

**Condensed consolidated statement of financial position**

As At 30 September 2024

	At 30 September 2024 RM'000 (Unaudited)	At 31 March 2024 RM'000 (Audited)
<b>Assets</b>		
Property, plant and equipment	10,204	11,121
Investment properties	114,913	115,299
Inventories	960	960
Investment in associates	1,707	1,902
Investment in joint ventures	260	260
Deferred tax assets	17	17
Trade and other receivables	22,446	22,446
<b>Total non-current assets</b>	<b>150,507</b>	<b>152,005</b>
Inventories	1,775	3,141
Trade and other receivables	174,794	229,367
Contract assets	47,057	44,491
Tax recoverable	250	210
Cash and cash equivalents	9,985	1,700
	233,861	278,909
Assets classified as held for sales	14,628	14,628
<b>Total current assets</b>	<b>248,489</b>	<b>293,537</b>
<b>Total assets</b>	<b>398,996</b>	<b>445,542</b>
<b>Equity</b>		
Share capital	122,338	122,338
Translation reserve	7	7
Retained earnings	102,722	106,185
<b>Total equity attributable to owners of the Company</b>	<b>225,067</b>	<b>228,530</b>
<b>Liabilities</b>		
Borrowings	663	844
Deferred tax liabilities	398	435
<b>Total non-current liabilities</b>	<b>1,061</b>	<b>1,279</b>
Trade and other payables	125,614	152,774
Contract liabilities	1,412	-
Borrowings	42,089	59,459
Current tax payable	3,753	3,500
<b>Total current liabilities</b>	<b>172,868</b>	<b>215,733</b>
<b>Total liabilities</b>	<b>173,929</b>	<b>217,012</b>
<b>Total equity and liabilities</b>	<b>398,996</b>	<b>445,542</b>
<b>Net assets per share (RM)</b>	<b>2.2587</b>	<b>2.2934</b>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2024 and the accompanying explanatory notes attached to the interim financial statements.)

**Condensed consolidated statement of profit or loss and other comprehensive income**  
For the financial period ended 30 September 2024

	Current 3 months ended 30 September		Cumulative 6 months ended 30 September	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	15,396	33,545	27,690	59,639
Cost of sales	<u>(13,567)</u>	<u>(31,884)</u>	<u>(24,948)</u>	<u>(56,706)</u>
<b>Gross profit</b>	1,829	1,661	2,742	2,933
Other income	725	10,355	2,563	10,471
Administrative and other operating expenses	(3,737)	(3,641)	(6,213)	(6,701)
Net (loss)/gain on impairment of financial instruments and contract assets	(202)	412	(8)	(475)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Results from operating activities</b>	(1,385)	8,787	(916)	6,228
Interest income	63	71	112	169
Interest expense	(941)	(982)	(1,804)	(1,941)
Net interest expense	(878)	(911)	(1,692)	(1,772)
Share of loss of equity-accounted investment, net of tax	-	(7)	(195)	(7)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net (loss)/profit before tax</b>	(2,263)	7,869	(2,803)	4,449
Taxation	(375)	(138)	(660)	(247)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net (loss)/profit after tax</b>	<u>(2,638)</u>	<u>7,731</u>	<u>(3,463)</u>	<u>4,202</u>
<b>(Loss)/profit per share attributable to ordinary shareholders</b>				
EPS - Basic (sen)	<u>(2.65)</u>	<u>7.76</u>	<u>(3.48)</u>	<u>4.22</u>
EPS - Diluted (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

(The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2024 and the accompanying explanatory notes attached to the interim financial statements.)



**Condensed consolidated statement of changes in equity**

For the financial period ended 30 September 2024

	Attributable to owners of the Company			Total RM'000
	Non-distributable Share capital RM'000	Translation Reserve RM'000	Distributable Retained profits RM'000	
<b>At 1 April 2024 (Audited)</b>	122,338	7	106,185	228,530
Total comprehensive loss for the period	-	-	(3,463)	(3,463)
<b>At 30 September 2024 (Unaudited)</b>	<u>122,338</u>	<u>7</u>	<u>102,722</u>	<u>225,067</u>
<b>At 1 April 2023 (Audited)</b>	122,338	7	97,001	219,346
Total comprehensive profit for the year	-	-	9,184	9,184
<b>At 31 March 2024 (Audited)</b>	<u>122,338</u>	<u>7</u>	<u>106,185</u>	<u>228,530</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2024 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed consolidated statement of cash flows**  
For the financial period ended 30 September 2024

	Current year to date	
	30 September 2024 RM'000 (unaudited)	30 September 2023 RM'000 (unaudited)
<b>Cash flows from operating activities</b>		
(Loss)/Profit before tax	(2,803)	4,449
Adjustments for:		
Depreciation of property, plant and equipment	1,004	1,204
Depreciation of investment property	386	450
Net loss on impairment of financial instrument and contract assets	8	475
Gain on disposal of property, plant and equipment	(1,714)	(146)
Gain on disposal of investment properties	-	(9,875)
Property, plant and equipment written off	-	1
Share of loss of equity-accounted investments, net of tax	195	7
Interest expense	1,804	1,941
Interest income	(112)	(169)
Operating loss before changes in working capital	(1,232)	(1,663)
Changes in working capital:		
Inventories	1,366	889
Receivables, deposits and prepayments	51,999	(5,048)
Payables and accruals	(25,748)	(23,919)
Cash from/(used in) operations	26,385	(29,741)
Income taxes paid	(484)	(303)
Interest paid	(1,776)	(1,882)
Interest received	112	169
<b>Net cash from/(used in) operating activities</b>	<b>24,237</b>	<b>(31,757)</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(342)	(74)
Sales proceeds from disposal of plant and equipment	1,982	147
Sales proceeds from disposal of investment property	-	13,354
<b>Net cash from investing activities</b>	<b>1,640</b>	<b>13,427</b>
<b>Cash flows from financing activities</b>		
Interest paid	(28)	(59)
Net proceeds from borrowings	(16,784)	11,549
Repayment of finance lease liabilities	(780)	(960)
<b>Net cash (used in)/from financing activities</b>	<b>(17,592)</b>	<b>10,530</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>8,285</b>	<b>(7,800)</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>1,700</b>	<b>16,619</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>9,985</b>	<b>8,819</b>
Cash & bank balance	9,985	3,220
Deposits with licensed banks (excluding deposits pledged)	-	5,599
	<b>9,985</b>	<b>8,819</b>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2024 and the accompanying explanatory notes attached to the interim financial statements.)

## Notes to the interim financial report – 30 September 2024

### A1 Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting in Malaysia, IAS 34: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed consolidated interim financial statements are unaudited and should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024.

### A2 Significant accounting policies

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those adopted in the preparation of the Group’s audited financial statements for the financial year ended 31 March 2024 except for the following:

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of the abovementioned accounting standards, amendments and interpretations are not expected to have any material financial impact to the current period and prior period financial statements of the Group.

### A3 Auditors’ report

There was no qualification on the audited financial statements for the financial year ended 31 March 2024.

#### A4 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

#### A5 Unusual items due to their nature, size or incidence

There were no unusual items for the period ended 30 September 2024.

#### A6 Changes in estimates

Not applicable.

#### A7 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and period ended 30 September 2024.

#### A8 Dividends paid

No dividend was paid for the current quarter and period ended 30 September 2024.

#### A9 Segmental information

Segmental information is presented in respect of the Group's business segment. Inter-segment pricing is determined based on negotiated terms.

#### Current quarter ("2Q 2025") against preceding year corresponding quarter ("2Q 2024")

	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	
	30 September 2024 Revenue	30 September 2023 Revenue	Amount	%
	RM'000	RM'000	RM'000	
Trading	9,196	20,077	(10,881)	(54.2)
Property development	2,546	1,746	800	45.8
Construction	4,365	14,675	(10,310)	(70.3)
Investment property	690	647	43	6.6
Other services	226	216	10	4.6
	17,023	37,361	(20,338)	(54.4)
Inter-segment elimination	(1,627)	(3,816)	2,189	57.4
	15,396	33,545	(18,149)	(54.1)

**A9 Segmental information (continued)**
**Current quarter (“2Q 2025”) against preceding year corresponding quarter (“2Q 2024”) (continued)**

	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	
	30 September 2024 Profit/(Loss) before tax	30 September 2023 Profit/(Loss) before tax	Amount	%
	RM'000	RM'000	RM'000	
Trading	(1,531)	916	(2,447)	(267.1)
Property development	730	438	292	66.7
Construction	75	(1,444)	1,519	105.2
Investment property	273	9,714	(9,441)	(97.2)
Other services	(266)	(486)	220	45.3
	(719)	9,138	(9,857)	(107.9)
Interest income	63	71	(8)	(11.3)
Interest expense	(941)	(982)	41	4.2
Share of loss of equity-accounted investments	-	(7)	7	100.0
Unallocated other expenses	(666)	(351)	(315)	(89.7)
	(2,263)	7,869	(10,132)	(128.8)

**Current year to date (“YTD 2025”) against preceding year to date (“YTD 2024”)**

	6 months ended	6 months ended	Changes	
	30 September 2024 Revenue	30 September 2023 Revenue	Amount	%
	RM'000	RM'000	RM'000	
Trading	16,865	41,960	(25,095)	(59.8)
Property development	2,546	1,746	800	45.8
Construction	8,999	20,121	(11,122)	(55.3)
Investment Property	1,396	1,331	65	4.9
Other services	444	484	(40)	(8.3)
	30,250	65,642	(35,392)	(53.9)
Inter-segment elimination	(2,560)	(6,003)	3,443	57.4
	27,690	59,639	(31,949)	(53.6)

**Current year to date (“YTD 2025”) against preceding year to date (“YTD 2024”) (continued)**

	6 months ended	6 months ended	Changes	
	30 September 2024 Profit/(Loss) before tax	30 September 2023 Profit/(Loss) before tax	Amount	%
	RM'000	RM'000	RM'000	
Trading	(2,077)	44	(2,121)	NM
Property development	626	330	296	89.7
Construction	194	(2,641)	2,835	107.3
Investment Property	556	9,860	(9,304)	(94.4)
Other services	705	(766)	1,471	(192.0)
	4	6,827	(6,823)	(99.9)
Interest income	112	169	(57)	(33.7)
Interest expense	(1,804)	(1,941)	137	7.1
Share of loss of equity- accounted investments	(195)	(7)	(188)	NM
Unallocated other expenses	(920)	(599)	(321)	(53.6)
	(2,803)	4,449	(7,252)	(163.0)

**A10 Valuation of property, plant and equipment**

There was no amendment to the valuation of property & plant and equipment brought forward to the current quarter as compared with the previous year annual financial statements.

**A11 Event subsequent to the balance sheet date**

There was no material event subsequent to the balance sheet date except for the corporate proposals as disclosed in Note B6.

**A12 Changes in composition of the Group**

There was no change in the composition of the Group for the current quarter and period ended 30 September 2024.

**A13 Changes in contingent liabilities**

The Group has no contingent liabilities except for the following: -

	<b>As at 30 September 2024</b>
	<b>RM'000</b>
Guarantees and contingencies relating to the borrowings of subsidiaries (unsecured)	18,610
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#### A14 Significant Related Party Transactions

The Group has significant related party transactions with companies in which certain directors of the Company have interest, as follows: -

**6 months ended  
30 September 2024  
RM'000**

**With companies in which certain  
Directors of the Company, have interests:**

Ekovest Berhad and its subsidiaries, jointly controlled and associate companies	4,513
PLS Plantations Berhad and its subsidiaries, jointly controlled and associate companies	2,877
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#### B1 Detailed analysis of the performance of all operating segments of the Group in 2Q 2025

**Current quarter (“2Q 2025”) against preceding year corresponding quarter (“2Q 2024”)**

	Individual Period (2 <sup>nd</sup> Quarter)		Changes	
	Current Year Quarter	Preceding Year Corresponding Quarter	Amount	%
	30 September 2024 RM'000	30 September 2023 RM'000	RM'000	
Revenue	15,396	33,545	(18,149)	(54.1)
Gross profit	1,829	1,661	168	10.1
Result from operating activities	(1,385)	8,787	(10,172)	(115.8)
Share of loss of equity- accounted investments, net of tax	-	(7)	7	100.0
Net (loss)/profit before tax	(2,263)	7,869	(10,132)	(128.8)
Net (loss)/profit after tax	(2,638)	7,731	(10,369)	(134.1)
(Loss)/profit attributable to Owners of the Company	(2,638)	7,731	(10,369)	(134.1)

In 2Q 2025, the Group recorded lower revenue of RM15.396 million, a decrease of 54.1% compared to revenue of RM33.545 million in 2Q 2024, mainly due to lower contributions from the trading and construction sector. The Group reported a loss before tax of RM2.263 million in 2Q 2025, compared to a profit before tax RM7.869 million in 2Q 2024, the significant decrease was mainly attributed to a one-off gain of RM9.875 million recognised from the disposal of investment properties in 2Q 2024.

The performance of the respective operating business sector for the 2Q 2025 under review as compared to the 2Q 2024 are analysed as follows:

**B1 Detailed analysis of the performance of all operating segments of the Group in 2Q 2025 (continued)**

**Current quarter (“2Q 2025”) against preceding year corresponding quarter (“2Q 2024”) (continued)**

Trading

The sector reported revenue of RM9.196 million in 2Q 2025, a 54.2% decrease from RM20.077 million in 2Q 2024. The decrease mainly due to reduced demand for building materials following the completion of several major projects by our key customers.

The sector recorded a loss before tax of RM1.531 million in 2Q 2025, compared to a profit before tax of RM0.916 million in 2Q 2024. The loss before tax was mainly attributable to lower sales volume, a provision for foreseeable loss of RM0.720 million, and a net impairment loss of RM0.298 million on receivables (compared to the net impairment gain of RM0.412 million in 2Q 2024) in 2Q 2025.

Property development

Revenue for 2Q 2025 increased by RM0.800 million to RM2.546 million as compared to RM1.746 million in 2Q 2024. The increase was mainly due to more completed units sold in 2Q 2025. Accordingly, the profit before tax improved by RM0.292 million to RM0.730 million in 2Q 2025, compared to RM0.438 million in 2Q 2024.

Construction

The construction sector reported revenue of RM4.365 million in 2Q 2025, compared to RM14.675 million in 2Q 2024, mainly due to a lower percentage of work done for its ongoing construction projects. Despite the decrease in revenue, the sector recorded a profit before tax of RM0.075 million in 2Q 2025, compared to a loss before tax of RM1.444 million in 2Q 2024, the improvement was mainly due to the finalisation of the final account for one project with our sub-contractors, resulting in the recognition of additional profit in 2Q 2025.

Investment property

The sector recorded slightly higher revenue of RM0.690 million in 2Q 2025, compared to RM0.647 million in 2Q 2024. However, profit before tax declined significantly to RM0.273 million in 2Q 2025, from RM9.714 million in 2Q 2024. This decrease in profit before tax was mainly due to a one-off gain of RM 9.875 million from the disposal of investment properties recorded in 2Q 2024.

Other services

The sector recorded comparable revenue of RM0.226 million in 2Q 2025, compared to RM0.216 million in 2Q 2024. The sector reported a lower loss before tax of RM0.266 million in 2Q 2025, compared to RM0.486 million in 2Q 2024, mainly due to lesser overheads incurred during 2Q 2025.

**Current year to date (“YTD 2025”) against preceding year corresponding year (“YTD 2024”)**

	Individual Period (2 <sup>nd</sup> Quarter)		Changes	
	Current Year To-Date	Preceding Year Corresponding Period	Amount	%
	30 September 2024 RM'000	30 September 2023 RM'000	RM'000	
Revenue	27,690	59,639	(31,949)	(53.6)
Gross profit	2,742	2,933	(191)	(6.5)
Result from operating activities	(916)	6,228	(7,144)	(114.7)
Share of loss of equity-accounted investments, net of tax	(195)	(7)	(188)	NM
(Loss)/Profit before tax	(2,803)	4,449	(7,252)	(163.0)
(Loss)/Profit after tax	(3,463)	4,202	(7,665)	(182.4)
(Loss)/Profit attributable to Owners of the Company	(3,463)	4,202	(7,665)	(182.4)

For the YTD 2025, the Group recorded revenue of RM27.690 million, a decrease of RM31.949 million or 53.6% from RM59.639 million in YTD 2024. The decrease in revenue was mainly due to lower contributions from the trading and construction sectors. The Group reported a loss before tax of RM2.803 million for YTD 2025, compared to a profit before tax of RM4.449 million in YTD 2024, mainly due to a one-off gain of RM9.875 million from the disposal of investment properties recognised in YTD 2024.

The performance of the respective operating business segments for the YTD 2025 under review as compared to the YTD 2024 are analysed as follow:

#### Trading

The trading sector reported lower revenue of RM16.865 million in YTD 2025, compared to RM41.960 million in YTD 2024, mainly due to lesser demand for building materials following the completion of several major projects by key customers. The sector recorded a loss before tax of RM2.077 million in YTD 2025, compared to a profit before tax of RM0.044 million in the YTD 2024, mainly due to lower sales volume and a provision for foreseeable loss of RM0.720 million.

#### Property development

The property development sector recorded higher revenue of RM2.546 million in YTD 2025, compared to RM1.746 million in YTD 2024, mainly due to more completed units sold in YTD 2025. Accordingly, the sector reported a profit before tax of RM0.626 million in YTD 2025, compared to RM0.330 million in YTD 2024.

#### Construction

The construction sector registered lower revenue of RM8.999 million in YTD 2025 compared to RM20.121 million in YTD 2024, mainly due to a lower percentage of work done for ongoing construction projects. Despite the decreased in revenue, the sector recorded a profit before tax of RM0.194 million in YTD 2025, compared to a loss before tax of RM2.641 million in YTD 2024, mainly due to the finalisation of the final account for one project with our sub-contractors, resulting in the recognition of additional profit in 2Q 2025, as well as a one-off gain of RM0.511 million from the disposal of plant and equipment during YTD 2025.

**Current year to date (“YTD 2025”) against preceding year corresponding year (“YTD 2024”) (continued)**

Investment property

The investment property sector reported a slight increase in revenue, rising to RM1.396 million in YTD 2025 from RM1.331 million in YTD 2024. However, the sector’s profit before tax declined significantly to RM0.556 million in YTD 2025, compared to RM9.860 million in YTD 2024, mainly due to the absence of a one-off gain of RM 9.875 million from the disposal of investment properties in YTD 2024.

Other services

The revenue reported by this sector is comparable, with RM0.444 million in YTD 2025 compared to RM0.484 million in YTD 2024. However, the sector recorded a profit before tax of RM0.705 million in YTD 2025, compared to a loss before tax of RM0.766 million in YTD 2024, mainly due to a one-off gain of RM1.201 million from the disposal of plant and equipment in YTD 2025.

**B2 Comparison with preceding quarter results**

**Current quarter (“2Q 2025”) against immediate preceding quarter (“1Q 2025”)**

	Current Quarter	Immediate Preceding Quarter	Changes	
	30 September 2024	30 June 2024	Amount	%
	RM’000	RM’000	RM’000	
Revenue	15,396	12,294	3,102	25.2
Gross profit	1,829	913	916	100.3
Result from operating activities	(1,385)	469	(1,854)	(395.3)
Share of loss of equity-accounted investments, net of tax	-	(195)	195	100.0
Net loss before tax	(2,263)	(540)	(1,723)	(319.1)
Net loss after tax	(2,638)	(825)	(1,813)	(219.8)
Loss attributable to Owners of the Company	(2,638)	(825)	(1,813)	(219.8)

	Current Quarter	Immediate Preceding Quarter	Changes	
	30 September 2024	30 June 2024	Amount	%
	Revenue	Revenue	Amount	%
	RM’000	RM’000	RM’000	
Trading	9,196	7,669	1,527	19.9
Property development	2,546	-	2,546	100.0
Construction	4,365	4,634	(269)	(5.8)
Investment property	690	706	(16)	(2.3)
Other services	226	218	8	3.7
	17,023	13,227	3,796	28.7
Inter-segment elimination	(1,627)	(933)	(694)	(74.4)
	15,396	12,294	3,102	25.2

## B2 Comparison with preceding quarter results (continued)

### Current quarter (“2Q 2025”) against immediate preceding quarter (“1Q 2025”) (continued)

	Current Quarter	Immediate Preceding Quarter	Changes	
	30 September 2024 Profit/(Loss) before tax	30 June 2024 Profit/(Loss) before tax	Amount	%
	RM'000	RM'000	RM'000	
Trading	(1,531)	(546)	(985)	(180.4)
Property development	730	(104)	834	801.9
Construction	75	119	(44)	(37.0)
Investment property	273	283	(10)	(3.5)
Other services	(266)	971	(1,237)	(127.4)
	(719)	723	(1,442)	(199.4)
Interest income	63	49	14	28.6
Interest expense	(941)	(863)	(78)	(9.0)
Share of loss of equity-accounted investments, net of tax	-	(195)	195	100.0
Unallocated other expenses	(666)	(254)	(412)	(162.2)
	(2,263)	(540)	(1,723)	(319.1)

The Group reported a revenue of RM15.396 million in 2Q 2025, compared to RM12.294 million in 1Q 2025, primarily due to higher contributions from the property development and trading sectors. The Group reported a loss before tax of RM2.263 million in 2Q 2025, compared to a loss of RM0.540 million in 1Q 2025, which was mainly due to a one-off gain of RM1.714 million from the disposal of plant and equipment recorded in 1Q 2025.

## B3 Prospects

Malaysia’s Budget 2025 allocates RM335 billion for operating expenses and RM86 billion for development expenditures, with a significant portion of the development budget allocated to support the transportation projects, including highways, ports, and rail initiatives. This allocation presents potential opportunities for new projects, and the Group will closely monitor upcoming tender opening and prospects.

In the property sector, Budget 2025 offers notable support, especially through initiatives aimed at expanding affordable housing. Tax reliefs and enhanced support for first-time homebuyers, particularly via the Syarikat Jaminan Kredit Perumahan (SJKP) scheme, are expected to stimulate both home buying and construction activities.

However, despite these positive developments, the Board remains cautious due to potential cost pressures in the industry. Anticipated increases in construction material prices, the introduction of a carbon tax, subsidy removals, and adjustments in labour costs as outlined in Budget 2025 are likely to impact overall project costs. Additionally, ongoing inflationary pressures pose further challenges for the construction and property sectors. To address this, the Group has adopted a highly selective tendering strategy, focusing on projects with sufficient profit margins to mitigate inflationary pressures, helping to sustain operations.

### B3 Prospects (continued)

Given the challenging business landscape and a gradually diminishing order book, the Board anticipates that the near-term outlook will remain difficult. Consequently, the financial performance for the financial year ending 31 March 2025 may be adversely affected. As of 30 September, 2024, the Group's construction order book stood at RM 148 million.

The Board is also mindful of the competitive pressures and operational risks that could impact financial results. The Group will continue to implement proactive measures to ensure sustainability and resilience, focusing on the timely completion of all ongoing projects within budget.

### B4 Variance of actual profit from forecast profit / profit guarantee

Not applicable.

### B5 Taxation

	<b>Current quarter ended 30 September 2024 RM '000</b>	<b>6 months ended 30 September 2024 RM '000</b>
Income tax		
Current tax	412	697
Deferred tax	(37)	(37)
	375	660
	375	660

The Group's effective tax rate for the financial period ended 30 September 2024 was higher than the statutory income tax rate mainly due to the losses incurred by certain subsidiaries and disallowable expenses.

### B6 Status of corporate proposals

- 1) On 27 September 2023 whereby the Company had on even date received a letter dated 27 September 2023 ("Proposal Letter") from Tan Sri Dato' Lim Kang Hoo ("TSDLKH"), a major shareholder of the Company and the Group Executive Chairman and a major shareholder of Ekovest Berhad ("Ekovest"), requesting the Company to consider participating in a reorganisation, rationalisation and merger proposal comprising, amongst others, the proposed merger of the construction and construction-related businesses of Ekovest and Knusford through the acquisition of the entire issued share capital of Ekovest Construction Sdn Bhd ("ECSB") (i.e. a wholly-owned subsidiary of Ekovest, being the existing construction arm of Ekovest) by Knusford ("Proposed Knusford-ECSB Merger").

Following thereto, the Board of Directors of Knusford ("Board") wishes to announce that the Company had on 27 October 2023 entered into a binding heads of merger agreement ("HOA") with Ekovest to exclusively explore and negotiate further on the Proposed Knusford-ECSB Merger via the proposed acquisition by Knusford of the entire equity interest in ECSB from Ekovest for an indicative purchase consideration of RM450 million ("Purchase Consideration"), which was arrived at on a willing-buyer, willing-seller basis, after taking into account the audited net assets of ECSB as at 30 June 2023.

The Parties shall use their best endeavours and efforts to negotiate in good faith and execute the Definitive Agreement within four (4) months following the date of the HOA, with an automatic extension of three (3) months upon the expiry of such four (4) months period, or such further extended date as the Parties may mutually agree upon ("Expiry Date").

On 27 May 2024, the Parties have mutually agreed to extend the HOA to 27 July 2024.

**B6 Status of corporate proposals (continued)**

On 26 July 2024, the Parties have mutually agreed for a further extension of 6 months from 28 July 2024 to 27 January 2025, to grant more time for the Parties to assess, evaluate and deliberate the Proposed Knusford-ECSB Merger.

For details, please refer to the announcement dated 29 September 2023, 27 October 2023 and 26 July 2024 respectively.

- 2) The Company had on 27 March 2024, entered into a conditional sale and purchase agreement (“SPA”) with Emerald Plan Sdn. Bhd. to dispose a freehold land together with the buildings erected thereon held under HSD 51799, PT 43447, Mukim and District of Klang, Selangor with a provisional land area of 25,625.48 square metres (approximately 275,832 square feet) bearing postal address of No. 8, Jalan Kecapi 33/2, Taman Perindustrian Elite, Seksyen 33, 40350 Shah Alam, Selangor Darul Ehsan for a cash consideration of RM28.0 million.

At the Extraordinary General Meeting (“EGM”) held on 28 June 2024, the shareholders of the Company had approved the proposed disposal.

The disposal was completed on 23 October 2024.

For details, please refer to the announcement dated 27 March 2024, 7 June 2024, 28 June 2024 and 23 October 2024.

**B7 Group borrowings**

	As at 30 September 2024		
	Non-current RM'000	Current RM'000	Total borrowings RM'000
<b>Secured</b>			
Hire purchase liabilities	642	343	985
Lease liabilities	21	18	39
Revolving credits	-	11,500	11,500
Banker acceptance	-	5,228	5,228
<b>Unsecured</b>			
Revolving credits	-	25,000	25,000
	<u>663</u>	<u>42,089</u>	<u>42,752</u>
	As at 31 March 2024		
	Non-current RM'000	Current RM'000	Total borrowings RM'000
<b>Secured</b>			
Hire purchase liabilities	829	936	1,765
Lease liabilities	15	11	26
Revolving credits	-	23,707	23,707
Banker acceptance	-	9,805	9,805
<b>Unsecured</b>			
Revolving credits	-	25,000	25,000
	<u>844</u>	<u>59,459</u>	<u>60,303</u>

The borrowing is mainly for the purpose of working capital requirement.

**B8 Changes in material litigation**

There is no material litigation pending from 31 March 2024 (being the date of the last annual statement of financial position) to 22 November 2024 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) in which the Group is engaged either as plaintiff or defendant, and the Board has no knowledge of any proceedings pending or threatened against the company or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group.

**B9 Dividends declared**

No interim dividend has been declared for the current quarter and period ended 30 September 2024.

**B10 Loss/(profit) per share**

	<b>Current quarter ended 30 September 2024</b>	<b>Preceding year corresponding quarter ended 30 September 2023</b>	<b>Cumulative 6 months ended 30 September 2024</b>	<b>Cumulative 6 months ended 30 September 2023</b>
(Loss)/Profit for the period attributable to owners of the Parent (RM'000)	(2,638)	7,731	(3,463)	4,202
Weighted average number of ordinary shares in issue ('000)	99,645	99,645	99,645	99,645
Basic (loss)/earnings per share (sen)	(2.65)	7.76	(3.48)	4.22
Diluted (loss)/earnings per share (sen)	N/A	N/A	N/A	N/A



**B11 Notes to the statement of profit or loss and other comprehensive income**

	<b>Current quarter ended 30 September 2024 RM'000</b>	<b>Cumulative 6 months ended 30 September 2024 RM'000</b>
Loss/(profit) before tax is arrived at after (crediting)/charging:		
Interest income	(63)	(112)
Other income including investment income	(725)	(849)
Interest expense	941	1,804
Depreciation and amortisation	679	1,390
Net impairment loss on receivables	202	8
Gain on disposal of property, plant and equipment	-	(1,714)

**B12 Fair value information**

The carrying amounts of cash and cash equivalents, short term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments. Accordingly, the fair values and fair value hierarchy levels have not been presented for these instruments.

Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical financial assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the financial asset or liabilities, either directly or indirectly.

Level 3 – Inputs for the financial asset or liabilities that are not based on observable market data.

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their carrying amounts shown in the statements of financial position.

	<b>Level 1 RM'000</b>	<b>Level 2 RM'000</b>	<b>Level 3 RM'000</b>	<b>Total fair value RM'000</b>	<b>Carrying amount RM'000</b>
<b>30 September 2024</b>					
<b>Financial liabilities</b>					
Hire-purchase liabilities	-	-	1,033	1,033	985
<b>31 March 2024</b>					
<b>Financial liabilities</b>					
Hire-purchase liabilities	-	-	1,874	1,874	1,765