

QUARTERLY REPORT

This is a quarterly report on consolidated results for the period ended 31 March 2024

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2024

	Note	INDIVIDUAL QUARTER			CUMULATIVE		
		CURRENT YEAR QUARTER 31-Mar-24 RM '000	PRECEDING YEAR QUARTER 31-Mar-23 RM '000	Changes (%)	CURRENT YEAR TO DATE 31-Mar-24 RM '000	PRECEDING YEAR TO DATE 31-Mar-23 RM '000	Changes (%)
Revenue		23,663	35,091	-33%	23,663	35,091	-33%
Cost of sale and direct operating expenses		<u>(20,858)</u>	<u>(26,968)</u>		<u>(20,858)</u>	<u>(26,968)</u>	
Gross profit		2,805	8,123	-65%	2,805	8,123	-65%
Other operating (expense)/income, net		(231)	705		(231)	705	
Unrealised foreign exchange loss		(3,570)	(1,049)		(3,570)	(1,049)	
Administrative expenses		<u>(745)</u>	<u>(1,809)</u>		<u>(745)</u>	<u>(1,809)</u>	
		(1,741)	5,970		(1,741)	5,970	
Interest expense on bank borrowings		(15)	(15)		(15)	(15)	
Interest expense on lease liabilities		<u>(8)</u>	<u>(344)</u>		<u>(8)</u>	<u>(344)</u>	
(Loss)/Profit before tax	B5	(1,764)	5,611	-131%	(1,764)	5,611	-131%
Income tax expense	B6	<u>(705)</u>	<u>(257)</u>		<u>(705)</u>	<u>(257)</u>	
(Loss)/Profit for the period		<u><u>(2,469)</u></u>	<u><u>5,354</u></u>	<u><u>-146%</u></u>	<u><u>(2,469)</u></u>	<u><u>5,354</u></u>	<u><u>-146%</u></u>
Attributable to:							
Equity holders of the parent		(1,814)	5,354		(1,814)	5,354	
Non-controlling interest		<u>(655)</u>	-		<u>(655)</u>	-	
		<u><u>(2,469)</u></u>	<u><u>5,354</u></u>		<u><u>(2,469)</u></u>	<u><u>5,354</u></u>	
(Loss)/Earnings per share (sen)							
- Basic	B13	(0.18)	0.54		(0.18)	0.54	

**QUARTERLY REPORT**

This is a quarterly report on consolidated results for the period ended 31 March 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE PERIOD ENDED 31 MARCH 2024**

	INDIVIDUAL QUARTER		CUMULATIVE	
	CURRENT YEAR QUARTER 31-Mar-24 RM '000	PRECEDING YEAR QUARTER 31-Mar-23 RM '000	CURRENT YEAR TO DATE 31-Mar-24 RM '000	PRECEDING YEAR TO DATE 31-Mar-23 RM '000
(Loss)/Profit for the period	(2,469)	5,354	(2,469)	5,354
Other comprehensive income:				
<u>Items that will be reclassified to profit or loss</u>				
Currency translation differences	12,752	6,531	12,752	6,531
Total comprehensive income for the period	<u>10,283</u>	<u>11,885</u>	<u>10,283</u>	<u>11,885</u>
Total comprehensive income attributable to:				
Equity holders of the parent	10,938	11,885	10,938	11,885
Non-controlling interest	<u>(655)</u>	-	<u>(655)</u>	-
Equity holders of the parent	<u>10,283</u>	<u>11,885</u>	<u>10,283</u>	<u>11,885</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

		UNAUDITED	AUDITED
		AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
	Note	31-Mar-24 RM '000	31-Dec-23 RM '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets		122	134
Goodwill		60,192	60,192
Property, plant and equipment		278,409	119,711
Investment properties		5,680	5,544
Right-of-use assets		568	644
		<u>344,971</u>	<u>186,225</u>
<b>Current assets</b>			
Inventories		6,751	7,937
Receivables and other current assets		14,794	31,561
Contract assets		77	-
Short term deposits		95,740	165,549
Cash and bank balances		149,461	145,657
		<u>266,823</u>	<u>350,704</u>
<b>TOTAL ASSETS</b>		<u><u>611,794</u></u>	<u><u>536,929</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		63,791	63,791
Foreign currency translation reserve		72,706	59,954
Retained earnings		<u>396,749</u>	<u>398,563</u>
		533,246	522,308
Non-controlling interest		3,345	-
<b>Total equity</b>		<u>536,591</u>	<u>522,308</u>
<b>Non-current liabilities</b>			
Borrowings	B8	566	615
Lease liabilities	B9	237	309
Deferred tax liabilities		39	39
		<u>842</u>	<u>963</u>
<b>Current liabilities</b>			
Payables and other current liabilities		73,632	10,318
Contract liabilities		-	2,330
Borrowings	B8	191	187
Lease liabilities	B9	300	322
Provision for taxation		238	501
		<u>74,361</u>	<u>13,658</u>
<b>Total liabilities</b>		<u>75,203</u>	<u>14,621</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>611,794</u></u>	<u><u>536,929</u></u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2024

	Attributable to Equity Holders of the Parent					
	Non-distributable			Total RM '000	Non- controlling interest RM '000	Total equity RM '000
	Share capital RM '000	Foreign currency translation reserve RM '000	Retained earnings RM '000			
<b><u>3 MONTHS ENDED 31 MARCH 2023</u></b>						
<b>At 1 January 2023</b>	338,791	67,511	80,750	487,052	-	487,052
Total comprehensive income for the period	-	6,531	5,354	11,885	-	11,885
<b>At 31 March 2023</b>	<u>338,791</u>	<u>74,042</u>	<u>86,104</u>	<u>498,937</u>	<u>-</u>	<u>498,937</u>
<b><u>3 MONTHS ENDED 31 MARCH 2024</u></b>						
<b>At 1 January 2024</b>	63,791	59,954	398,563	522,308	-	522,308
Total comprehensive income/(loss) for the period	-	12,752	(1,814)	10,938	(655)	10,283
Changes in ownership interests in a subsidiary	-	-	-	-	4,000	4,000
<b>At 31 March 2024</b>	<u>63,791</u>	<u>72,706</u>	<u>396,749</u>	<u>533,246</u>	<u>3,345</u>	<u>536,591</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2024

	CUMULATIVE	
	CURRENT YEAR 31-Mar-24 RM '000	PRECEDING YEAR 31-Mar-23 RM '000
<b>Cash Flow From Operating Activities</b>		
Profit before tax	(1,764)	5,611
Adjustments for:		
Depreciation & amortisation	1,569	9,030
Unrealised foreign exchange loss	3,570	1,049
Interest income	(2,920)	(1,832)
Interest costs	23	359
Operating profit before working capital changes	478	14,217
Working capital changes:		
Consumable stores and inventories	1,308	1,007
Receivables and other current assets	16,360	(861)
Contract assets	519	463
Payables and other liabilities	331	(2,379)
Contract liabilities	(2,330)	(555)
Cash generated from operating activities	16,666	11,892
Tax paid, net of tax refund	(782)	(270)
Net cash generated from operating activities	15,884	11,622
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(156,753)	(3)
Interest received	2,920	1,832
Proceeds from disposal of property, plant and equipment	-	14
Subscription of subsidiary's share capital by non-controlling interest	4,000	-
Acquisition of a subsidiary, net of cash acquired	-	(63,433)
Net cash used in investing activities	(149,833)	(61,590)
<b>Cash Flows From Financing Activities</b>		
Dividends paid to shareholders	-	(100,000)
Interest paid	(23)	(423)
Repayment of borrowings	(45)	(43)
Payment of principal portion of lease liabilities	(94)	(10,272)
Advance from non-controlling interest	62,740	-
Net cash generated from/(used in) financing activities	62,578	(110,738)
<b>Net change in cash and cash equivalents</b>	(71,371)	(160,706)
<b>Effects of foreign exchange rate changes</b>	5,366	3,529
<b>Cash and cash equivalents at the beginning of the period</b>	311,206	379,299
<b>Cash and cash equivalents at the end of the period</b>	245,201	222,122
Cash and cash equivalents comprise:		
Short term deposits	95,740	193,571
Cash and bank balances	149,461	28,551
	245,201	222,122

**NOTES TO THE FINANCIAL REPORT**

**A1. BASIS OF PREPARATION**

The interim financial statements have been prepared under the historical cost basis, except for investment securities and derivative financial instruments which are stated at fair value.

The interim financial statements are unaudited and have been prepared in accordance with the MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. This interim financial report also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. This interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023.

The significant accounting policies and methods of computation adopted in the preparation of this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2023, except for the adoption of the following amendments to Malaysian Financial Reporting Standards ("MFRS"):

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 16: Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 Leases)	1 January 2024
MFRS 101: Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2024
MFRS 101: Presentation of Financial Statements - Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2024
MFRS 107: Statement of Cash Flows and Financial Instruments: Disclosure - Supplier Finance Arrangements (Amendment to MFRS 107)	1 January 2024

The adoption of these amendments to MFRSs did not result in significant changes in the accounting policies of the Group and had no significant effect on the financial performance or position of the Group.

**Standards and Amendments in Issue But Not Yet Effective**

At the date of authorisation for issue of these financial statements, the new MFRS and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group are as listed below:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 121 The Effects of Changes in Foreign Exchange Rates - <i>Lack of Exchangeability</i> (Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates)	1 January 2025
MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> (Amendments to MFRS 10 and MFRS 128)	Deferred

The Directors expect that the adoption of the above standards, amendments and interpretations will have no material impact on the financial statements in the period of initial applications.

**A2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

The financial statements for the year ended 31 December 2023 were not qualified.

**A3. SEASONAL OR CYCLICAL FACTORS**

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

**A4. NATURE AND AMOUNT OF UNUSUAL ITEMS**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter.

**A5. CHANGES IN ESTIMATES**

There were no changes to the estimates of amounts reported in prior financial years that may have a material effect in the current quarter.

**A6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation or shares held as treasury shares and resale of treasury shares for the current quarter.

**A7. DIVIDENDS PAID**

No dividend has been paid for the current quarter ended 31 March 2024.

**A8. SEGMENT REPORT**

For management purposes, the Group's operating businesses are organised according to products and services, namely ship owning and ship operating of bulk carriers ("Shipping Bulkers"), shelving & storage solution, warehousing and Investment holding and others segments. Inter-segment transactions and pricing arrangements, where applicable, are determined on a commercial basis. The results by segments for the current, preceding and last year same quarter are as follows:

Segmental reporting for the financial year-to-date is as below:

	Shipping Bulkers RM '000	Shelving & storage solution RM '000	Warehousing RM '000	Investment holding & others RM '000	Elimination RM '000	Group RM '000
<b>3 months ended 31 March 2024</b>						
Revenue						
Group	10,846	12,817	-	204	(204)	23,663
Inter-segment	-	-	-	(204)	204	-
External revenue	<u>10,846</u>	<u>12,817</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,663</u>
Results						
Segment results	2,063	1,759	(1,689)	(5,225)	-	(3,092)
Depreciation & amortisation	(1,412)	(107)	-	(50)	-	(1,569)
Interest income	1,701	50	52	1,145	(28)	2,920
Interest costs	-	(51)	-	-	28	(23)
Taxation	(224)	(300)	-	(181)	-	(705)
Profit/(loss) for the period	<u>2,128</u>	<u>1,351</u>	<u>(1,637)</u>	<u>(4,311)</u>	<u>-</u>	<u>(2,469)</u>
Segment assets	<u>252,808</u>	<u>21,538</u>	<u>102,503</u>	<u>822,372</u>	<u>(587,427)</u>	<u>611,794</u>
Segment liabilities	<u>561,486</u>	<u>4,058</u>	<u>94,184</u>	<u>2,902</u>	<u>(587,427)</u>	<u>75,203</u>
Other information						
Addition of property, plant and equipment	<u>-</u>	<u>3</u>	<u>156,750</u>	<u>-</u>	<u>-</u>	<u>156,753</u>
<b>3 months ended 31 March 2023</b>						
Revenue						
Group	24,489	10,602	-	190	(190)	35,091
Inter-segment	-	-	-	(190)	190	-
External revenue	<u>24,489</u>	<u>10,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,091</u>
Results						
Segment results	16,693	1,617	-	(5,142)	-	13,168
Depreciation & amortisation	(8,975)	(45)	-	(10)	-	(9,030)
Interest income	339	12	-	1,481	-	1,832
Interest costs	(343)	(16)	-	-	-	(359)
Taxation	(28)	(200)	-	(29)	-	(257)
Profit/(loss) for the period	<u>7,686</u>	<u>1,368</u>	<u>-</u>	<u>(3,700)</u>	<u>-</u>	<u>5,354</u>
Segment assets	<u>311,758</u>	<u>21,700</u>	<u>-</u>	<u>846,998</u>	<u>(628,306)</u>	<u>552,150</u>
Segment liabilities	<u>619,135</u>	<u>10,450</u>	<u>-</u>	<u>51,920</u>	<u>(628,290)</u>	<u>53,215</u>
Other information						
Addition of property, plant and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>-</u>	<u>3</u>

**A9. VALUATION OF SHIPS, PROPERTY AND EQUIPMENT**

The property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

**A10. SIGNIFICANT AND SUBSEQUENT EVENTS**

(a) On 27 March 2024, the Company proposed to undertake the following:

- i. Proposed share buy-back authority of up to 10% of the total number of issued shares of the Company ("Proposed Share Buy-Back Authority"); and
- ii. Proposed exemption under subparagraph 4.15(1) of the Rules on Take-Overs, Mergers and Compulsory Acquisition issued by the Securities Commission Malaysia ("SC") to Dato' Goh Cheng Huat and person(s) acting in concert with him from the obligation to undertake a mandatory take-over offer for all the remaining ordinary shares in the Company not already owned by them arising from the purchase by the Company of its own shares pursuant to the Proposed Share Buy-Back Authority ("Proposed Exemption").

Collectively referred to as the "Proposals".

The Proposals are subject to the following approvals being obtained:

- i. the shareholders of the Company for the Proposals at the forthcoming Extraordinary General Meeting to be convened;
- ii. the SC for the Proposed Exemption.

**A11. CHANGES IN THE COMPOSITION OF THE GROUP**

On 8 January 2024 the Company subscribed for 59,999 new ordinary shares in a subsidiary, MBC Logistic Hub Sdn Bhd. ("MBCLH") while Golden Valley Ventures Sdn. Bhd., a Company in which Dato' Goh Cheng Huat has substantial financial interest subscribed for 40,000 new ordinary shares in MBCLH. Consequently, MBCLH became a 60%-owned subsidiary of the Company.

**A12. CONTINGENT LIABILITIES**

There were no contingent liabilities since 31 December 2023 to the date of this report.

**A13. CAPITAL COMMITMENTS**

	RM '000
Authorised and contracted for:	
- Vacant freehold industrial land	<u>8,250</u>
Authorised but not contracted for:	
- Estimated gross development cost of freehold industrial land	<u>163,163</u>

**A14. RELATED PARTY TRANSACTIONS**

Companies in which certain directors or directors of a subsidiary are deemed to have substantial financial interests:

	Current financial year-to-date RM'000
<u>Expenditure incurred:</u>	
Purchase of steel product	10,072
Rental of office and warehouse	63
Shared services cost	<u>52</u>
<u>Purchase of property, plant and equipment:</u>	
Purchase of an industrial land	<u>156,750</u>

All related party transactions had been entered into in the normal course of business and on commercial terms.

**B1. REVIEW OF PERFORMANCE**

The Group reported lower revenue of RM23.663 million (Q1 2023: RM35.091 million) and lower gross profit of RM2.805 million (Q1 2023: RM8.123 million).

Revenue from Shipping Bulkers segment declined from RM24.489 million in Q1 2023 to RM10.846 million in Q1 2024 mainly due to lower hire days in Q1 2024 on account of a smaller fleet size and a 22% decrease in average charter rates compared to Q1 2023.

Revenue contributed by Shelving & Storage Solution segment increased from RM10.602 million in Q1 2023 to RM12.817 million in Q1 2024, while gross profit increased from RM2.012 million in Q1 2023 to RM2.305 million in Q1 2024.

Expenses incurred for Warehousing segment mainly being stamp duty fee of RM1.375 million for a loan facility obtained to finance the acquisition of an industrial land and development costs of warehouse on the said land.

The Group incurred unrealised foreign exchange losses of RM3.570 million (Q1 2023: foreign exchange loss of RM 1.049 million) mainly arising from the translation of Ringgit denominated cash balances to USD which is the functional currency of the Group following the weakening of Ringgit against USD during the period.

After taking into consideration results attributable for non-controlling interest, the Group reported a loss for the period of RM2.469 million in Q1 2024 compared to a profit of RM5.354 million in Q1 2023.



**B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS**

	<b>Individual Quarter</b>		Variance RM '000	Variance %
	Q1 FY2024 RM '000	Q4 FY2023 RM '000		
Revenue	23,663	26,962	(3,299)	-12%
Cost of sales and voyage expenses	<u>(20,858)</u>	<u>(22,482)</u>	<u>1,624</u>	
<b>Gross profit</b>	<b>2,805</b>	<b>4,480</b>	<b>(1,675)</b>	-37%
Gain on disposal of property, plant and equipment	0	25,342	(25,342)	
Gain on liquidation of subsidiaries	0	9,941	(9,941)	
	2,805	39,763	(36,958)	
Other operating income, net	(231)	5,328	(5,559)	
Administrative expenses	<u>(4,315)</u>	<u>(2,810)</u>	<u>(1,505)</u>	
	(1,741)	42,281	(44,022)	
Interest expense on bank borrowings	(15)	(15)	0	
Interest expense on lease liabilities	(8)	(10)	2	
(Loss)/profit before taxation	<u>(1,764)</u>	<u>42,256</u>	<u>(44,020)</u>	-104%
Income tax expense	<u>(705)</u>	<u>(1,421)</u>	<u>716</u>	
(Loss)/profit for the period	<u>(2,469)</u>	<u>40,835</u>	<u>(43,304)</u>	-106%
<u>Attributable to:</u>				
Equity holders of the parent	(1,814)	40,835	(42,649)	-104%
Non-controlling interest	<u>(655)</u>	<u>-</u>	<u>(655)</u>	*
	<u>(2,469)</u>	<u>40,835</u>	<u>(43,304)</u>	-106%

Revenue and gross profit for the Group in Q1 2024 was RM23.663 million and RM2.805 million, a decrease of RM3.299 million and RM1.675 million respectively compared to Q4 2023's revenue of RM26.962 million and gross profit of RM4.480 million.

Revenue contribution from Shipping Bulkers Segment increased from RM9.703 million in Q4 2023 to RM10.846 million in Q1 2024 due to increase of charter rates (Q1 2024: USD13,492/day vs Q4 2023: USD11,756/day).

Revenue and gross profit contributed by Shelving & Storage Solution Segment decreased by 26% and 41% respectively. Revenue decreased from RM17.259 million in Q4 2023 to RM12.817 million in Q1 2024, while gross profit decreased from RM3.884 million in Q4 2023 to RM2.305 million in Q1 2024. Decrease in sales was mainly due to festival season in Q1 2024. In shelving business, it is a norm that sales in first half of the year will be slower than second half of the year.

In Q1 2024, the Group recorded an unrealised loss of RM3.570 million (Q4 2023: unrealised gain of RM1.512 million) arising from the translation of Ringgit denominated cash balances to USD which is the functional currency as Ringgit weakened during the period.

The Group reported a loss before tax of RM1.764 million in Q1 2024, compared to the profit before tax of RM42.256 million reported in Q4 2023.

Q4 2023 result includes gain on disposal of RM25.342 million arising from the disposal of a vessel and gains on liquidation of subsidiaries of RM9.941 million arising from the transfer of cumulative foreign exchange differences relating to these entities from equity to income statement upon liquidation. Excluding these gains, the Group reported a decrease in profit/loss before tax of RM8.737 million, from RM6.973 million profit in Q4 2023 to a loss of RM1.764 million in Q1 2024.

**B3. PROSPECTS****a) Shipping Bulkers Segment**

Revenue and profit from the shipping bulkers segment is expected to be stable throughout the year 2024 as the only remaining vessel, Alam Kuasa, is under long-term contract at fixed contracted rate subject to bunker price adjustments and will not be affected by open market charter rate volatility. However, the results of the coming quarter will be affected by dry docking of the vessel for scheduled maintenance.

**b) Shelving and Storage Solutions Segment**

Local demand for shelving and storage solution in the industrial sector is expected to remain slow in Q2 2024 and expected to pick up in second half of 2024. The Group is currently exploring export opportunity for its products.

The Group is facing competition from foreign competitors on e-commerce platform for some of its products. To counter this, the Group plans to expand its product range and to enhance its competitiveness in the market.

**c) Warehousing Segment**

No revenue is expected from the warehouse segment which will be in the pre-operating and construction phase in 2024. While financing cost will be capitalised during the construction phase, the 2024 results will be affected by loan documentation fee and pre-operating expenses incurred.

**B4. VARIANCE OF PROFIT FORECAST AND PROFIT GUARANTEE**

There were no profit forecast or profit guarantee for the period under review.

**B5. NOTES TO CONDENSED CONSOLIDATED INCOME STATEMENT**

	Current quarter RM'000	Preceding quarter RM'000	Current financial year-to-date RM'000	Preceding financial year-to-date RM'000
Interest income	2,920	1,832	2,920	1,832
Amortisation of intangible assets	(1,569)	(9,030)	(1,569)	(9,030)
Depreciation on owned assets	-	-	-	-
Depreciation on right-of-use assets	-	-	-	-
Stamp duty for obtaining a loan facility	(1,375)	-	(1,375)	-
Unrealised exchange loss	(3,570)	(1,049)	(3,570)	(1,049)

**B6. TAXATION**

	Current quarter RM'000	Preceding quarter RM'000	Current financial year-to-date RM'000	Preceding financial year-to-date RM'000
Income tax charge				
-current period	701	246	701	246
-prior year	4	11	4	11
	<u>705</u>	<u>257</u>	<u>705</u>	<u>257</u>

The shipping income of the Group that is derived from the operations of sea-going Malaysian registered ships and Singapore registered ships is tax exempt under Income Tax (Exemption) (No.7) Order 2022 and Section 13A of the Singapore Income Tax Act respectively. The income tax expense for the Group is attributable to tax in respect of non-tax exempt activities of the Group, mainly from shelving and storage solution segment.

**B7. STATUS OF CORPORATE PROPOSALS**

On 24 January 2024, the Group, through its 60% owed subsidiary, MBCLH, had completed the purchase of an industrial land by paying RM156.750 million to the vendor, Kapar Land Sdn Bhd, save for 5% retention sum to be paid within three business day upon fulfilment of the vendor's upgrading works pursuant to the Sales and Purchase Agreement.

Except as disclosed above and in Note A10, there was no other corporate proposal announced but not completed at the date of this report.

**B8. BORROWINGS**

The Group's borrowings are as follows:

Currency	Non-current	As at 31-Mar-24 RM '000	As at 31-Dec-23 RM '000
RM	Secured	<u>566</u>	<u>615</u>
Currency	Current		
RM	Secured	<u>191</u>	<u>187</u>

Borrowings are subject to fixed interest rate of 4% p.a.

**B9. LEASE LIABILITIES**

The Group's lease liabilities are as follows:

Currency	Non-current	As at 31-Mar-24 RM '000	As at 31-Dec-23 RM '000
RM	Secured	125	142
	Unsecured	112	167
		<u>237</u>	<u>309</u>
Currency	Current		
RM	Secured	87	94
	Unsecured	213	228
		<u>300</u>	<u>322</u>

Lease liabilities mainly represent future obligations to make lease payments for the right to use of motor vehicles and warehouse rental.

**B10. UTILISATION OF PROCEEDS RAISED FROM DISPOSAL OF ALAM KEKAL**

The disposal of Alam Kekal was completed on 16 October 2023 and the status of utilisation of proceeds raised from the exercise as at 31 March 2024 is as follows:

<u>Purpose</u>	<u>Proposed Utilisation RM Mil</u>	<u>Actual Utilisation RM Mil</u>	<u>Balance RM Mil</u>	<u>Intended Timeframe for Utilisation <sup>(1)</sup></u>	<u>Deviation RM Mil</u>	<u>%</u>
(i) Future business expansion	122.5	(94.0)	28.5	Within 24 months	-	0%
(ii) Working capital	12.3	(12.3)	-	Within 12 months	-	0%
(iii) Estimated expenses for the disposal of Alam Kekal	2.8	(2.8)	-	Immediate	-	0%
Total	<u>137.6</u>	<u>(109.1)</u>	<u>28.5</u>		<u>-</u>	

Note:

<sup>(1)</sup> The intended timeframe for utilisation is from the date of completion of the disposal.

**B11. MATERIAL LITIGATION**

The Group does not have any material litigation which would materially and adversely affect the financial position of the Group.

**B12. DIVIDENDS**

The Directors do not recommend any dividend for the current financial quarter ended 31 March 2024.

**B13. EARNINGS PER SHARE**

The basic earnings per share of the Group is calculated by dividing the profit attributable to equity holders of the parent by the number of ordinary shares in issue.

	CURRENT YEAR QUARTER 31-Mar-24	PRECEDING YEAR QUARTER 31-Mar-23	CURRENT YEAR TO DATE 31-Mar-24	PRECEDING YEAR TO DATE 31-Mar-23
Profit/(Loss) attributable to equity holders of the parent (RM'000)	(1,814)	5,354	(1,814)	5,354
Number of ordinary shares in issue ('000)	1,000,000	1,000,000	1,000,000	1,000,000
Earnings/(Loss) per share attributable to equity holders of the parent (sen)	<u>(0.18)</u>	<u>0.54</u>	<u>(0.18)</u>	<u>0.54</u>