bank balances	8,499	7,659
Deposits with licensed banks/financial institutions	19,804	17,858
Deposits pledged as bank guarantee	-	(39)
Deposits with licensed financial institution with maturity period more than 3 months	-	(12,012)
Total	28,303	13,466

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes.

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 JUNE 2023 - UNAUDITED****Part A – Explanatory Notes Pursuant to MFRS 134****1 Basis of preparation**

The unaudited interim financial report has been prepared in accordance with MFRS 134: Interim Financial Reporting and Chapter 9, Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and method of computation adopted by the Group in this quarterly report are consistent with those in the annual financial statements for the year ended 31 December 2022.

The Group has not adopted the following standards that have been issued and not yet effective:

1 January 2024

Amendments to MFRS 101	<i>'Non-current Liabilities with Covenants'</i>
Amendments to MFRS 101	<i>'Classification of Liabilities as Current or Non-current'</i>
Amendments to MFRS 16	<i>'Lease Liability in a Sale and Leaseback'</i>
Amendments to MFRS 107 and MFRS 7	<i>'Supplier Finance Arrangements'</i>
Amendments to MFRS 10 and MFRS 128	<i>'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'</i>

2 Seasonal or cyclical factors

The Group's results were not materially impacted by any seasonal or cyclical factors apart from the Leisure and Hospitality segment as both the Leisure Park@i-City and Hotels (ie. DoubleTree by Hilton Shah Alam i-City Hotel and Best Western i-City Hotel) receive more visitors during weekends, school holidays and festive seasons.

3 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 30 June 2023.

4 Material changes in estimates

There were no material changes in estimates that have a material effect for the financial period ended 30 June 2023.

5 Debt and equity securities

There were no cancellations, repurchases, resale, repayments and issuance of debt and/or equity securities in the current quarter.

6 Dividend paid

There was no dividend payment made in the current quarter.

7 Material events subsequent to the end of interim period

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

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 JUNE 2023 - UNAUDITED****8 Changes in composition of the Group**

There was no change in the composition of the Group for the financial period ended 30 June 2023.

9 Capital commitments

	As at 30.06.2023
	RM'000
Approved and contracted for, analysed as follows:	
Property, plant and equipment	861
Investment properties	32,823
	<u>33,684</u>

10 Significant related party transactions

There was no significant related party transaction during the current quarter.

11 Segmental information- By business segments

Financial period ended 30 June 2023	Property Development RM'000	Property Investment RM'000	Leisure and Hospitality RM'000	Others RM'000	Consolidated RM'000
Revenue					
Total revenue	37,639	13,142	39,795	2,426	93,002
Inter-segment revenue	(3,916)	(1,961)	(286)	(530)	(6,693)
External revenue	<u>33,723</u>	<u>11,181</u>	<u>39,509</u>	<u>1,896</u>	<u>86,309</u>
Results					
Segment results	1,786	2,857	547	(1,346)	3,844
Interest income	165	26	-	49	240
Share of results of associates	-	5	-	-	5
Profit/(Loss) before taxation	1,951	2,888	547	(1,297)	4,089
Taxation					<u>(1,547)</u>
Profit for the financial period					<u>2,542</u>

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 JUNE 2023 - UNAUDITED****11 Segmental information- By business segments (cont'd)**

	Property Development RM'000	Property Investment RM'000	Leisure and Hospitality RM'000	Others RM'000	Consolidated RM'000
As at 30 June 2023					
Assets					
Segment assets	801,940	575,228	271,071	2,772	1,651,011
Tax recoverable	-	-	-	-	4,535
Deferred tax assets	-	-	-	-	10,932
Associates	-	238,536	-	-	238,536
Total assets					<u>1,905,014</u>
Liabilities					
Segment liabilities	544,093	56,950	85,193	43,520	729,756
Current tax liabilities	-	-	-	-	351
Deferred tax liabilities	-	-	-	-	3,017
Total liabilities					<u>733,124</u>
Financial period ended 30 June 2022					
Revenue					
Total revenue	10,402	9,295	19,835	2,729	42,261
Inter-segment revenue	(1,501)	(1,438)	(277)	(567)	(3,783)
External revenue	<u>8,901</u>	<u>7,857</u>	<u>19,558</u>	<u>2,162</u>	<u>38,478</u>
Results					
Segment results	(3,997)	594	5,568	(631)	1,534
Interest income	202	-	-	17	219
Share of result of associates	-	1,663	-	-	1,663
(Loss)/Profit before taxation	<u>(3,795)</u>	<u>2,257</u>	<u>5,568</u>	<u>(614)</u>	<u>3,416</u>
Taxation					(421)
Profit for the financial period					<u>2,995</u>
As at 30 June 2022					
Assets					
Segment assets	848,046	581,069	248,903	3,386	1,681,404
Tax recoverable	-	-	-	-	7,145
Deferred tax assets	-	-	-	-	9,970
Associates	-	232,959	-	-	232,959
Total assets					<u>1,931,478</u>
Liabilities					
Segment liabilities	591,636	65,270	73,677	50,260	780,843
Current tax liabilities	-	-	-	-	50
Deferred tax liabilities	-	-	-	-	5,547
Total liabilities					<u>786,440</u>

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 JUNE 2023 - UNAUDITED****Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa
Malaysia and other directives****12 Auditors' Report on preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2022 was not qualified.

13 Review of performance – Current financial quarter ended 30 June 2023 by segment

	Quarter ended/ Three months ended			Year to date/ Six months ended		
	30.06.2023	30.06.2022	Change	30.06.2023	30.06.2022	Change
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue						
Property Development	16,629	4,126	>100	33,723	8,901	>100
Property Investment	5,452	4,614	18	11,181	7,857	42
Leisure and Hospitality	18,913	10,281	84	39,509	19,558	>100
Others	857	1,212	(29)	1,896	2,162	(12)
Total	41,851	20,233		86,309	38,478	
Profit/(Loss) before taxation						
Property Development	1,240	(1,742)	>100	1,951	(3,795)	>100
Property Investment	1,860	1,562	19	2,888	2,257	28
Leisure and Hospitality	(226)	2,259	(>100)	547	5,568	(90)
Others	(549)	(336)	(63)	(1,297)	(614)	(>100)
Total	2,325	1,743		4,089	3,416	

For the current financial quarter ended 30 June 2023 ("Q2 2023"), the Group posted higher revenue of RM41.9 million and profit before tax of RM2.3 million as compared to the revenue and profit before tax of RM20.2 million and RM1.7 million respectively for the corresponding financial quarter ended 30 June 2022 ("Q2 2022").

a) Property development

The revenue for this quarter came mainly from the recognition of the sales of the latest development, BeCentral residences, Twenty8 and 8Premier corporate/retail space as well as sale of completed residential units, i-Suite and Hyde projects in i-City.

b) Property investment

The property investment segment results are from the rental of investment properties held by the Group, mainly the Corporate Office Mercuru Maybank & Data Centre as well as the share of results of an associate.

c) Leisure and hospitality

The leisure and hospitality segment of the Group continues to record higher revenue compared to the corresponding financial quarter. The lower profit before tax in the current quarter was mainly due to expenses incurred for the hotel operations, as the hotel is still at its infancy stage.

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 JUNE 2023 - UNAUDITED**

14 Comment on material changes in profit before taxation of the current quarter compared with the preceding quarter

	Current Quarter 30.06.2023 RM'000	Preceding Quarter 31.03.2023 RM'000	Changes %
Revenue	41,851	44,458	(6)
Share of results of associates	404	(399)	>100
Profit before tax	2,325	1,764	32

The Group registered lower revenue of RM41.9 million but higher profit before tax of RM2.3 million for the current quarter as compared to revenue of RM44.5 million and profit before tax of RM1.8 million for the preceding quarter. The higher profit before tax in the current quarter is mainly contributed by the higher recognition of work progress and profits from ongoing development of BeCentral Residences, Twenty8 and 8Premier corporate/retails spaces as well as higher share of results of associate from the property investment segment.

15 Commentary on prospects

Amidst the challenging landscape of 2023, our Group maintains an optimistic outlook while staying committed to meticulous planning and long-term value creation. We take pride in our diversified portfolio, which serves as a strong anchor to navigate economic fluctuations, with a focus on fostering steady growth across all segments.

Our flagship project, i-City, continues to drive growth in our Property Development segment. With a remaining gross development value ("GDV") of approximately RM5 billion, i-City is now entering an exciting expansion phase. We are pleased to announce that BeCentral Tower 1 will be reaching the 50% sales mark soon, showcasing strong demand for our offerings even in a challenging property market and global economy. To further boost sales momentum, we are proactively deploying a comprehensive marketing strategy aimed at captivating the market and securing the success of BeCentral project.

Additionally, we are fully committed to restrengthening our Investment Properties pipeline post-pandemic. We have invested significant efforts in attracting more tenants and business partners to maximize the rental yield of our investment properties within i-City. Components of our investment property portfolio, such as the Mercu Maybank corporate tower, Tier-3 Data Centre, Central i-City Mall, and car park blocks, all contribute to our pursuit of increased yields. Through focused endeavors, we are dedicated to both maximizing returns and optimizing the performance of our investment properties.

Our Leisure and Hospitality segment continues to hold promising prospects. Notably, DoubleTree by Hilton i-City, which began its operations in Q3 2022, has significantly contributed to foot traffic within the Leisure and Hospitality segment. As international borders gradually reopen, particularly with China, we anticipate a surge in visitor numbers to i-City, further bolstering revenue in this segment. Furthermore, we remain dedicated to enhancing visitor experiences, with RM10 million allocated to the Digital Sports Arena as well as Immersive Winterland to boost the Leisure contribution to the Group, ensuring sustained growth and heightened enjoyment for our visitors.

Our long-term vision for i-City revolves around transforming it into a regional hub, attracting multinational corporations, financial institutions, and fintech companies. Our active involvement in the Next Generation AI Smart City project, along with the upcoming deployment of 5G technology, solidifies our position as a pioneering force in shaping the future of urban living and innovation.

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 JUNE 2023 - UNAUDITED****15 Commentary on prospects (cont'd)**

As of the end of the previous quarter, our Group's unbilled sales stood at RM111.6 million, reflecting a positive upward trend from previous periods. In conclusion, as we move forward in 2023, our Group remains dedicated to prudent strategies, relentless innovation, and value creation across all business segments. We are excited about the growth prospects that lie ahead and will continue to steer the organization towards success amidst a rapidly evolving business landscape.

16 Taxation

	Quarter ended/ Three months ended		Year to date/ Six months ended	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	RM'000	RM'000	RM'000	RM'000
Taxation				
- Income tax	905	1,513	2,708	2,355
- Deferred tax	(444)	(1,309)	(1,728)	(1,934)
- Real Property Gain Tax	20	-	567	-
Total	481	204	1,547	421

The effective tax rate for the current quarter is lower than the statutory income tax rate mainly due to the share of profit of an associate is net of tax.

The real property gain tax was arising from the sale of the assets held-for-sale where the transaction was completed on 28 February 2023.

17 Group borrowings and debt securities

As at 30 June 2023, the Group borrowings and debt securities are as follow:

	Non-current RM'000	Repayable within one year RM'000
As at 30 June 2023		
Unsecured		
Redeemable Convertible Unsecured Loan Stocks ("RCULS")	185,053	6,030
Secured		
Bank borrowings	73,682	40,537
	258,735	46,567
As at 30 June 2022		
Unsecured		
Redeemable Convertible Unsecured Loan Stocks ("RCULS")	196,167	7,971
Redeemable Cumulative Convertible Preference Shares ("RCCPS")	-	6,714
Secured		
Bank borrowings	80,013	34,834
	276,180	49,519

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 JUNE 2023 - UNAUDITED****18 Material litigation**

The Group is not engaged in any material litigation as at 22 August 2023, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

19 Dividend

No interim dividend has been recommended for the second quarter ended 30 June 2023.

20 Earnings per share**(i) Basic Earnings per Share**

	Quarter ended/ Three months ended		Year to date/ Six months ended	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Profit attributable to owners of the Company (RM'000)	1,818	1,518	2,493	2,953
Weighted average number of ordinary shares in issue ('000)	1,857,300	1,136,863	1,857,300	1,136,863
Basic earnings per share (sen)	0.10	0.13	0.13	0.26

(ii) Diluted Earnings per Share

	Quarter ended/ Three months ended		Year to date/ Six months ended	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Profit attributable to owners of the Company (RM'000)	1,818	1,518	2,493	2,953
After tax effects of interest	-	58	-	105
Weighted average number of ordinary shares in issue ('000)	1,857,300	1,136,863	1,857,300	1,136,863
Effects of dilution ('000)	-*	720,437	-*	720,437
Diluted earnings per share (sen)	0.10	0.08	0.13	0.16

* *Anti-dilutive*

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 JUNE 2023 - UNAUDITED****21 Notes to consolidated statements of comprehensive income**

	Quarter ended/ Three months ended		Year to date/ Six months ended	
	30.06.2023 RM'000	30.06.2022 RM'000	30.06.2023 RM'000	30.06.2022 RM'000
Profit before taxation for the financial period is arrived at after crediting:				
Interest income	70	111	240	219
Other income	2,870	1,487	4,551	2,589
and charging:				
Depreciation of property, plant and equipment	2,368	1,318	4,694	2,652
Depreciation of right-of-use assets	134	126	268	240
Amortisation of intangible assets	12	11	23	21
Finance costs	3,808	3,256	7,597	6,153

22 Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 August 2023.